#### VEHICLE MILEAGE FEE EXPLORATORY STUDY

# **Description**

Staff and Texas Transportation Institute (TTI) researchers will brief the commission on the findings of the Vehicle Mileage Fee Exploratory Study.

In January 2010, the department hired TTI to conduct an exploratory study to assess the viability of a mileage-based user fee (also known as vehicle mileage fee, VMT fee, or mileage-based user fee) in Texas. Through input gained from public focus groups, stakeholder interviews, and technology experts, this study provides an overview of the technological and public policy challenges and opportunities that must be addressed prior to further consideration of an alternative mileage-based user fee system.

The research report has been completed and is being reviewed by TxDOT.

## **Background**

Building on the results of related research conducted by other States, this study focused on determining if Texans are prepared to entertain the possibility of a mileage-based user fee as a viable alternative or supplement to the current per gallon gas tax. In addition, the study attempted to capture the public preference regarding a mileage-based user fee collection and administration model.

### **Problem/Condition**

The current gas tax generates revenue based on fuel consumption, not motorists' actual use of the system. As the number of fuel-efficient and non-fuel dependent vehicles continues to rise in Texas, it is anticipated the State's gas tax revenue will be strained to keep up with the demand for expansion to and maintenance of our highway system.

### **Other Comments**

None

### **Expected Action or Input from Commission**

None