

## Frequently Asked Questions

What is a Mileage-Based User Fee?.....	2
Why is MBUF being studied? .....	2
What is the I-95 Corridor Coalition studying? .....	2
Why is it important for the I-95 Corridor Coalition to conduct this study?.....	3
What does this study involve? .....	3
Is MBUF actually being implemented in I-95 Coalition states? .....	4
Is MBUF a tax on top of the state fuel tax? .....	4
Is MBUF unfair to rural drivers?.....	4
Does an MBUF system create a disincentive for people to buy high-fuel-efficiency vehicles? .....	4
How much would MBUF cost me each year? Under MBUF will people pay more than they do today with the fuel tax? .....	5
What is the Phase 1 pilot and how will it work?.....	6
Who is participating in the pilot?.....	6
How are the miles driven and fuel usage calculated? How accurate is the information? .....	6
What are the mileage reporting options available? .....	7
What is an OBD-II port? .....	8
What are value-added amenities?.....	8
What are the value-added amenities available? .....	9
How is my privacy protected? .....	10
Will people know where I'm driving? .....	11
What are the current state fuel taxes in the I-95 Coalition states?.....	11
How much would be charged per mile under MBUF and how were the rates developed? Will the rates change over time? .....	13
How is MBUF calculated? .....	14
How is MBUF calculated if you drive in more than one state?.....	14
How was the "other state" rate calculated for non-location participants? .....	15
How is the fuel tax credit calculated?.....	16
What if a vehicle uses diesel, does that make a difference? .....	17
What if it's an electric vehicle, does that make a difference?.....	17
How will people be charged for driving on roads outside of the I-95 Coalition states? .....	17



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## *Mileage-Based User Fee Concept*

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### What is a Mileage-Based User Fee?

A Mileage-Based User Fee (MBUF):

- Charges motorists for the number of miles traveled, not how much fuel is consumed
- Replaces the fuel tax (motorists are credited for the fuel tax they pay)
- Creates a link between how much you pay and how much you drive instead of basing it on your vehicle's fuel efficiency

### Why is MBUF being studied?

Currently, Americans pay for building, maintaining, and operating the transportation network primarily with a tax on fuel each time they fill their tank. As the fuel efficiency increases and more electric and hybrid vehicles are on the road, the amount motorists pay to use our transportation system becomes more linked to the type of car they drive versus the number of miles they drive, with some drivers (those who don't use fuel) paying nothing at all. The widening gap between the most and least fuel-efficient vehicles has led to an issue of equity. A mileage-based usage fee levels the playing field by creating a direct connection between the amount you pay and the amount you use (the "user pays" principle) thereby appealing to a fundamental notion of fairness widely accepted by consumers in other marketplaces.

Another concern is that the purchasing power of pay-at-the-pump fuel tax revenues has been eroding over the past two decades. As a result, the transportation system in most states is facing a serious problem. The money collected to pay for roadway maintenance, repair, and operations has been on a steady decline. Having less money to maintain and manage roadways means that the transportation system will continue to worsen each year, while the demand on the network increases. To address these issues, states are exploring alternative funding mechanisms, like mileage-based user fees (MBUF), to figure out a more sustainable long-term transportation funding approach.

### What is the I-95 Corridor Coalition studying?

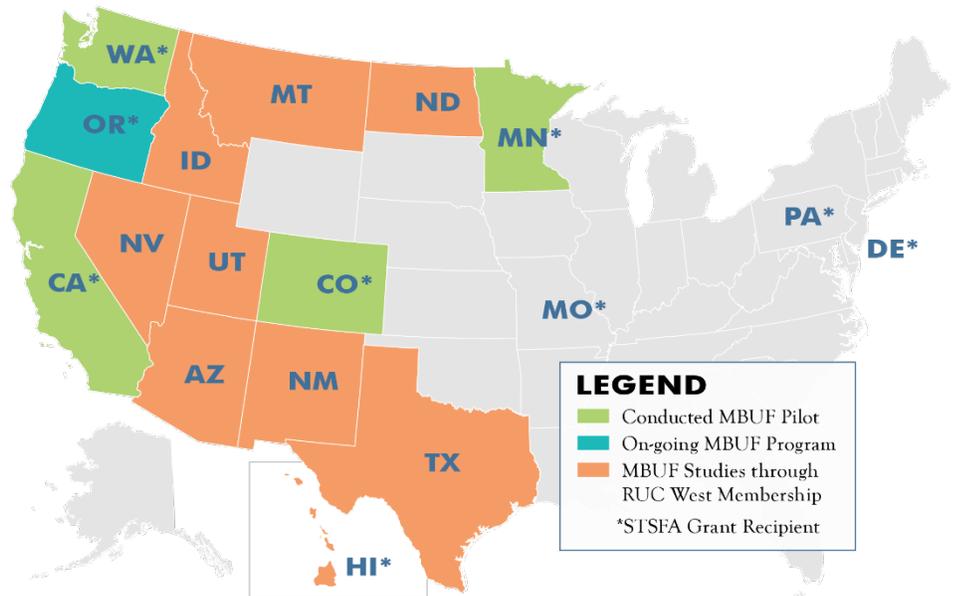
The Coalition is studying the feasibility of replacing the fuel tax with a mileage-based user fee (MBUF). The Coalition will explore how out-of-state mileage can be handled, interoperability across states, collaboration with toll authorities, financial implications of MBUF, potential synergies with current commercial vehicle reporting requirements and concerns about privacy and equity. The study will also explore some of the value-added amenities available to drivers through the MBUF reporting technologies.



