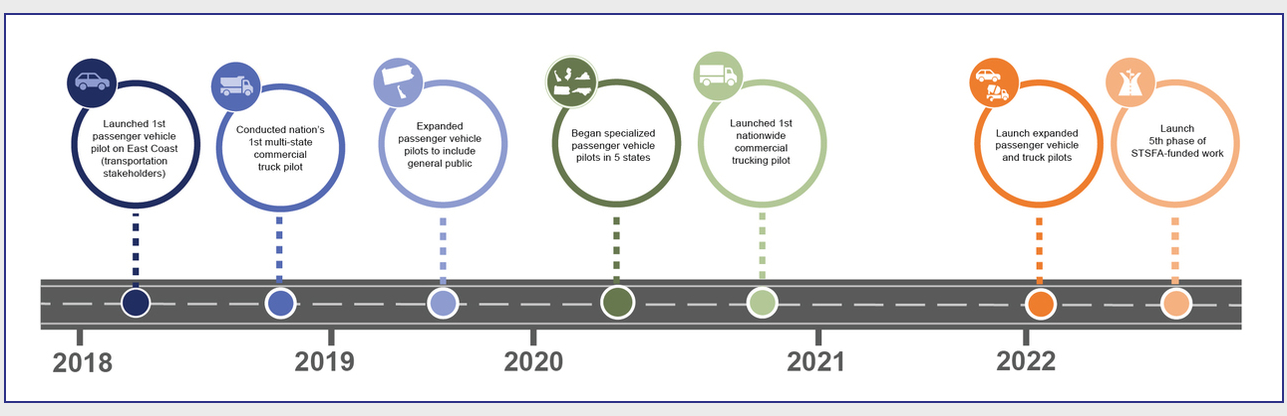
March 2022 TETC MBUF Newsletter

Connecting for Solutions

Introducing Our Quarterly MBUF Newsletter

The connection between how much a driver uses the road and how much they pay for it is broken. As vehicles become more fuel efficient, they contribute less revenue to build and maintain roads, yet continue to contribute to wear and tear as well as congestion.

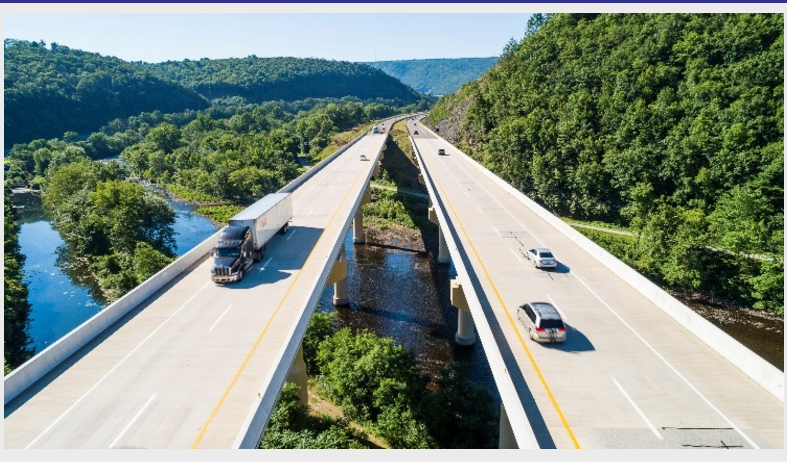
Since 2018, the Coalition has researched how to restore the link between road use and payment by exploring a distanced-based approach to transportation funding known as a mileage-based user fee (MBUF).



This quarterly newsletter is designed to share findings from our MBUF work, dispel myths about MBUF, and provide updates on MBUF news across the country. In this, our first newsletter, you can see insights from our latest work, understand how MBUF may affect rural drivers, and see how the MBUF approach is being explored across the country.

Connecting for Solutions

Our Latest Report Explores MBUF's Effect on All Users



A transportation funding solution must address all road users and understand the unique complexities of each. That's why our 2020-2021 MBUF Work explored the impact of MBUF on both commercial and passenger vehicles and took on the biggest concerns related to an MBUF approach: privacy, rural drivers, and the trucking industry.

