



TETC MBUF Newsletter - October 2022

MILEAGE-BASED USER FEE EXPLORATION

Connecting for Solutions Update on Passenger and Truck Vehicle Pilots



As we enter the fall, our mileage-based user fee (MBUF) pilots are well underway! We are receiving important feedback from our enrolled participants about their thoughts on the MBUF experience. These efforts are one component of the Coalition's fourth phase of Surface Transportation System Funding Alternatives Program (STSFAP) MBUF work, and as the program progresses, we continue to gain valuable insights. Check out our recently published [July 2022 Fact Sheet](#) for a quick overview of our MBUF work and 10 key lessons needed for implementation.

We are currently running pilots for both passenger cars and trucks

The **passenger vehicle pilots** in North Carolina and New Jersey are focused on bringing the perspectives of the general public (what they like and what they don't like about MBUF) to policymakers. As of the end of September, there are 1342 passenger vehicles enrolled in the pilot. We exceeded our recruitment goals in both states indicating a growing interest in this potential future approach to funding transportation.

The 2022 international truck pilot is focused on three key goals: 1) to explore the concept of MBUF among an increasingly diverse fleet of trucks, 2) to expand the range of pilots, and 3) to assess rate-setting approaches. Participants include 250+ commercial trucks with a gross vehicle weight ranging from 10,001 lbs to 80,000+ lbs, with both diesel- and gasoline-powered vehicles. These include long haul, drayage, and other fleet movements. Trucks are

traveling to over 49 states (including Alaska) and internationally across Canadian provinces.

There is a flurry of activity within our Coalition boundaries and across the nation about MBUF at the moment as attention about how we fund roads keeps increasing. Keep reading this newsletter to learn more about the conversation around MBUF!

Just the Facts: Busting Myths About MBUF Cross-State Travel

As we explore MBUF as an alternative to the fuel tax, we must take cross-state travel into consideration. Out-of-state mileage accounts for a significant amount of travel in the Eastern U.S. It is imperative to capture out-of-state driver road usage in this region due to the magnitude of travelers crossing state lines.



A common myth that we hear is that out-of-state drivers don't pay for their road usage with an MBUF system. Research actually shows that **MBUF may be one of the best ways to account for cross-state travel.**

About 13% of the 1.9 million miles traveled in our 2020-2021 passenger vehicle pilots were accrued out of state. We were able to track these numbers in a few ways. First, participants were given the option to choose how they report their miles. For those who chose plug-in mileage reporting devices that use GPS, we were able to determine how many miles were traveled inside and outside of participants' resident state and therefore assign miles to the correct state. For approaches with non-location capability, in-state and out-of-state mileage was estimated using various data sources like the U.S. Census.

These conclusions and other findings are summarized in our recently published Phase 3 report.

[Read About the Coalition's Major MBUF Findings](#)

Member Spotlight: Virginia Message Testing Campaign



In 2022, the Coalition conducted a message testing campaign in Virginia in partnership with the Virginia Department of Transportation, Virginia DMV, and Signal Group. Lasting from April 25, 2022 to June 30, 2022, this campaign evaluated potential messaging for prospective participants in Virginia's voluntary [Mileage Choice Program](#), their new MBUF initiative for drivers of vehicles with a high average gas mileage.

The goal was to test the effectiveness of communication around four themes for Virginia's Mileage Choice Program:

1. Saving money
2. Being part of an innovative and technology-forward payment option
3. Contributing to Virginia's road maintenance and improvement needs
4. Appealing to drivers' ability to help the environment and roadways at the same time.

The campaign achieved 7.5 million views; an above-average result for this type of effort. Additionally, after the July 4 holiday weekend, the Virginia DMV reported a 10-15% increase over expected registrations in the new Mileage Choice Program. The four messages tested were equally successful indicating that there is a range of approaches to engaging the public in MBUF. Virginia's work and success with this campaign will be valuable to help inform other states when launching MBUF programs in the coming years.

We're looking forward to sharing the strategies and results of this effort in more detail in our final Phase 4 report, to be released in early 2023.

MBUF Across the Country:

The Coalition in the news, plus how states and feds are dealing with carbon emissions and higher fuel prices



Education and outreach are key to a better understanding of MBUF – for the public and with key stakeholders. The Coalition staff and members have been presenting at conferences all over the country to inform policymakers and key stakeholders about the important MBUF work being conducted. Coalition staff have also been invited as guest speakers on podcasts and have been called on as subject matter experts in local and national news publications.

Here are a few recent articles:

- July 4, 2022 – [“By the gallon or by the mile: Driver volunteers wanted for study of a new way to pay for road maintenance”](#) (WRAL news and WCNC news, North Carolina)
- July 8, 2022 – [“Funding road projects: Mileage-based user fee explored as a possible alternative to the fuel tax”](#) (ABC13, North Carolina)
- July 19, 2022 – [“Drivers, get ready for a mileage-based user fee”](#) (Town Square Live – Delaware)
- August 10, 2022 – [“Pilot study explores replacing fuel taxes with fees based on miles driven”](#) (New Jersey Business and Industry Association)
- August 12, 2022 – [“New Jersey seeks volunteers for mileage-based program”](#) (AASHTO Journal)

Here are a few recent presentations:

- Road User Charge USA Conference, June 13, 2022 (Miami, FL) - Hitting the Road User Charge (RUC) Ground Running: Insights from the Eastern United States
- Sirius Road Dog Radio show with Mark Willis, June 23, 2022 - Coalition MBUF Motor Carrier Pilots: Understanding the Complexities of Trucking in Transportation Funding Alternatives
- National Conference of State Legislatures (NCSL) RUC Conference, June 27, 2022 (Salt Lake City, UT) - Bridging the Knowledge Gap: Explaining the Why and how of MBUF to the Public
- Southern Legislative Conference, July 9, 2022 (Oklahoma City, OK) - The Road Off Taken: Mileage - Based User Fees and the Future of Road Revenues

- Southern Association of State Highway and Transportation Officials (SASHTO) Annual Meeting, August 30, 2022 (Biloxi, MS) - Fuel Taxes are Teetering on the Edge: Is MBUF Our Path to Sustainable Transportation Funding
- American Association of Motor Vehicle Administrators (AAMVA) International Conference, September 13-14, 2022 (Baltimore, MD) - Peer to Peer Roundtables on Mileage-Based User Fees
- Mileage-Based User Fee Alliance Conference, September 13, 2022 (Washington D.C.) - North Carolina's MBUF Pilot Success and Looking Ahead