



# **The Infrastructure Plan: What Does it Mean for Your Tolls?**



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## About Bestpass

Bestpass provides a comprehensive payment platform with a focus on nationwide toll management for commercial fleets of all shapes and sizes. Bestpass ensures data accuracy, consolidates payments, delivers invaluable industry expertise, and saves its users time and money. Founded in 2001, Bestpass is now a trusted partner on the road and in the back office for customers, tolling authorities, and related organizations.

While 2021 was certainly an eventful year, one of the major political events was the passage of the infrastructure plan, formally known as The Infrastructure Investment and Jobs Act (IIJA).

The \$1.2 trillion measure includes \$550 billion in new spending. This bipartisan agreement survived the divisive political environment of Washington, D.C. to become law in mid-November. [According to Axios](#), it's the biggest public-works bill since the creation of the interstate highway system over sixty years ago.

Because the legislation is so broad, the impacts will be long-lasting — its passage is just the beginning of all that it could mean. From a high-level view, it includes broad strokes that will affect many industry sectors, particularly transportation. A closer examination also reveals its commitment to research funding that may translate to significant impacts on tolling. Here's a look at some of what's in the works.

## Vehicle miles traveled (VMT) program

### *Fuel efficiency*

One of the key pieces of the plan is finding new sources of revenue for the Highway Trust Fund (HTF). Established as part of the Federal Highway Act of 1956, the HTF is used to finance most federal government spending for highways and mass transit.

Historically, revenue for the HTF has come primarily from federal taxes on gasoline and diesel fuel. As engine mileage has improved and electric vehicles have become more popular, fuel taxes have not been able to

provide all the funds the HTF needs. One proposal to address the lack of funds is to impose a tax on highway miles driven, also known as a vehicle miles traveled tax (VMT) or road user charge (RUC). The infrastructure plan, as passed, includes funding for a pilot program to study VMT as a viable revenue source.

The topic is not without controversy. In early 2021, both the Owner-Operator Independent Driver Association (OOIDA) and the American Trucking Associations (ATA) expressed opposition to what was then being discussed in the Senate as a truck-only VMT approach, [calling it a discriminatory move](#). Although the focus was later shifted to a tax that could be applied across the board to all vehicles, confusion about its implementation led to a social media backlash: The Associated Press [reported in late September](#) on an image repeatedly shared on Facebook suggesting that a “driving tax,” estimated to be 8 cents per mile, was buried in the infrastructure package. There is no driving tax in the infrastructure plan's final form.

As the AP explained, the IIJA pilot program was designed only to research the mechanics of how a national VMT tax might work. No specific rate is mentioned in the legislation; the 8 cents



per mile notion in the social media posts may have been borrowed from an unrelated VMT proposal applicable to a single state. Perhaps most importantly, the program would be applied only to drivers taking part in the study on a voluntary basis; fees collected from the volunteers would ultimately be refunded. In other words, the IIJA's provision for a VMT program is designed to collect data that may drive future policy decisions, as opposed to an actual tax.

That said, it's certainly possible that the establishment of a national VMT tax may be down the road. Annual research conducted by the Mineta Transportation Institute has shown [steadily increasing public support for mileage fees](#), and a handful of states have already piloted VMT programs. The International Bridge, Tunnel and Turnpike Association (IBTTA) also included the pilot program in its [highlight list of new opportunities](#) contained in the legislation. The Bipartisan Policy Center (BPC), based in Washington, has recommended VMT adoption while also [acknowledging privacy](#) concerns about data collection — something the IIJA does seek to address, by including data security experts in its establishment of a program advisory board.



## Congestion relief program

Another opportunity is a program that allows for interstate tolling to be incorporated into the study of urban congestion solutions. The infrastructure plan outlines possibilities for managing traffic and congestion that include high-occupancy vehicle toll lanes, congestion pricing and with incentive programs to reduce highway traffic during peak periods.

As explained by the [Federal Highway Administration](#), congestion pricing is designed to reduce highway traffic during rush-hour periods, by encouraging travelers to use different transportation modes or travel during off-peak periods. Similar variable pricing strategies have been used in other industries such as electricity and telecommunications, and the FHA refers to a consensus among economists that “congestion pricing represents the single most viable and sustainable approach to reducing traffic congestion.”

Investopedia takes a more balanced view, however, noting that there are both [pros and cons](#) to congestion pricing. Fewer traffic delays, increased revenues that can be invested back into infrastructure, and reduced pollution and energy consumption are among the advantages. Yet consideration must also be made for the heavier burden it places on those who drive more, the impact on businesses in areas where travel is actively discouraged, and the cost of oversight and collection.

In New York City, the first region in the nation to approve a congestion pricing plan, a series of public hearings currently underway is

scheduled to stretch into 2023. There are a range of opinions about the New York plan, from those who feel the program will not solve its intended goal, to those who feel they will be unfairly burdened by it, to those who feel the review process is not moving fast enough, as the [New York Times reported](#).

Nevertheless, the strategy is already being used in other cities around the world, including London and Stockholm. As reported by the San Francisco County Transportation Authority, which is developing its own congestion pricing program, [key takeaways](#) from those cities include the importance of data collection, pilot program implementation, and having program goals aside from simply raising revenue.

### **Other toll-related programs**

The infrastructure plan also includes a pilot program to study the potential for creating a toll credit exchange marketplace. This would allow states to buy and sell credits that can be used toward highway and transit project match requirements.

Elsewhere in the 2,702-page legislation are also what the IBTTA calls “unprecedented levels” of grant programs that open federal highway fund eligibility to new organizations, including toll operators. long haul.

## **Conclusion**

As these programs unfold, what you pay for tolls and how you pay them has the potential to change drastically. Staying on top of the potential impacts on tolling may seem daunting. Fortunately, however, there are toll management solution providers with a mission to be the expert so you don’t have to be.

One example is Bestpass, which works with both tolling authorities and toll-paying customers to fully understand toll dynamics, even as complex changes appear on the road ahead. The company is poised to provide the technology to support VMT implementation, for instance, or to factor congestion pricing calculations into its route planner software — whatever is needed as the toll-related impacts of the new legislation begin to take hold.

The full text of the Infrastructure Investment and Jobs Act is available [here](#). To learn more about toll management solutions for both trucking fleets and owner-operators, [visit Bestpass online](#).