## Why is it important for the I-95 Corridor Coalition to conduct this study?

The I-95 Corridor Coalition is neutral if MBUF is the ultimate solution to providing a long-term sustainable funding mechanism for the transportation network. However, to date, the majority of MBUF exploration has occurred in western states. Therefore, it is vital to bring the perspective of the east coast to the national evaluation of MBUF where unique issues can be addressed, most notably travel across

multiple state lines. The I-95 Corridor Coalition recognizes our transportation funding challenges and the opportunity the current federal grant program provides to explore the potential and issues associated with MBUF. Results of an east-coast study will help national and state policy-makers decide on next steps.



## What does this study involve?

The centerpiece of the Coalition's MBUF study involves gathering real-world experience through three (and possibly more) pilots.

Phase I of the study is a focused pilot in Delaware that will also include regional stakeholders. This pilot will include about 100 participants who will have a choice of technology to record their miles driven during the three-month pilot. In addition, each technology option will offer a variety of amenities for participants, such as visual trip logs, driving scores, and vehicle health monitors. Pilot participants will not make any actual payments as part of this study. Rather, faux invoices will be sent out monthly showing what they would have been charged under a mileage-based system. The main purpose of the pilot is education – to provide a better understanding of how a mileage-based user fee might work in real life.

Phase II of the study will include two additional pilots: a larger multi-state pilot including about 1,000 volunteer participants and a multi-state truck pilot focusing on commercial vehicles with about 50 participants.



## Is MBUF actually being implemented in I-95 Coalition states?

No, this is just a study. No decisions have been made about the future of mileage-based fees. Results from this study will help national and state policy-makers decide on next-steps. The pilots – along the eastern seaboard and in other states throughout the country – provide the opportunity to experience how mileage-based fees might work in real life.

## Is MBUF a tax on top of the state fuel tax?

No, if implemented, MBUF would be a replacement to the state fuel tax, not on top of or in addition to the fuel tax. During the pilot, drivers will receive a faux credit for any fuel tax paid at the pump.

## Is MBUF unfair to rural drivers?

Some perceive MBUF as being unfair to rural drivers because they often travel further on a trip-by-trip basis and would therefore be charged more per trip. Previous MBUF studies have found that while rural drivers tend to drive slightly more miles per trip than urban residents, they tend to make fewer trips. Additionally, rural drivers are generally driving older and less fuel-efficient vehicles than their urban counterparts. These studies have concluded that rural households could actually benefit with a MBUF system relative to urban households.

## Does an MBUF system create a disincentive for people to buy high-fuel-efficiency vehicles?

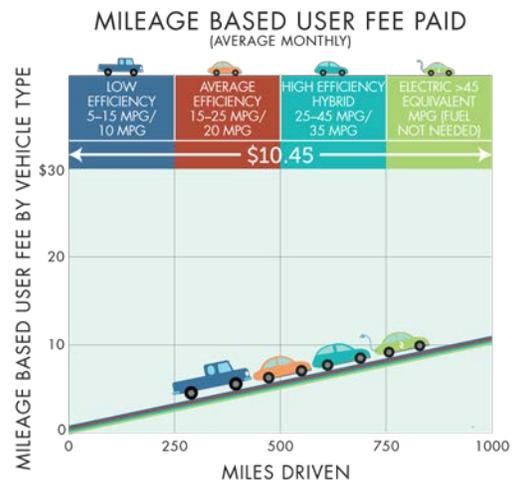
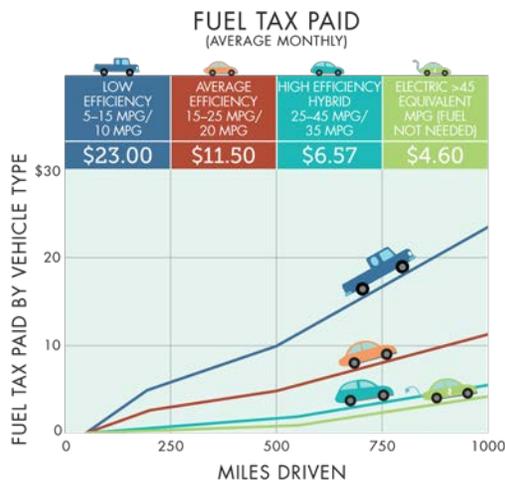
MBUF pilot programs in California and Oregon have found that people who drive high-fuel-efficiency vehicles are in favor of a mileage-based user fee because they recognize their driving is contributing to congestion and the wear-and-tear on the road. Drivers have also noted they bought their high-fuel-efficiency vehicles for other benefits beyond saving money on fuel tax.



