



What Do Americans Think About Federal Tax Options to Support Transportation? Results from Year Eleven of a National Survey

Project 2007 June 2020

Asha Weinstein Agrawal, PhD and Hilary Nixon, PhD

This research brief summarizes results from the eleventh year of an annual survey project exploring national support for raising additional federal transportation revenues through higher gas taxes or new mileage fees.

Study Methods

A nationally representative sample of 2,515 respondents completed the survey from February 14 to February 28, 2020. The survey was administered online, using a survey platform and panel of respondents managed by Qualtrics. A 2019 study by the Pew Research Center found that 90% of U.S. adults are online, making online panels a reasonable method for surveying the public on policy topics such as this one.

The survey questionnaire was designed to test public knowledge and opinions related to support for variants on increasing the federal gas tax rate, replacing the federal gas tax with a mileage fee, and creating a new mileage fee on commercial travel. Multiple variations on the gas tax and mileage fee concepts were presented to test relative support levels among these options.

Roughly half of Americans support some form of a mileage fee, whether it is assessed on all travel or just on commercial travel.

Findings about Mileage Fees

Roughly half of American adults support some form of a mileage fee, whether it is assessed on all travel or just on commercial travel. Forty-five percent of respondents supported replacing the gas tax with a flat-rate mileage fee of one cent per mile, and 49% supported a "green" version for which the average rate would be one cent per mile, but vehicles that pollute less would be charged less and vehicles that pollute more would be charged more.

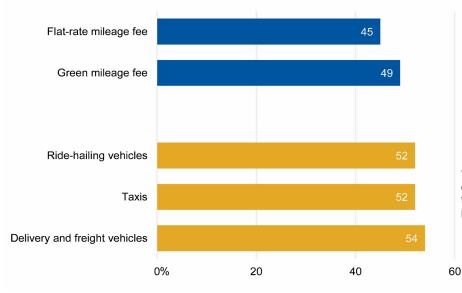
Just over half of respondents also supported a "business road-use fee" assessed on the miles that commercial vehicles drive on the job. (These vehicles would continue to pay the gas tax, too.) Fifty-four percent of respondents supported such a fee on delivery and freight trucks, and 52% supported such as fee on either taxis or ridehailing vehicles.

Three-quarters of people want to pay a mileage fee in small installments instead of paying one large, annual bill. Respondents were asked if they would prefer to pay for mileage fees at the pump or time of vehicle charging, monthly, or annually. The first option was the most popular of the three (47%), and the annual billing option the least popular (23%).

People concerned about privacy are much less likely to support the mileage fee concept. The 55% of respondents who expressed concern about being tracked for a mileage fee program were considerably less likely to support any of the mileage fee options. The lack of enthusiasm was particularly stark for the flat-rate fee on all travel. Only 25% of respondents concerned about tracking supported this fee, compared to 69% support among respondents who were not concerned about being tracked.

Just over half of respondents think mileage fee rates should be lower for electric vehicles (EVs) than for gas and diesel vehicles. Fiftyseven percent of respondents thought EVs should

MINETA TRANSPORTATION INSTITUTE



Mileage fees to replace the federal gas tax

• Flat: all vehicles pay one cent per mile

• Green: the average rate is one cent per mile, but more polluting vehicles pay a higher rate and less polluting vehicles pay a lower rate

Business road-use fees

These would be assessed only on miles that different kinds of commercial vehicles drive on the job, and those vehicles would continue to pay the current federal gas tax as well.

Percent of Respondents Supporting Different Mileage Fee Options

pay either half as much as gas and diesel vehicles or nothing at all. The other 43% of respondents thought that EVs should pay the same rate as gas and diesel vehicles.

Findings about Gas Taxes

Most people do not know how recently Congress raised the federal gas tax rate or how recently their state raised its gas tax rate. Only 3% of respondents knew that the federal gas tax rate was last raised more than 20 years ago, and only 25% knew approximately when their state had last raised its gas tax rate. About half of respondents said they simply didn't know when the federal and state rates were last raised.

Support for raising the gas tax rate depends on how the revenue will be spent. Policymakers can increase support by crafting gas tax measures that dedicate the revenues to purposes the public values. For example, people want better maintenance—and will pay for it. The gas tax variant with proceeds dedicated for maintenance was the most popular variant tested, with 75% supporting this increase. By comparison, only 44% supported the "base case" gas tax for which the proceeds would be dedicated more generally to "transportation." Support for raising the gas tax has risen slowly but steadily since 2010. Support has risen for all five of the gas tax variants that were tested throughout the survey series. The increases range from 8 to 20 percentage points.

About the Authors

Asha Weinstein Agrawal, PhD, is Director of the Mineta Transportation Institute's National Transportation Finance Center. Hilary Nixon, PhD, is Deputy Executive Director of the Mineta Transportation Institute.

To Learn More

For more details about the study, download the full report at transweb.sjsu.edu/research/2007



MTI is a University Transportation Center sponsored by the U.S. Department of Transportation's Office of the Assistant Secretary for Research and Technology and by Caltrans. The Institute is located within San José State University's Lucas Graduate School of Business.

MINETA TRANSPORTATION INSTITUTE