



Mileage Based User Fees: What They Are & Why We Care

**We need
our roads.**



Roads are how America gets around. Whether it be work, play, groceries, or a doctor's visit, every day we rely on roads to make things happen.

Right now, most funding used to maintain our roads comes from a tax paid on fuel at the pump. But as cars go farther on less fuel and some stop using fuel at all, we will need a different funding approach for our roads.

What is an **MBUF**?

A mileage-based user fee, or MBUF:

- Charges drivers for the number of miles traveled, not on how much fuel is purchased
- Re-creates a link between how much drivers pay and how much they drive

From this...



HOW MUCH FUEL
YOU USE

To this...



HOW MANY MILES
YOU DRIVE

Who we are.

The Eastern Transportation Coalition is a partnership of 18 Eastern U.S. states and Washington, D.C. working to address transportation challenges.

We equip policymakers with information from real-world MBUF pilots, public opinion surveys, focus groups, and data analysis, so they can make informed decisions about transportation funding.

We bring an Eastern U.S. perspective to the national MBUF conversation because our region is unique.

Significant
cross-state
travel



Numerous
toll
facilities



60+

Major
truck
corridor



Virginia has a
live MBUF
program



Our work.

12 Passenger Vehicle Pilots*

3,015+

Passenger
Vehicles

14

States Represented
Among Participants

3,500

Public Opinion
Survey Respondents

- ✓ Participant Surveys & Focus Groups
- ✓ Geographic Equity Analysis
- ✓ Tolling, Congestion Mitigation & Rate-Setting Tests

3 Commercial Vehicle Pilots

500+

Commercial Trucks

19M

Miles Traveled

49

States Traveled +
Canada

- ✓ Participant Surveys & Interviews
- ✓ Motor Carrier Working Group
- ✓ Rate-Setting Tests

Learn more: www.tetcoalitionmbuf.org

* Passenger Vehicle Pilot States: Delaware, New Jersey, North Carolina, Pennsylvania, Connecticut

Here's a quick rundown of The Eastern Transportation Coalition's major MBUF findings:

1

When talking to the public about MBUF, start the conversation by talking about values.

The public doesn't view transportation funding as urgent and thinks funding is stable. To close this knowledge gap, link MBUF to things the public values – like road safety and a well-maintained system – while keeping the message simple.

2

For drivers, choice is key.

Providing drivers with options for how they report miles driven is key. Offering high tech, low tech, and no tech options allows drivers to choose the mileage reporting option that's best for them.

3

The public is growing more comfortable with GPS-enabled technology.

As phones and cars advance, the public is becoming more comfortable with GPS-enabled technology, which may make them more open to location-based MBUF tech. In our 2020-2021 passenger vehicle pilot, 83% of participants in Delaware, New Jersey, North Carolina, and Pennsylvania chose GPS-based mileage reporting, and 89% of those participants reported satisfaction with the device they chose.

4

Rural drivers often pay less with MBUF.

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 our 2020-2021 analysis of households in Delaware, New Jersey, North Carolina, and Pennsylvania, we found MBUF would save rural drivers \$9 to \$34 a year.

5

Fairness resonates.

The public cares about fairness. In 2020-2021 statewide public opinion surveys, respondents in Delaware, New Jersey, North Carolina, and Pennsylvania said when compared to the fuel tax, MBUF allows drivers to pay their fair share, is less regressive for older vehicles, and allows fuel-efficient drivers to contribute to transportation funding.

6

Tools that make things personal can ease concerns.

As people experience MBUF, their comfort with the concept grows. To provide greater experience with MBUF, use tools like real-world pilots and MBUF calculators that let people compare their potential MBUF costs with their current fuel tax costs.

7

Leveraging technology creates solutions.

Our work has found that technology creates solutions for tolling, congestion mitigation, and MBUF data collection. Our public opinion surveys have shown that people think the fuel tax is out of date, and our pilot participants have said MBUF technology is innovative and provides a secure, hassle-free way to report distance.

8

Bringing the trucking industry's voice to the table is essential.

As heavy users and payers of the transportation system, the trucking industry will be uniquely affected by a shift to MBUF. A future funding approach should reflect the complex regulatory and operating world of truckers. Including the industry in real-world pilots, working-groups, and customized outreach is key to ensuring truckers' concerns are heard.

9

Electric vehicle owners often support MBUF.

Drivers of electric vehicles (EVs) often support an MBUF approach because they want viable roads, too. A recent AAA survey highlights that people don't purchase EVs to avoid a fuel tax, but rather to have a positive environmental impact. EV owners are volunteering for MBUF programs around the country, indicating their interest in an MBUF approach.

10

An MBUF approach needs to address cross-state travel.

About 13% of the 1.9 million miles traveled in our 2020-2021 passenger vehicle pilots were accrued out of state. Determining how to deal with cross-state travel will be critical, especially for high tourism states. Our work has found that an MBUF approach can account for out of state mileage.