## How much would MBUF cost me each year? Under MBUF will people pay more than they do today with the fuel tax?

For the I-95 Corridor Coalition MBUF Study, all MBUF payments are simulated, no actual monies are being used. However, the study will help participants understand the potential differences under a MBUF system versus the current fuel tax. A key factor is your vehicle's fuel economy—how many miles you can drive on a gallon of fuel. For example, an electric vehicle owner would pay more under an MBUF program because they currently pay for only a little (or no) fuel tax. However, an owner of an older vehicle (and likely less fuel-efficient vehicle) will pay less under a MBUF program. The figures below provide some comparisons between the fuel tax and MBUF for Delaware vehicles with different average fuel economies.

A calculator tool has also been developed as part of this study to help Delaware residents understand how they might be affected by an MBUF system. [You can use this calculator to find your estimated payment under the current fuel tax approach compared to a MBUF approach.](#)





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## *I-95 Corridor Coalition MBUF Phase 1 Pilot*

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### What is the Phase 1 pilot and how will it work?

The I-95 Corridor Coalition is conducting a focused pilot in Delaware with regional stakeholders. The main purpose of the focused pilot is to provide a better understanding of how a mileage-based user fee might work. The selected participants will pick a mileage reporting device to track their miles driven and fuel usage over the three-month pilot. They will receive faux invoices showing what their payment would be under an MBUF system and what fuel tax credit they would receive. All MBUF payments and fuel tax credits will be simulated and no actual monies will be involved as part of the Phase 1 pilot.

### Who is participating in the pilot?

Pilot participants in Phase 1 will include about 100 state, local, and national decision makers and other key stakeholders who will learn how an MBUF system may work, thereby experiencing firsthand how MBUF can be a viable, fair, flexible and sustainable funding source for transportation. Participants may likely include senior staff from Departments of Transportation; project steering committee members; state legislators; local officials; trucking industry; toll authorities; local media and other regional stakeholders. Phase 2 will be a much larger pilot with about 1,000 volunteers including members of the general public.

### How are the miles driven and fuel usage calculated? How accurate is the information?

It varies depending on the mileage-reporting option the driver chooses. With a plug-in device – either with or without location – mileage and fuel usage is based on vehicle data obtained via the on-board diagnostics II (OBD-II) port. With the smartphone option, mileage is calculated based on the phone's GPS, and fuel is estimated based on the miles driven and the average MPG rating for the car make, model, year and engine type, as identified by the EPA. This information is available at [www.fueleconomy.gov](http://www.fueleconomy.gov), and clicking on the "Find a Car" tab.

The mileage recorded through the device should be very close to, but not necessarily the same as, the mileage recorded on the car's trip odometer or as calculated by various mapping tools. This is because all measuring instruments have some degree of error. For example, guidelines developed by the Society of Automotive Engineers (SAE) for odometers call for a margin of error of +/- 4%. Possible reasons for the difference between odometer readings and other measures can include tire pressure and wear (as the odometer is configured to a specific tire radius), and road surface conditions (e.g., wet surfaces can cause slippage and therefore affect the odometer mileage.)



## What are the mileage reporting options available?

For the Phase 1 pilot, there are three mileage-reporting options being used. Each pilot participant will select one of these options:

### Plug-In Device with Location

A device designed to plug in to a vehicle's OBD-II port that automatically calculates the mileage-based user fee (MBUF) based on the state(s) where the vehicle was actually driven. The device combines the mileage data and fuel consumption data stored in the vehicle's computer with the location of the miles driven using a GPS chip. Taking the recorded mileage and location data, along with the amount of fuel consumed, drivers pay for their miles driven based on the actual state(s) in which they drove and receive credits for fuel taxes paid. A location-based MBUF enables funds collected to be accurately distributed to where road wear and tear occurs. In addition, location capability provides the widest array of value-added amenities for drivers.



