



CONNECT • DISCOVER • GROW
AUGUST 19-21, 2014

MAP-21 REAUTHORIZATION: WHERE DO WE GO FROM HERE

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EXECUTIVE DIRECTOR

MBUFA

MILEAGE-BASED
USER FEE ALLIANCE

NCSL LEGISLATIVE SUMMIT: CONNECT • DISCOVER • GROW



About Us



MILEAGE-BASED
USER FEE ALLIANCE

- Formed in 2010, MBUFA is a 501 (c) (3) nonprofit national coalition of leading public and private sector members
- Only association dedicated to promoting the practice of Mileage-Based User Fees as a sustainable and equitable mechanism for transportation funding
- **We serve as a unified voice** to stakeholders and function as an education clearinghouse
- Membership has quadrupled since first year



MILEAGE-BASED
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MBUFA Goals

- Create a constructive learning environment and policy space for collaboration and networking among individuals and groups interested in mileage-based user fees
- Coordinate efforts to build awareness of mileage-based user fee programs in the US and around the world
- Promote research to test the feasibility of mileage-based user fee programs
- Engage community and political leaders around common priorities for transportation funding

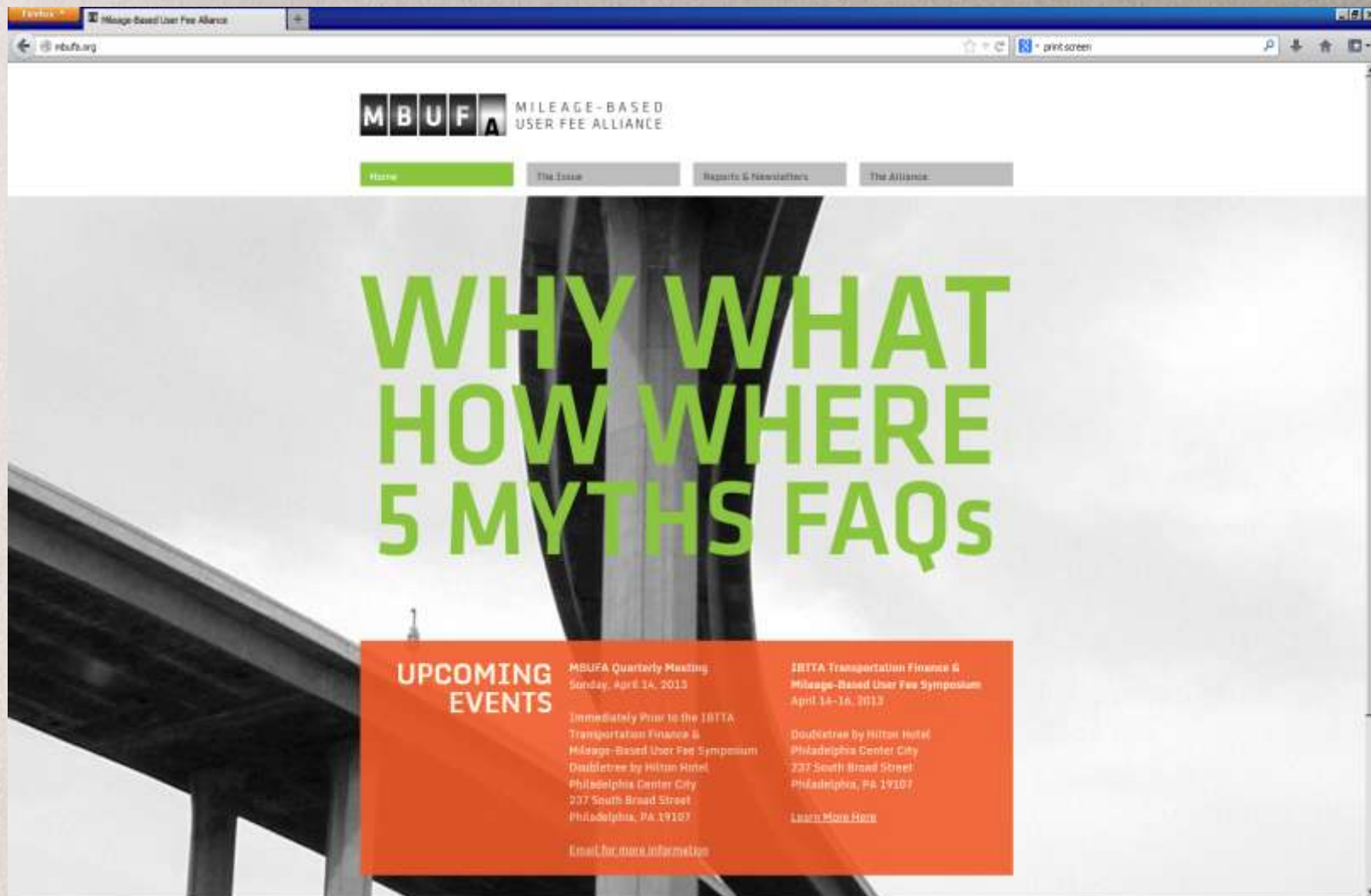


Member Engagement

- Launched the MBUFA website, the only website devoted to mileage-based user fee issues in the United States
- Published a quarterly e-newsletter with in-depth information on transportation and revenue issues.
- Participated in with the Congressional Budget Office, Department of Transportation, Senate Budget and EPW Committee staff, and House Transportation and Infrastructure Committee staff
- Responded to over 300 requests for information from policy leaders and the press requesting information on this issue
- Held FIRST national conference dedicated to MBUF. Agenda included legislative issues, clearing up myths and featured speakers from Congress and Department of Transportation



MBUFA Website



MILEAGE-BASED
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MBUFA E-Newsletter



