

8 states receive federal grants to test new ways of funding transportation infrastructure



David M. Kall | Wednesday, September 14, 2016

In a late August [press release](#), the United States Department of Transportation’s Federal Highway Administration (FHA) announced that it had awarded eight states with a total of \$14.2 million in grants to explore alternative revenue mechanisms to help sustain the long-term solvency of the Highway Trust Fund.

The new program, known as The Surface Transportation System Funding Alternatives, or STSFA, will pay for projects, mostly in the west, to test the design, implementation and acceptance of user-based alternative revenue mechanisms. Some states have already begun testing similar mechanisms; Oregon’s [OreGo](#) is one, in which motorists pay a tax on the miles they drive, not the gas they purchase. We [described](#) that and other states’ initiatives in July, noting that several east coast states along the I-95 Corridor had applied for federal grant money to experiment with their own pay-for-miles-driven programs.

The FHA has allocated the \$14 million of STSFA funding to assess a variety of different revenue-raising options, like on-board vehicle technologies that charge drivers based on miles traveled, and multi-state or regional approaches to road user charges. In addition, the projects will evaluate common challenges of miles-driven schemes, including public acceptance, privacy protection, equity and geographic diversity, and the technology’s security and reliability.

Here is a breakdown of the STSFA funding by state:

STATE	DESCRIPTION OF PROJECT	AMOUNT
California Department of Transportation	Road User Charge (RUC) using pay-at-the Pump/ charging stations.	\$750,000
Delaware Department of Transportation	User fees based with on-board mileage counters in collaboration with members of the I-95 Corridor Coalition.	\$1,490,000
Hawaii Department of Transportation	User fee collection based on manual and automated odometer readings at inspection stations.	\$3,998,000
Minnesota Department of Transportation	Use of Mobility-as-a-Service providers (MaaS) as the revenue collection mechanism.	\$300,000
Missouri Department of Transportation	Implementation a new registration fee schedule based on estimated miles per gallon.	\$250,000
Oregon Department of Transportation	Improvements to Oregon’s existing road usage charge program.	\$2,100,000

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Oregon Department of Transportation	Establishing the consistency, compatibility and interoperability in road user charging for a regional system in collaboration with members of the Western Road User Charge Consortium.	\$1,500,000
Washington Department of Transportation	Testing critical elements of interoperable, multi-jurisdictional alternative user-based revenue collection systems. Piloting methods of road usage reporting with Washington drivers.	\$3,847,000
TOTAL		\$14,235,000

The STSFA program came to bear as a result of a United States Department of Transportation (DOT) draft report, [Beyond Traffic: Trends and Choices 2045](#), issued last year. Rather than an action plan, the survey is an explanation of the status quo of America’s surface transportation system, and where we will end up if the current trends remain unaddressed. Highlighting the fact that the federal government has passed 32 short-term measures to keep this system afloat in the past six years alone, *Beyond Traffic* points to numerous factors that make the status quo untenable. These include funding uncertainty, diffuse decision making at the state and local levels, and policies that have not been reformed to address future needs.

The survey describes the situation like this:

“Our transportation network is the tie that literally binds our nation together. It sows the seeds of economic opportunity and national prosperity one row at a time, and links those rows to each other—neighbor to neighbor, town to town, state to state, all into one nation. It is the finest transportation system the world has ever known. But it is aging and increasingly incapable of bearing the load our future demands.”

Ultimately, *Beyond Traffic* asserts, “the future is always a choice.”



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Team member bio