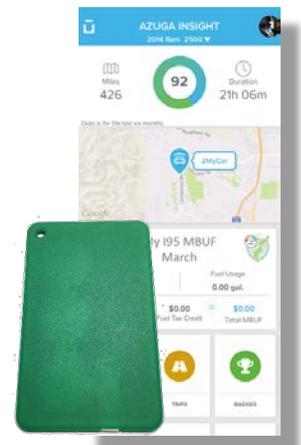
### Plug-In Device without Location

A device designed to plug in to a vehicle's OBD-II port that automatically calculates the mileage-based user fee (MBUF) based on estimates of the state(s) where the vehicle was driven. The device accesses mileage data and fuel consumption data stored in the vehicle's computer and applies assumptions about the percentage of in-state and out-of-state travel. Without location data, drivers pay for miles driven and receive credits for fuel taxes paid based on estimates of where the travel occurred. The non-location MBUF reduces privacy concerns regarding trip data, but does not provide an accurate connection between the funds collected and where the road wear and tear happens. Not having the location technology also limits the number of value-added amenities available for drivers.



### Smartphone with Location

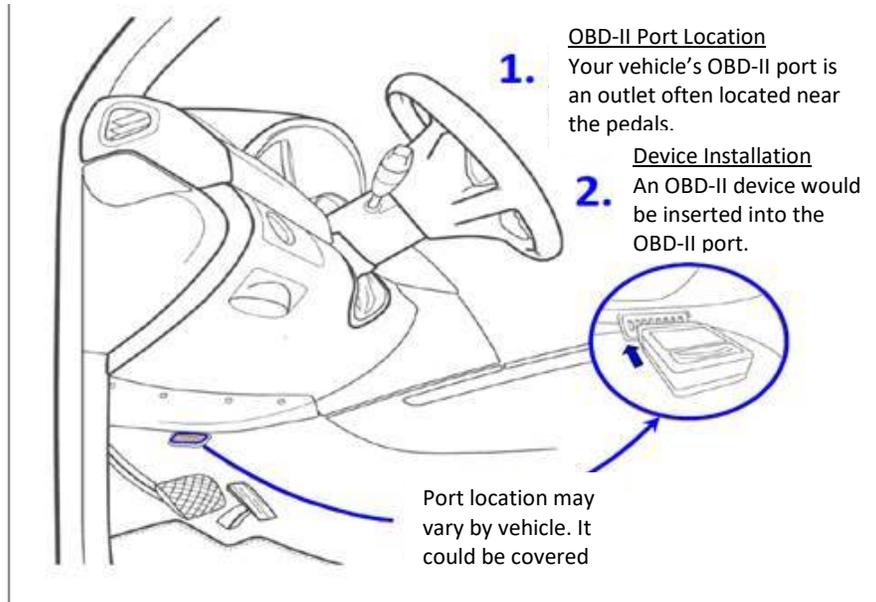
An app downloaded on the driver's smartphone that works with a credit card-sized device (beacon) to automatically calculate the mileage-based user fee (MBUF). The smartphone uses GPS to measure mileage and record in which state the miles are driven. The beacon is used to tie the Smartphone app to your specific vehicle; otherwise trips taken with the smartphone via other modes or vehicles (i.e. train or in another vehicle) will be billed for that additional mileage. To work correctly, the beacon and smartphone must be in the vehicle. Combining the recorded mileage and location data with official vehicle fuel consumption ratings (as determined by the EPA), drivers pay for their miles driven based on the actual state(s) in which they drove and receive credits for fuel taxes paid. A location-based MBUF enables funds collected to be accurately distributed to where road wear and tear occurs. Since there is no connection to data stored in the vehicle's computer, several value-added amenities (e.g., vehicle health, battery performance, safe vehicle zones) are not available for drivers.





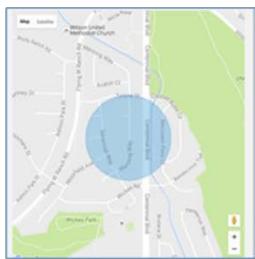
## What is an OBD-II port?

OBD stands for on-board diagnostics. The OBD-II port enables external devices to access data on mileage, emissions, speed and other subsystems that are already stored in a vehicle's computer. The port is most often on the driver's side of the vehicle either on or under the dash. The OBD-II port is typically available on any vehicle made after 1996. While it's most often used by mechanics to diagnose problems with a vehicle, there are a growing number of devices that drivers can install to monitor their vehicle's performance. One potential capability of these new devices is the calculation of a mileage-based user fee.



