Input on Mileage-Based User Fees (MBUF)

There will likely be a lot of education and awareness required to address general public around privacy concerns. More specifically, majority of the participants in the pilot group did not seem to feel that privacy concerns were addressed (>50%).

EVs represent an early first group to try this on. In the meantime, they should begin paying a fee in the neighborhood of $450-500 annually in order to equitably cover their use of existing transportation assets and capacity.

What can we get to that will meet PennDOT’s goals, meet approval of PA Legislature and also be consistent with current state and federal guidance?

does MBUF have an exemptions or exceptions by categories traditionally or would everyone pay?

MBUF must be at least the same fee as the gas tax or we are not addressing the funding shortfalls.

what is the average gas tax per year? double it for MBUF

Really think this is the long-term solution, but needs to happen in coordination with other states and federal government. Technology and policy need to be compatible amongst payers and collectors of the tax. PA can’t get too far out ahead.

I heard Ronald say that MBUFs should be implemented in the near term. Can he speak more to that point?

Needs to be a very long-term option. Electric vehicles will not be widely adapted for decades.
Input on Tolling Scenarios

Bridge tolling should be evaluated as a part of this topic and should be weighed against the other options.

Such an approach (CPI-based rates) may also be more palatable to impacted stakeholders and policy makers on multiple levels.

Congestion pricing is a must to provide equity to less urbanized areas or Pennsylvanians who travel long distances for basic needs will disproportionately overpay for a transportation system vs urbanized short trips that may be time intensive.

Congestion pricing hurts people who can't control their schedules and don't have flexibility. For example shift workers and truckers.

Consider adjusting tolling rate increases to Consumer Price Index (CPI). This could be considered more reasonable in terms of the annual increases to address costs moving forward. Such a proposal is also more palatable or sellable.

Using CPI also addresses concerns about equity, affordability and parity although there will be objections to it regardless.
Input on Vehicle Registration Fees

EV Vehicle registration fee should be at least what the average person pays in gas tax.

What relationship does value of the vehicle have to use of the roads? Age of vehicle or weight I could see. But not value of vehicle.

Reg fees should be increased. Current fee and program out of touch compared to other states.

Let’s not forget that the legislature has had a bill this session and last session on an EV fee from Rep. Carroll trying to get the EV fees started now before more people purchase and it may be harder to pass.
Input on Taxing Scenarios

- **Vehicle Sales Tax, Tire Tax, Vehicle Lease, Vehicle Rentals, Tire Tax** are all existing mechanisms that can, and should, be used to generate additional revenue for transportation, transit specifically. And EVs most immediately and especially.

- Weighing the pros and cons of broad-based tax increases is outside the realm on this commission.

- Moving forward, indexing is an important component of all of these conversations, and a great source of potential revenue.

- Transportation is a core function of state government and some should obviously come from the general fund if we are indeed to offer a comprehensive strategic vision.

- See my comments in chat on continuing the shift of reliance from PennDOT funds to general revenue funds.

- We should at least match CPI, etc. with a year of expenditure of construction costs.

- How much of the existing sales tax can come out of the general fund and into a transportation fund.

- We need to also look at permitting requirements, environmental assessments, and expensive regulations that delay projects and increase their overall cost.
Input on Multimodal Revenue Sources

- Get multimodal funding out of DCED and increase the PennDOT multimodal program and focus it on public sector projects.

- Disagree with the broad comment that PennDOT should have authority without legislative approval. I agree at limited regulatory authority is appropriate, but the legislature is the body that is tasked with weighing the pros/cons of any policies.

- Sin taxes never live up to revenue expectations.
Input on Transit Revenue Sources

- What would public transit fares need to be to actually support each route if they were not so heavily subsidized?

- Thank you for considering the impact of broad-based tax increases on the economy/economic recovery. This is an important point.
Input on Local Solutions

Some of this is getting PA Counties to enact the $5 fee for additional local transportation revenues.

Also, consider use of developing a municipal or county transportation trust, similar to what is done for housing.

What about allowing local governments to keep the red light fees that are collected in their territory?

Last, consider revising or increasing use other non-DOT funds- DCED and other others on a state level, other local (municipal, county) funding streams for improved coordination- per MPO and/or RPTOs in line with state, federal and local guidance.

Not clear why goods delivery is singled out for higher taxes. They currently pay fuel tax, sales tax on their vehicles, truck registration fees, etc. like all other users. The large revenue gap we are talking about needs to impact all sectors equally.

the goods delivery should be on the end user. You buy something you pay to have it shipped to your house
Input on Other Funding Options

- Tax freight doors, food deliveries, ride hailing services, end-user fees for online orders delivery impacts.

- One needs to be cautious with revenues from recreational marijuana. After approximately two years the funds gained will be needed to address social and other unintended consequences.

- How do collect for the massive freight impacts from other states’ freight if we aren’t charging tolls, online ordering fees to end users, etc?

- Dedicate 20% of each fee or tax to local government to fund the over 50% of the system they maintain to supplement their limited options of real estate tax and local income tax.
Suggestions for building consensus
Input on Federal Funding Initiatives