Mileage-Based User Fee Alliance

Advancing the state of the practice of Mileage-Based User Fees

Winter 2012

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How RACE MBUF Could

MBUFA to Congress 2012

Unleash MBUF: Challenged Systems

The Costs of Gas Tax and Toll Revenue

Research Library

Calendar

Research Library

Upcoming Events



Transportation Research Board Annual Meeting, January 12-17, 2012

Mileage-Based User Fee

This is the latest issue of MBUFA's e-Newsletter. Please see the "In this Issue" links (left) to jump directly to articles and departments of interest. We welcome any comments and suggestions as well as content additions - news, features or links for event coverage - for upcoming issues. - The MBUF

DC Update

from Chairman Jack Bassio

By 2009, the National Surface Transportation Infrastructure Financing Commission completed their work and the findings in their report could not have been clearer:

"The Commission cast a wide net, reviewed many funding alternatives, and concluded that indeed the most viable approach to efficiently fund federal investment in surface transportation in the medium to long run will be a user charge system based more directly on miles driven (and potentially on factors such as time of day, type of road, and vehicle weight and fuel economy) rather than indirectly on fuel consumed."

The Commission was created by Congress in SAFETEA-LU to prepare the way for legislative action in MAP-21 to fund the pilot programs necessary to work through the implementation and operation issues related to a mileage based fee system. We've been fortunate to have a former Commission member, Adrian Moore, as a member of MBUFA and his experience and insight have been invaluable to us over the past two years.

Unfortunately, as we all know, Congress was unable to take the next step in solving the transportation infrastructure financing challenge and failed to include support for further study and pilot testing of mileage based fee systems in MAP-21. That's one disappointing news of the year.