## What are value-added amenities?

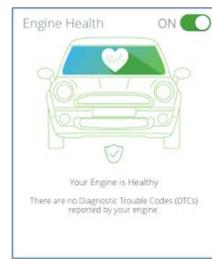
With watches, phones, ride hailing apps, and on-demand services, we are more connected and more demanding than ever before. Currently, tons of information is sitting within our vehicle, but remains out of reach for most drivers. Value-added amenities break down the barrier between the vehicle and driver by creating tools such as a battery life monitor, check engine message decoder, trip logs and vehicle safe zones. The same technology used to create these value-added amenities can also calculate a mileage-based user fee. The relationship between value-added amenities and MBUF is being explored in pilot studies.



Safe Zones



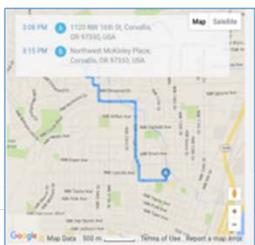
Battery Health



Engine Health



Find My Car



Trip Log



Driver Scores



Gamification



## What are the value-added amenities available?

The following table describes the value-added amenities and which mileage-reporting option they are available with.

	Plug-In Device with Location	Plug-In Device without Location	Smartphone with Location
<b>Device Operations</b>			
Location: Uses GPS to determine where you traveled	X		X
Uses a device that plugs in to your vehicle	X	X	
Requires a smartphone with downloaded app			X
<b>Value-Added Amenities</b>			
Mileage-Based User Fee (MBUF) Details: View all the data pertaining to MBUF charges, including your miles traveled, fuel tax credit and wallet balance.	X	X	X
Trip Logs: Detailed trip logs remember each trip you've taken, so you can see details about your trips like duration, cost, and carbon footprint.	X	X	X
Vehicle Health: Get valuable information about what's really happening with your vehicle when the Check Engine light goes on.	X	X	
Battery Voltage: See how well your battery is performing and see right away if your battery is dead or getting old.	X	X	
Driver Scoring: Driver scoring that shows how smooth you drive. Driving factors that are scored: high speed, acceleration, braking and idling.	X	X	
Achievements: Earn badges that unlock for good driving behavior. Compete with friends and family to see who can unlock the most badges. A great tool for drivers to stay engaged and connected with their driving.	X	X	
Safe Zones: Offers peace of mind that anyone driving your car (such as a teenager) is safe by allowing you to set up geographical zones and be notified when the vehicle has crossed those zones.	X		
Enhanced Visual Trip Logs: Trip logs that show individual trips on a map and are shareable with friends.	X		X
2MyCar: Guides you back to your car using your smartphone with either turn-by-turn instructions or by a straight-line route.	X Smartphone app required		X Smartphone app required



## How is my privacy protected?

Privacy concerns are among the most commonly cited concerns with MBUF, especially in terms of what data is collected and who has access to the data. The I-95 Corridor Coalition takes these concerns seriously and this study will respect the privacy of drivers and protect personal information.

For the Phase I pilot, the Coalition has identified three mileage reporting options from which participants can choose, including one that collects ZERO location information. The Coalition has also partnered with Azuga, a well-established industry-leading account manager, which has provided MBUF account management services in California, Colorado, and Oregon.

In setting up a MBUF account, participants will provide the following information to Azuga – information that is very similar to what is provided to the DMV when registering a vehicle:

- Name and address, including zip code
- Email address and phone number
- Year, make and model of the vehicle
- The Vehicle Identification Number (VIN), and license plate number and state of the vehicle
- The state of employment

Through the mileage-reporting option that pilot participants choose, Azuga will also collect the following information:

- Speed
- Time
- When the device is plugged in or unplugged from the vehicle
- Location and routes driven (only for options using GPS)
- Estimated toll charges for toll facilities within Delaware (only for options using GPS)
- G force (i.e., an indicator of acceleration and braking)
- Fuel usage (for plug-in devices)
- Mileage, braking and acceleration are calculated using speed and time

This information is used to calculate MBUF and the fuel tax credit and is used to support the various value-added amenities. However, none of the route information and driving behavior information is shared with the Coalition or the participating State DOT's. Moreover, any location information is aggregated such that Coalition and participating State DOTs will only know how many miles your vehicle was driven in each state for the entire month. No daily route information is shared.

Every month, the I-95 Corridor Coalition and the participating State DOTs will receive aggregated vehicle mileage reports from Azuga that protect the privacy of individual participants. The I-95 Corridor Coalition and participating State DOTs do NOT receive any participant-specific routing or driving behavior information.

