

of revenue. These rates also assume that the total VMT in each state would remain the same once a VMT tax was implemented to replace fuel taxes.

Relative to New Zealand's RUC, one complication in the United States would be tracking miles traveled in each state separately, to allow accurate VMT assessment per state.

4.2. Congestion Pricing

Congestion pricing works similarly to VMT taxes, except the per-mile charge varies based on the amount of congestion where the travel takes place. While VMT taxes primarily raise funds for roadway maintenance and expansion—and thus are more directly linked to the physical cost of using a roadway—congestion fees address the time cost a traveler imposes on other travelers of the roadway. According to the FHWA, “There is a consensus among economists that congestion pricing represents the single most viable and sustainable approach to reducing traffic congestion.”⁴⁷

There are several different versions of congestion pricing. The most common version in use is a managed lane system, in which one set of lanes along a facility will have a congestion-based charge to ensure those lanes maintain a specified speed. Another type of congestion fee is cordon pricing, in which entering a certain area imposes a fee during high-use times of the day. In order to serve as a substitute for state fuel taxes, a different model known as “pay as you drive” might need to be implemented, in which drivers pay a fee based on when and where they drive, with higher-demand roadways imposing higher fees. So far, most of the trials of pay-as-you-drive systems in the United States have utilized fixed rates, making them functionally equivalent to VMT taxes.⁴⁸

One way in which VMT taxes vary from congestion pricing is the effect on driver behavior. While both potentially raise revenue that could replace falling fuel tax receipts, congestion pricing has the potential to disincentivize driving along particular routes or at certain times. Especially for long-distance truck trips, where there might be more potential flexibility in the route selected, congestion pricing could be a means, if coordinated at the megaregion level, to reduce the costs of maintenance along key corridors. For example, if combined with technologies to detect early

⁴⁷ FHWA Office of Operations. (2020, March 2). *What is Congestion Pricing?* Retrieved September 13, 2020, [link](#)

⁴⁸ *Ibid.*