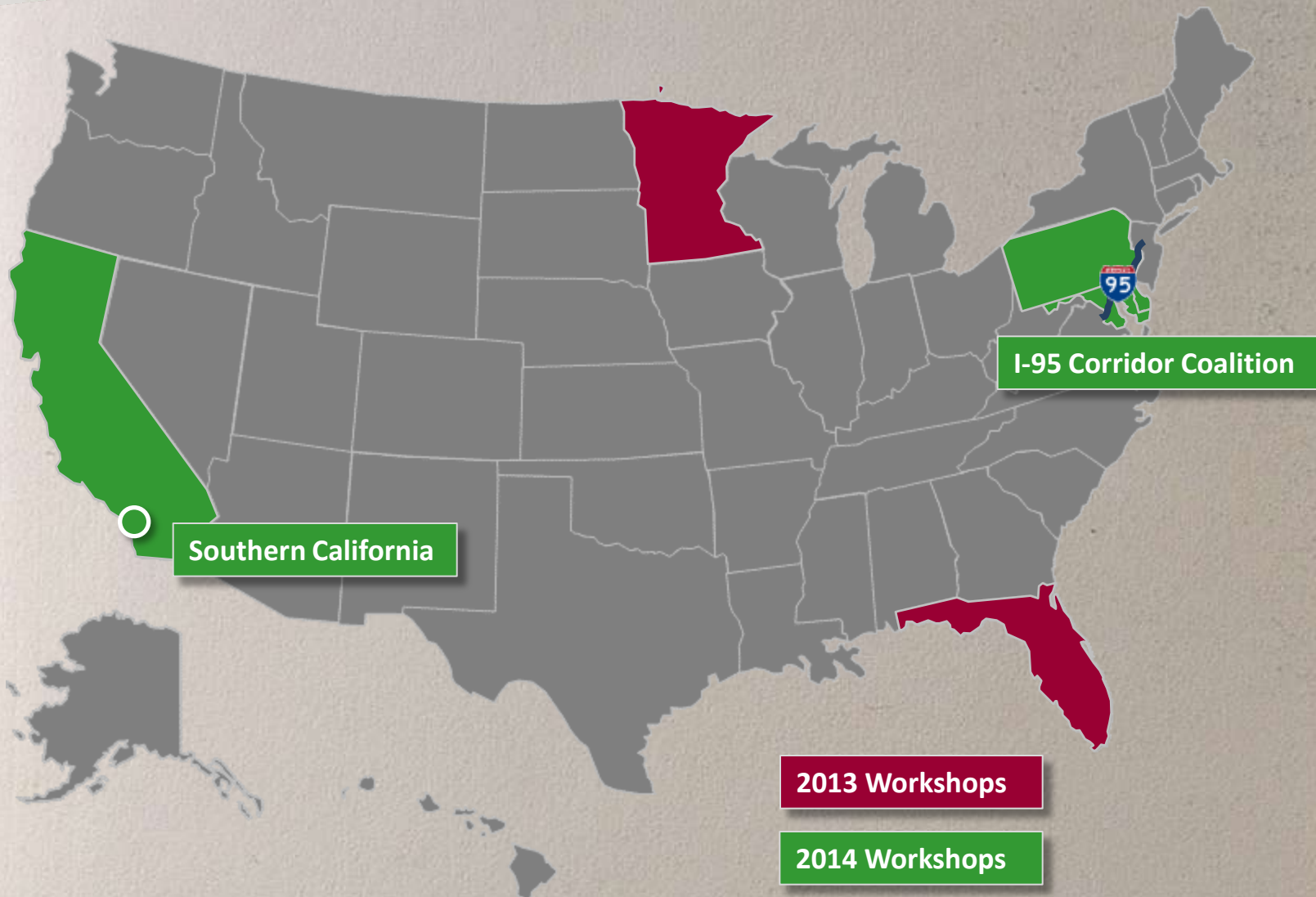
At the same time, however, states have continued to move forward even without the federal funds they truly need to scale up the pilots they are testing. MBUFA vice chairman, Jim Whitty, has continued his extraordinary efforts with the Oregon DOT and they are rolling out a new pilot to further test the system and build public acceptance. Washington State just voted to add a \$100/year charge on electric car owners to insure that they contribute their fair share for road use. Other states like Nevada and Minnesota are testing other approaches. The member states of the I-95 Corridor Coalition are looking closely at how a multi-