The monthly aggregated reports will only contain the following information:

- Total miles traveled by each vehicle (identified by the VIN) for the month.
- Total miles traveled in each I-95 Corridor State (for location-based approaches) for the month.



- The amount of simulated Mileage-Based User Fees less a credit for estimated state fuel taxes paid.
- Equipment errors or malfunctions.

This collected information will be used for the evaluation portion of the study. Following are examples of how the information might be used:

- Analysis of difficulties participants have in setting up their MBUF mileage accounts, so that this process can be improved for any future MBUF system.
- Analysis of MBUF by different makes and models of vehicles, to gain insight into how a MBUF system might address inequities in the current fuel tax approach.
- Analysis of the amount of cross-state mileage that would need to be managed in a multi-state environment.
- Analysis of mileage by a certain area of a state, to gain a better understanding of how MBUF might impact drivers differently, depending on where they live.

The data used for these purposes will not contain any participant specific information and will only be used at the aggregated level (combined with other participants' data). Individual participants' data will not be shared with the participating states or with the Coalition. Additionally, no detailed location information (e.g., routes taken) nor information on driving behavior is provided to the I-95 Corridor Coalition, the I-95 Corridor Coalition member states, or any third party by Azuga.

All detailed participant-specific data collected during the pilot will be deleted within 30 days following the completion of the pilot.

## Will people know where I'm driving?

For pilot participants who select a mileage reporting option that uses GPS, the location of their miles and the routes driven will be collected by the account manager. This is done so that their MBUF can be calculated based on the actual state(s) where they drove. The location data is also used to support a number of value-added amenities offered by Azuga, the account manager selected for the I-95 Corridor Coalition pilot. Information on individual trips and routes is not shared with anyone and is only retained by Azuga for 30 days. During that time, pilot participants can view the information about their trips. Location information is not actively monitored or provided to any other private entity or government agency.

## What are the current state fuel taxes in the I-95 Coalition states?

Following is a table of the fuel taxes (both gas and diesel) for each of the I-95 Corridor Coalition states. In addition, there is a federal tax of 18.4¢ per gallon on gas and 24.2¢ per gallon on diesel. The current Phase 1 I-95 Corridor Coalition pilot is only studying MBUF as a replacement to the state gas tax. State diesel fuel taxes and federal fuel taxes are not addressed. See the FAQ [“What if a vehicle uses diesel, does that make a difference?”](#) for more information on diesel vehicles in the Phase 1 pilot.



State	State Gas Tax (cents per gallon)	State Diesel Tax (cents per gallon)
Connecticut	39.85¢	41.70¢
Delaware	23.00¢	22.00¢
District of Columbia	23.50¢	23.50¢
Florida	36.80¢	33.70¢
Georgia	31.09¢	29.40¢
Maine	30.01¢	31.21¢
Maryland	33.50¢	34.25¢
Massachusetts	26.54¢	26.54¢
New Hampshire	23.83¢	22.83¢
New Jersey	37.10¢	33.40¢
New York	43.88¢	42.68¢
North Carolina	34.55¢	34.55¢
Pennsylvania	58.20¢	74.70¢
Rhode Island	34.00¢	34.00¢
South Carolina	16.75¢	16.75¢
Vermont	30.46¢	32.00¢
Virginia	22.39¢	26.08¢



## How much would be charged per mile under MBUF and how were the rates developed? Will the rates change over time?

The per-mile rates developed for the Phase I pilot are calculated based on each state’s gas taxes to be “revenue neutral”—that is, a vehicle getting the national average of 22 miles per gallon (MPG) will pay an MBUF that is equal to the amount paid for the state gas taxes. The per mile rates for the Phase 1 pilot for each of the Coalition states are listed in the Table below.

State	Per Mile Rate (cents per mile)
Connecticut	1.81¢
Delaware	1.05¢
District of Columbia	1.07¢
Florida	1.67¢
Georgia	1.41¢
Maine	1.36¢
Maryland	1.52¢
Massachusetts	1.21¢
New Hampshire	1.08¢
New Jersey	1.69¢
New York	1.99¢
North Carolina	1.57¢
Pennsylvania	2.65¢
Rhode Island	1.55¢
South Carolina	0.76¢
Vermont	1.38¢
Virginia	1.02¢

Given that the hypothetical rates being explored in the Phase 1 pilot are based on the national fuel efficiency of 22 MPG, vehicles that get greater than 22 MPG, would receive a faux invoice that is higher under MBUF than the current fuel tax system and vehicles that get less than the 22 MPG average would receive a faux invoice that is lower than the current fuel tax system.



