



**METROPOLITAN
TRANSPORTATION
COMMISSION**

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Memorandum

TO: Legislation Committee

DATE: April 4, 2014

FR: Executive Director

W. I. 1131

RE: SB 1077 (DeSaulnier): Vehicle-Miles-Traveled Pilot Fee Program

Background

SB 1077 requires the California Department of Motor Vehicles to develop and implement a pilot program to assess various issues related to implementing a vehicle-miles-traveled (VMT) fee in California. Issues to be examined include:

- Methods for calculating mileage
- Processes for transmitting data to protect the integrity
- Types of equipment required and a discussion of the pros and cons of the equipment

The bill requires the DMV to prepare and submit a report to the Legislature by June 30, 2016 that examines issues the Legislature should consider when evaluating whether to implement a VMT fee, including how to minimize confusion and inconvenience to California drivers, while also ensuring their privacy, and ways to transition from the fuel tax to a VMT fee over time.

Recommendation: Support

Discussion

MTC staff believes it makes sense for California to begin a more serious examination of the implementation needs and challenges associated with instituting a vehicle-miles-traveled fee in this state. While such a program represents a significant change that raises numerous policy questions related to collection cost and privacy (among other issues), SB 1077 is a useful starting point that would provide additional key information necessary to enable an informed discussion of the merits and challenges of establishing a VMT fee in California. For this reason, staff recommends we support the bill.

Known Positions

Support

American Council of Engineering Companies
Self Help Counties Coalition
Transportation California (Sponsor)

Oppose



Steve Heminger

SH: RL

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