Jack Bassio, Chairman of MBUFA



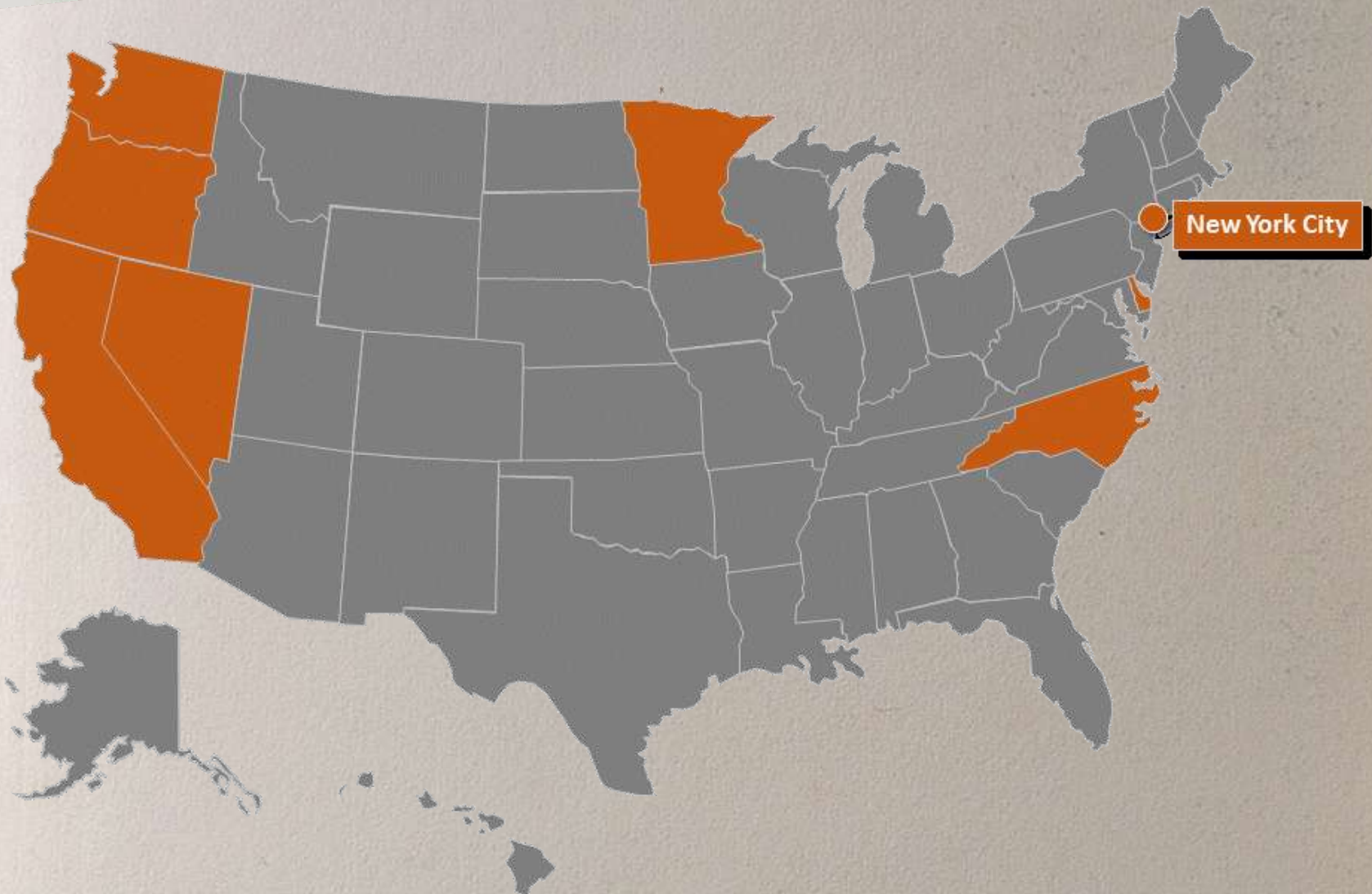
MBUFA Education Initiative







Public Sector Members of MBUFA



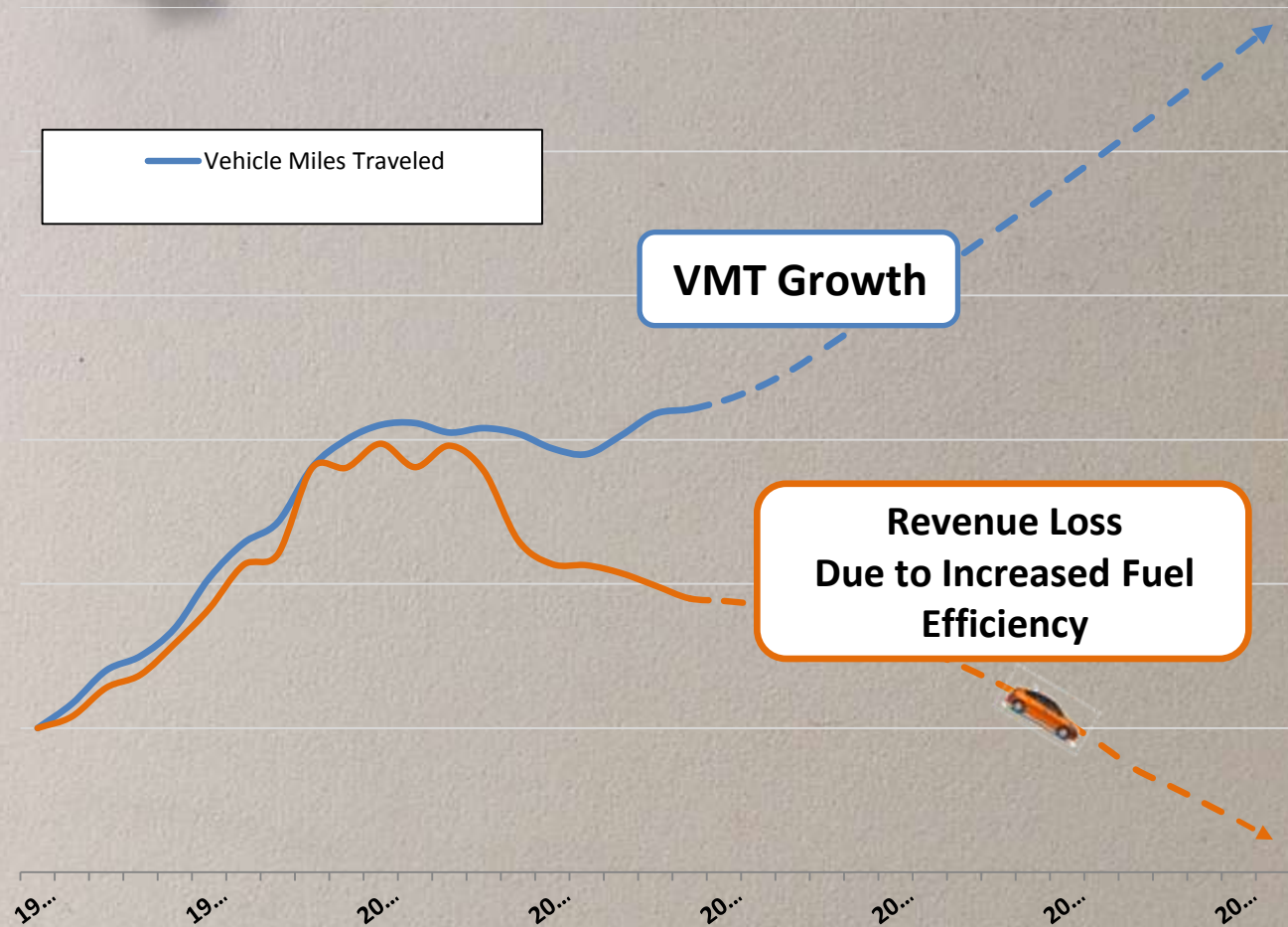


Factors Driving MAP-21 Legislation

- Funding shortfall
- Gas tax increase possibilities
- Other sources of revenue
- Serious situation of state revenue for DOTs