The rates being explored in this pilot are solely for research purposes. Ultimately, each state, and possibly its legislature, would determine the per-mile rates, which could conceivably vary by vehicle type, location, or other considerations. Each state would also determine any changes to the per-mile rates.

## How is MBUF calculated?

In general, MBUF is calculated as follows:

$$(\text{\# of miles driven} \times \text{per mile rate}) - \text{state fuel tax paid} = \text{MBUF}$$

## How is MBUF calculated if you drive in more than one state?

The way that the MBUF is calculated depends on the mileage reporting option the driver selects.

If the driver selects a device with location (meaning that GPS is used to record in which states the miles were driven), the MBUF is calculated based on how many miles were driven in each of the states within the I-95 Corridor Coalition.

[Click here to see the per mile rates for each state.](#)

[Click here to see the current state fuel taxes.](#)

**Example:** A vehicle is driven 1,800 miles in a month, using 60 gallons of fuel (i.e., 30 miles per gallon). This vehicle uses a location-based mileage-reporting device, and the breakdown of miles driven in each state is as follows:

Delaware – 1,000 miles  
 Pennsylvania – 600 miles  
 New Jersey - 200 miles

The MBUF invoice calculations would be as follows:

State	Miles Driven	Per-Mile rate	MBUF	Fuel Used (Gallons)	State Fuel Tax (cents per gallon)	Fuel Tax Credit	Net Bill
DE	1,000	\$ 0.0105	\$ 10.50	33.33	\$ 0.23	\$ 7.67	\$ 2.83
PA	600	\$ 0.0265	\$ 15.90	20.00	\$ 0.582	\$ 11.64	\$ 4.26
NJ	200	\$ 0.0169	\$ 3.38	6.67	\$ 0.371	\$ 2.47	\$ 0.91
<b>TOTALS</b>	<b>1,800</b>		<b>\$29.78</b>	<b>60</b>		<b>\$21.78</b>	<b>\$ 8.00</b>

### Notes

- Where the fuel was purchased, and the actual amount of fuel tax paid, is unknown, even with location technology. Accordingly, the number of gallons is apportioned between states based on the number of miles driven in each state – for example, the 600 miles in Pennsylvania represents one-third of all miles driven (600 / 1800), which is applied to the total 60 gallons resulting in an estimate of 20 gallons of fuel within Pennsylvania)
- The fuel tax credit does not include the federal fuel tax of 18.4 cents per gallon



If the driver is using a mileage-reporting device without location, there is not a way to determine the state(s) where the vehicle was driven. For the Phase 1 pilot, we will assume that a specified percentage of mileage and fuel tax payments have occurred in the vehicle’s home state, and the MBUF will be calculated using that state’s per-mile rate and state fuel tax. The remaining percentage of the vehicle’s mileage will be assumed to have occurred outside of the vehicle’s home state, using an average per-mile fee and average fuel tax for all out-of-state mileage.

[Click here to see the preliminary percentages and out-of-state per-mile rates and fuel taxes for each home state.](#)

**Example:** A vehicle from Delaware is driven 1,800 miles in a month, using 60 gallons of fuel (i.e., 30 miles per gallon). This vehicle does not use a location-based technology.

The MBUF invoice calculations would be as follows:

State	Percent	Assumed Mileage	Per-Mile Rate	MBUF	Fuel Used (Gallons)	State Fuel Tax (cents per gallon)	Fuel Tax Credit	Net Bill
DE (Home)	82%	1,476	\$ 0.0105	\$ 15.50	49.2	\$ 0.23	\$ 11.32	\$ 4.18
Out of State	18 %	324	\$ 0.0213	\$ 6.90	10.8	\$ 0.4675	\$ 5.05	\$ 1.85
<b>TOTALS</b>	<b>100 %</b>	<b>1,800</b>		<b>\$22.40</b>	<b>60</b>		<b>\$16.37</b>	<b>\$ 6.03</b>

### How was the “other state” rate calculated for non-location participants?

If the pilot participant is using a device without location, there is not a way to determine the state(s) where the vehicle was driven. For the Phase 1 pilot, a specified percentage of mileage and fuel tax payments will be assumed to have occurred in the vehicle’s home state – based on census statistics on levels of work-related cross-state travel – and the MBUF will be calculated using that state’s per-mile rate and state fuel tax. The remaining percentage of the vehicle’s mileage will be assumed to have occurred outside of the vehicle’s home state, with an average per-mile fee and average fuel tax for all out-of-state mileage based on the per-mile rates and state fuel taxes in adjacent states.

