



COMMONWEALTH OF PENNSYLVANIA  
DEPARTMENT OF TRANSPORTATION  
HARRISBURG, PENNSYLVANIA 17120

April 14, 2021

Ira Beckerman  
500 9<sup>th</sup> Street  
New Cumberland, PA 17070

Dear Ira:

Thank you for your concern for PennDOT's revenue and for your meticulously researched letter. You are correct: the growing adoption of electric vehicles will severely impact our agency's funding if current fee payment procedures are not modernized to address the increased adoption of alternative fueled vehicles. PennDOT, the Department of Revenue, and the legislature are cooperatively exploring solutions to address this issue.

The current procedure for payment of the alternative fuels tax was designed before electric vehicles were readily made available by vehicle manufacturers and as such is not a practical solution as we move forward with an ever-increasing number of privately and commercially owned electric and plugin hybrid vehicles.

Pennsylvania legislators are also aware of the need to address this concern as the pace increases to transition from gasoline and diesel-powered vehicles to alternative fueled vehicles. We are currently working with legislative leadership to develop an electric vehicle fee that is both fair and easy to pay. Our near-term discussions have centered around one approach that you mentioned in your letter -- a fee paid by the driver at the time of registration and renewal. Creating a fee paid during the registration and renewal process ensures that it will be a familiar procedure, and one that is led by PennDOT.

The department recently launched the PennDOT Pathways Program, an effort to holistically plan for future funding sources and needs. Our goal is to identify alternative funding solutions that are fair and equitable for all Pennsylvanians – citizens and businesses – and that best fit the needs of our transportation system. While we have yet to determine which solutions are best for our state, we are exploring a number of potential funding options. These options are being assessed within the Planning and Environmental Linkages (PEL) study. As you may have heard, bridge tolling was identified as a viable near-term solution. Other potential solutions include managed lanes, corridor tolling, and fee and tax increases.

A vehicle miles traveled tax (VMT) is among the long-term solutions being explored by the PEL study. Though there are challenges to near-term implementation, we too believe VMT to be an excellent long-term solution for road funding that would fairly integrate vehicles of all fuel types. Each potential funding option is being studied to determine what is feasible and, above all else, equitable.

Ira Beckerman

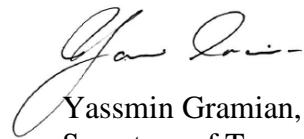
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In addition to the PEL study, Governor Tom Wolf recently signed an executive order establishing the Transportation Revenue Options Commission and underscored his commitment to phase out the state's gas tax. The commission, which is comprised of transportation, economic and community stakeholders from both the public and private sectors, will develop comprehensive funding recommendations for Pennsylvania's transportation network.

We plan to complete and publish the PEL study for review later this spring. We look forward to sharing the study and its findings as we look to collaborate with communities throughout the state to identify funding solutions that equitably impact and benefit all Pennsylvanians. Thank you for your interest in contributing to the transportation network we all rely on and for imparting suggestions that would enable others to do the same.

Sincerely,

A handwritten signature in black ink, appearing to read "Yassmin Gramian".

Yassmin Gramian, P.E.  
Secretary of Transportation