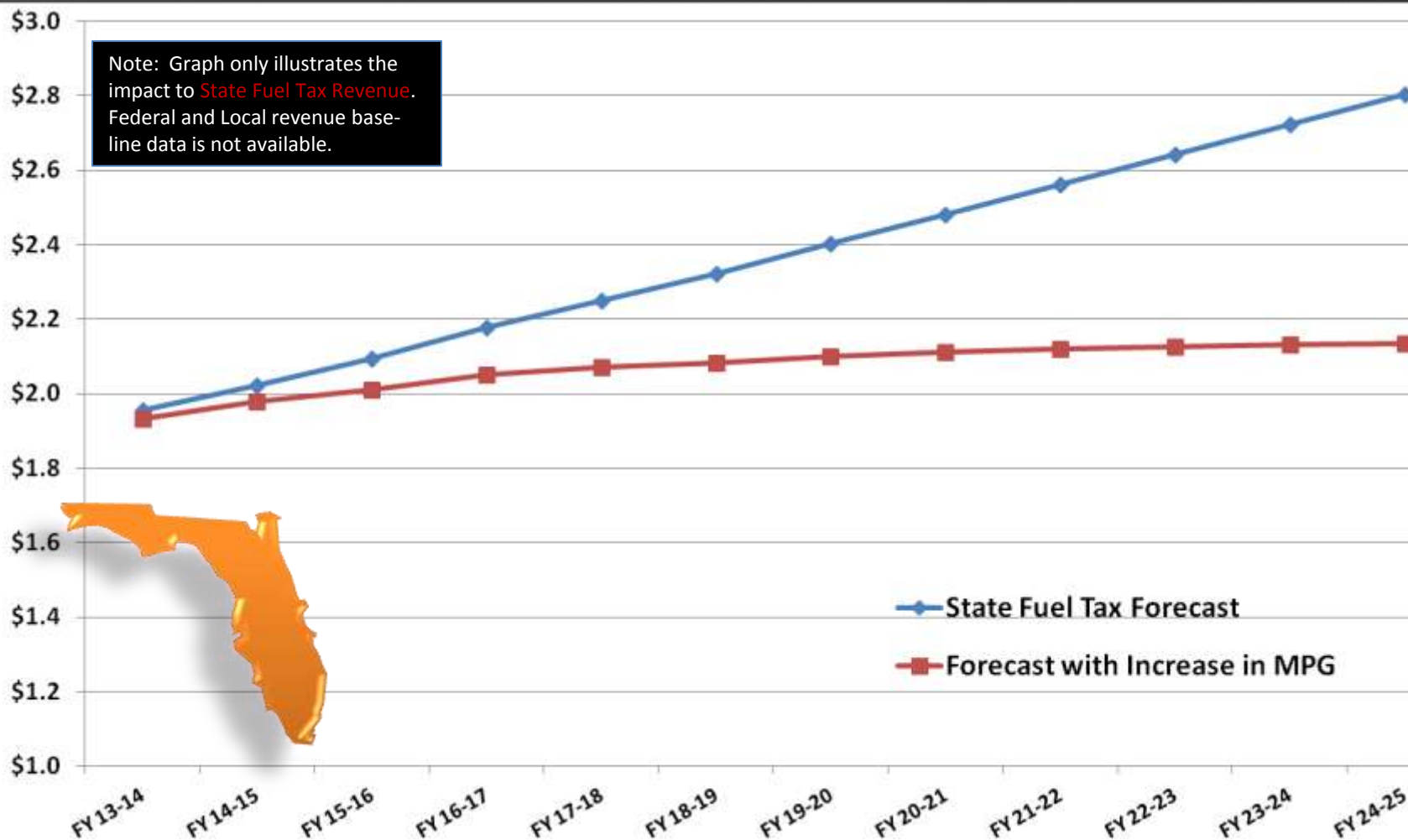
California Funding Scenario





Impacts of Fuel Efficient Vehicles on State Fuel Tax Revenue

(in Billions of \$)