The assumed percentages and out-of-state per-mile rates and fuel taxes for each home state are shown in the following table. The out-of-state mileage percentages by resident drivers are based on US Census statistics on in-state / out of state workers. The out-of-state rates and fuel taxes are based on the rates and fuel taxes in adjoining states.



*Assumed Percentages of Out-of-State Mileage by Home State Vehicles and Associated Out-of-State Per-Mile Rates and fuel Taxes to Be Used during Phase 1 MBUF Pilot*

State	Out of State Mileage by Resident Drivers	Out of State Per Mile Rate (cents per mile)	Out of State Fuel Tax Credit (cents per gallon)	Out of State Rates and Fuel Taxes Based On :
Connecticut	8 %	1.69¢	37.08¢	NY (50%), RI, MA
Delaware	18 %	2.13¢	46.75¢	PA (50%), NJ, MD
District of Columbia	30 %	1.27¢	27.95¢	VA, MD
Florida	1 %	1.41¢	31.09¢	GA
Georgia	3 %	1.22¢	26.78¢	SC, FL
Maine	5 %	1.15¢	25.19¢	NH, MA
Maryland	20%	1.29¢	28.24¢	DC (35%), VA (35%), PA, DE
Massachusetts	5 %	1.61¢	35.39¢	CT, NH, RI, NY
New Hampshire	18 %	1.29¢	28.39¢	MA (50%), VT, ME
New Jersey	15 %	2.32¢	51.04¢	NY, PA
New York	4 %	1.75¢	38.48¢	NJ, CT
North Carolina	3 %	0.89¢	19.57¢	VA, SC
Pennsylvania	6 %	1.56¢	34.37¢	DE, MD, NJ, NY
Rhode Island	16 %	1.59¢	34.93¢	CT, MA
South Carolina	5 %	1.49¢	32.82¢	GA, NC
Vermont	8 %	1.54¢	33.86¢	NH, NY
Virginia	10 %	1.30¢	28.50¢	DC, MD

## How is the fuel tax credit calculated?

It varies depending on the mileage reporting option the pilot participant chooses. With a plug-in device – either with or without location – fuel usage is based on vehicle data obtained via the OBD-II port for most vehicles. For vehicles where this information cannot be obtained from the OBD-II port (i.e. electric vehicles), the fuel is estimated based on the miles driven and the average MPG rating for the vehicle make, model, year and engine type, as identified by the EPA. With the smartphone option, mileage is calculated based on the phone’s GPS, and fuel is estimated based on the miles driven and the average MPG rating for your car make, model, year and engine type, as identified by the EPA. This information is available at [www.fueleconomy.gov](http://www.fueleconomy.gov), and clicking on the “Find a Car” tab.



## What if a vehicle uses diesel, does that make a difference?

Participants with diesel-powered vehicles will receive an MBUF invoice showing the miles traveled (by state, as appropriate), the amount of fuel used, and a credit for the fuel tax paid. For this pilot, the fuel tax credit will be based on the state fuel taxes for regular fuel, not on diesel. In most states along the eastern seaboard, the state tax on diesel is different from the state tax on gas as shown in a previous table. As such, the fuel tax credit may not reflect the actual amount paid in diesel fuel taxes. This has been done to simplify this initial pilot. Future pilots will differentiate between gas and diesel vehicles and the associated fuel taxes.

## What if it's an electric vehicle, does that make a difference?

Drivers with an electric vehicle, must select a location-based option – either Plug-In Device or Smartphone with location. However, not all electric vehicles have an OBD-II port for the Plug-In Device. If the electric vehicle does not have an OBD-II port, the driver must use the Smartphone with location option.

The reason a location-based option is required for electric vehicles is because the port in electric vehicles does not provide the necessary data for calculating miles. Under these circumstances, the Plug-In Device uses GPS and the associated location data to directly measure mileage.

## How will people be charged for driving on roads outside of the I-95 Coalition states?

It depends on which mileage-reporting option the participant chooses. If a participant chooses a GPS-enabled approach, it will identify any miles driven outside of the I-95 Coalition states, and those miles will not be assessed MBUF on their faux invoice. The I-95 Corridor Coalition covers the following:

Connecticut	New Jersey
Delaware	New York
District of Columbia	North Carolina
Florida	Pennsylvania
Georgia	Rhode Island
Maine	South Carolina
Maryland	Vermont
Massachusetts	Virginia
New Hampshire	

For a device without location, the mileage will be assessed as discussed in the FAQ entitled [“How is MBUF calculated if you drive in more than one state?”](#) – that is, all mileage will be billed.