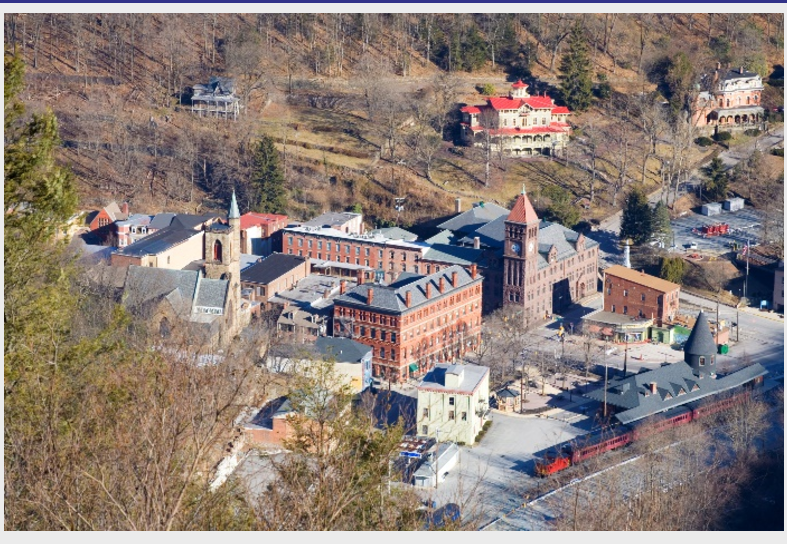
The recently-released report on our 2020-2021 MBUF Work includes findings from our National Truck Pilot (the nation's first), the 2020-2021 State Passenger Vehicle Pilot, the Tolling Entity-Led Pilot, public opinion surveys, and our Geographic Equity Analysis. Our five key findings from this work include:

1. Understanding the Complexity of the User Matters
2. Real-World Pilots Reduce Privacy Concerns
3. Leveraging Technology Creates Solutions
4. A Tiered Rate Based on MPG Doesn't Work
5. Customized Outreach Needed to Move MBUF Forward

Read more about our work in our newsroom, the latest press releases, or the fact sheet that highlights this work and our key findings.

Just the Facts: Busting Myths About MBUF

Rural Drivers and MBUF



A common misconception is that the MBUF model would harm rural drivers because they tend to drive longer distances than their urban counterparts. However, our Geographic Equity Analysis found that when compared to the fuel tax, an MBUF approach (using a revenue-neutral per-mile rate) may ***save*** rural drivers money since they tend to drive less fuel-efficient vehicles. In fact, a shift to MBUF is estimated to change household expenses, regardless of geography, by only about $1.50 a month. To learn more about how MBUF affects rural drivers, check out our fact sheet or read Section 6 of the report on our 2020-2021 MBUF Work.

Coming Soon: Member Spotlights

Later this year, we'll highlight the work our member states are doing in the MBUF space. Our May newsletter will spotlight Vermont's recent Electric Vehicle Road Usage Charge Study, while our August newsletter will spotlight Virginia's Mileage Choice program. Stay tuned!

MBUF Across the Country

Feds and States Continue Exploration of MBUF Approach

- **Infrastructure Investment and Jobs Act continues exploration of MBUF**
  - Section 13001 provides additional funding for exploration of alternative revenue mechanisms.
  - Section 13002 establishes funding for a national MBUF pilot
  - Read the legislation here.
- **U.S. Government Accountability Office releases report evaluating grant program that funds Coalition MBUF work and other state studies on alternative revenue mechanisms**
- **Washington proposes bill (HB 2026) for road usage charge program**
- **Oregon DOT seeks vendor for developing connected vehicle ecosystem**
- **Utah video offers example of how to close the public knowledge gap through effective storytelling about transportation funding needs.**

Questions or Comments:

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