

# Day 1

## Welcome and Introductions

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## Highlights of 2009 Symposium on Mileage-Based User Fees

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### [Findings from the 2009 Symposium on Mileage-Based User Fees](#)

The Texas Transportation Institute (TTI) and the University of Minnesota's Hubert H. Humphrey Institute and Center for Transportation Studies hosted the first national Symposium on Mileage-Based User Fees in Austin, Texas, April 14-15, 2009. The vision of the conference was twofold: to advance the discussion on mileage-based fees as a potential replacement for the fuel tax, and to engage participants in a facilitated discussion to articulate a possible path forward.

Eighty transportation professionals from twelve states and over fifty organizations gathered for a day-and-a-half to hear presentations from experts on the state-of-the-practice in mileage-based fees, also called vehicle-miles traveled (VMT) fees. Participants represented all levels of government, academic institutions, trade associations, advocacy groups, and the private sector. Panelists from a variety of organizations spoke on a number of issues surrounding this topic, including institutional issues, public acceptance, technology options, and perspectives of stakeholders and local officials. The symposium program can be found at the web site <http://utcm.tamu.edu/mbuf>.

At the opening of the conference, participants were asked to consider three questions during the course of the symposium:

1. What are the greatest challenges or barriers to transitioning from the fuel tax to a per mile fee?
2. What would the transition look like and who would lead?
3. What additional research, testing and demonstration are needed?

The closing activity of the conference featured an interactive discussion session facilitated by Robert Johns of the Center for Transportation Studies and Katherine Turnbull of TTI. Using an innovative "conversation circle" format, each question above was posed by a moderator and participants were invited to join the circle and offer their responses to the individual questions.

In general, there was no clear consensus among the group in response to the three questions, but there were a number of general themes that emerged from the discussion.

*What are the greatest challenges or barriers to transitioning from the fuel tax to a per-mile fee?*

The greatest challenges or barriers can be categorized into three groups:

### 1. Public Acceptance Challenges

- Privacy – Refers to public concerns over what data is collected at the vehicle and what is transmitted to assess a mileage fee. System design must ultimately address privacy concerns.
- Need - The benefits of a mileage-based user fee system must be stated. The new system must add value over the current system, and public policy and education needs to articulate those benefits to the public.
- Trust - Public trust in the transportation investment and the transportation planning processes is low. The current revenue allocation process does not inspire public trust, and that does not bode well for garnering support for a new, costly fee collection system. General government distrust is also a factor in technology design.

### 2. Political Leadership Challenges

- Political leadership challenges were articulated by the participants as “lack of political will” and “lack of national direction.” Most participants believe action at the national level is important because interstate commerce and travel will be impacted. The lack of clear national vision and clear system objectives was cited as a significant impediment.
- The absence of an organized coalition with an agenda and plan for implementation was expressed as a barrier.
- Education of state and local officials, especially during initial demonstration of the concept, was highlighted as more urgent than general public education.
- There was discussion about the lack of policy definition of mileage-based fees as a replacement for the fuel tax at current levels versus a means for expanding funding levels. Revenue neutrality likely has the best chance of gaining public support, but the true need is expansion of the funding base.

### 3. Fuel-Tax-to-Mileage-Fee Transition: Challenges and Barriers:

- Standards – Technology standards are necessary to guide system development and ensure interoperability as opposed to a collection of independent systems. Federal leadership will be particularly important in this regard, as the federal government is best positioned to ensure that a system can be developed with the broadest applicability to state and local agencies.
- Resources - There is concern that costs are high and moving forward will require significant federal support for pilot projects at the state level and for ultimate implementation nationally.

Not all participants agreed with the general themes highlighted in the three categories above. Two individuals expressed concerns about moving too quickly toward a “quick fix”, with poor decisions resulting. On the other hand, one felt that “experts” are the barrier because of a greater interest in studying rather than implementing.

Another participant requested a wholesale reexamination of the question: maybe there is no transition to a per-mile fee and the gas tax remains in place because it has high public acceptance. This individual suggested that other fees (such as vehicle registration) be based on actual use of the system.

Question 2: What would the transition look like and who would lead?

Five overarching themes emerged on the question regarding transition and leadership:

- The federal government should provide policies, frameworks, enabling legislation, and financial support, and the states should test the concept with more diverse, larger, and even multi-state pilot projects.
- An empowered consortium or national commission should be convened to develop a road map for implementation.
- There was a general expression of a desire for the federal government to lead, but a recognition that the states will move faster toward a transition to address their own needs.
- There were opposing viewpoints on the timeframe and pace of transition. Several suggested an interim Department of Motor Vehicle (DMV)-based system deployed in the near term, while others proposed an incremental transition over a longer period.
- Listening to the public was encouraged in early stages to define the “value proposition” and to help articulate benefits.

Question 3: What additional research, testing and demonstrations are needed?

The responses to this question represent a mix of technological and social science research needs:

- Conduct pilot projects to test multiple technology platforms with possibilities for bundled or value-added services.
- Perform research to identify objectives that can be achieved by mileage-based fees.
- Identify a framework for implementation and cost estimation.
- Study equity issues, comparing the existing system with a mileage-based system, and research fairness concerns, such as urban versus rural interests.
- Research public acceptance issues to gain an understanding of resistance to the concept and identify what is necessary to build trust.