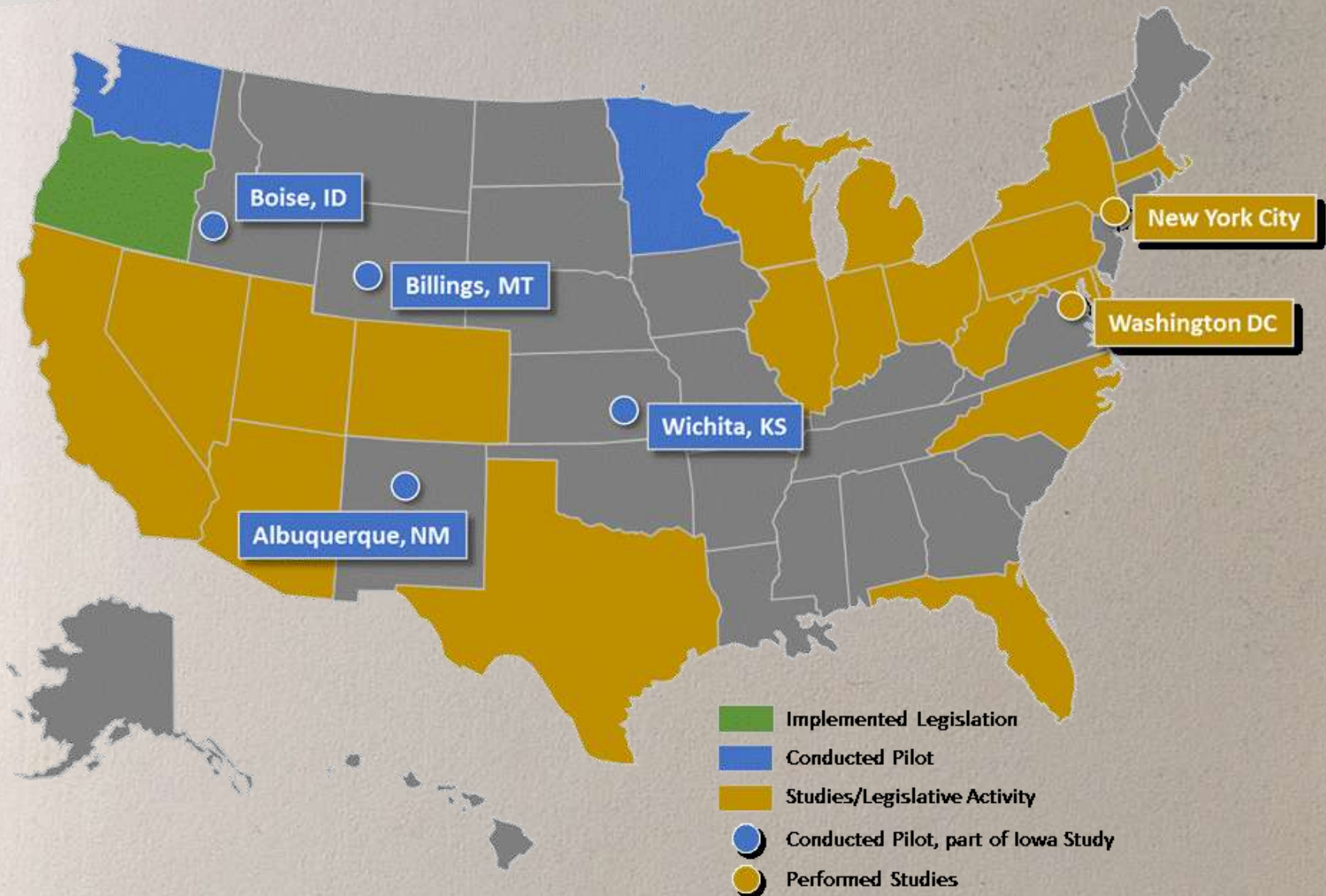
Role Models for MBUF

State Issues that Moved National Policy:

- School Choice
- Welfare to Work
- Smoking /Health Issue
- Sales Tax for Mail Order Products



MBUF Activity is Large and Growing





Senate Bill

SEC. 1121. ASSESSING POLICY AND SYSTEM FINANCING ALTERNATIVES.

Section 503(b) of title 23, United States Code, is amended by inserting at the end the following:

- “(A) IN GENERAL.—The Secretary shall carry out a research and innovation program to explore alternative transportation revenue mechanisms that preserve a user fee structure to maintain the long-term solvency of the Highway Trust Fund.
- “(B) OBJECTIVES.—In carrying out this paragraph, the Secretary shall carry out research and development activities--



Senate Bill

- 1) to direct a coordinated research and development program to study remaining uncertainties relating to the design, acceptance, implementation of 3 or more future sustainable alternative revenue mechanisms;
- 2) to define the functionality of 3 or more user-based alternative revenue mechanisms



Senate Bill

3) to conduct or promote research activities to demonstrate and test such user-based alternative revenue mechanisms, including field trials, by partnering with individual States, groups of States, or other appropriate entities to conduct research

4) to conduct outreach to increase public awareness regarding the need for alternative funding sources for surface transportation programs and provide information on possible approaches



Senate Bill

- 5) to provide recommendations regarding adoption and implementation of such user-based alternative revenue mechanisms; and
- 6) to reduce the administrative cost of any potential alternative revenue mechanisms.



Senate Bill

- (C) CONTENTS.--Research and technology activities carried out under this paragraph may include partnering with and providing grant funding to individual States, groups of States, or other appropriate entities to conduct research that addresses



Senate Bill

- 1) the implementation, interoperability, public acceptance, and other potential hurdles to the adoption of an alternative revenue mechanism
- 2) the protection of personal privacy
- 3) the utilization of independent and third-party vendors to collect fees and operate the alternative revenue mechanism



Senate Bill

- 4) equity concerns, including the impacts of the alternative revenue mechanism on differing income groups, various georgraphic areas, and the relative burdens on rural and urban driverion of an alternative revenue
- 5) ease of compliance for different users of the transportation system
- 6) the reliability of technology used to implement the alternative revenue mechanism



Senate Bill

- 7) the flexibility and choices with alternative revenue mechanisms, including the ability of users to select from various technology and payment options;
- 8) the cost of administering the alternative revenue mechanism and
- 9) the ability of the administering entity to audit and enforce user compliance



Senate Bill

- (D) ADVISORY COUNCIL--Not later than 1 year after the date of enactment of this paragraph the Secretary in consultation with the
- Secretary of the Treasury shall establish and lead a Surface Transportation Revenue Alternatives Advisory Council.



Senate Bill

- experience in alternative revenue mechanisms from the Department of Transportation and the Department of the Treasury and **not less than 2 State Departments of Transportation,** applicable users, appropriate technology and privacy experts
- **conduct periodic evaluations of the research activities that have received assistance under this report**



Senate Bill

- (2) USER-BASED REVENUE MECHANISMS--Of the amounts made available to carry out this paragraph not more than 40 percent shall be used to carry out 1 of the user-based alternative mechanisms



Senate Bill

FUNDING

\$17.5 million per year in contract authority



Role of State Legislatures in Moving Map-21 Reauthorization

- Have legislation ready to go to meet alternative financing availabilities
- Support need for alternative funding -- whatever your choice



Why Join MBUFA

Jack Basso, Chairman of MBUFA:

“It will take the cooperative efforts of all levels of government including state and local government to meet the compelling need for increased investment in transportation infrastructure.”



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THANK YOU

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