Vehicle Mileage Fees
Update on Research Initiatives

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Context for Change

- TRB Analysis: fuel consumption ↓ 20% by 2025
- Fuel taxes problematic as a long-term funding source
  - Fuel taxes are primary source of state transportation funding
  - Fuel consumption is declining
  - The fuel tax will become a less sustainable and less equitable proxy fee for road use into the future
- Is there a better alternative?
Context for Change

- Vehicle mileage fees considered a more sustainable and equitable approach
  - Reflects actual use
  - Not affected by increases in fuel efficiency
- Represents a significant change over current system
- Research and testing underway at state and national levels to explore mileage fee applications
Research and Testing:
- I-95 Corridor Coalition
- Nevada DOT Pilot Test
- Colorado DOT Pilot Project Development
- Minnesota DOT Road Fee Test

Proposed Implementation:
- Oregon HB 2328
National Level Research

- University of Iowa, National Evaluation of Mileage-Based Road User Fee
- USDOT Exploratory Research on Technology Options for Collection of Road User Fees
TxDOT Exploratory Study Findings

- Are mileage fees right for Texans?
  - Not now. Texans say we need to fix the current system first
  - Public unclear about how transportation funding works in Texas, and doesn’t recognize a problem
  - Texans have concerns with privacy, administration and enforcement of mileage fees that will need to be addressed

- The need for a solution
  - Fuel tax alone won’t sustain Texas transportation
  - A more direct user-fee approach should be considered; electric vehicles are a logical starting point
  - Legislative action will be needed to pursue public education and address policy questions
Potential Course of Action

- **Demonstration: Implementation on Electric Vehicles (EV)**
  - Can public concerns be addressed?
  - What are the outstanding policy questions?
    - Mileage rate?
    - Replacement or supplement?

- **HB 1669**
  - Filed version consistent with research recommendations
  - Substitute versions drafted
  - Status: passed out of committee 4/27