

# Delaware Sustainable Transportation Funding Task Force

August 24, 2026



## *Excellence in Transportation* **Every Trip.**

We strive to make every trip taken in Delaware safe, reliable and convenient for people and commerce.

## **Every Mode.**

We provide safe choices for travelers in Delaware to access roads, rails, buses, airways, waterways, bike trails and walking paths.

## **Every Dollar.**

We seek the best value for every dollar spent for the benefit of all.

## **Everyone.**

We engage our customers and employees with respect and courtesy as we deliver our services.

# Safety

## 2026 Delaware Total Fatalities

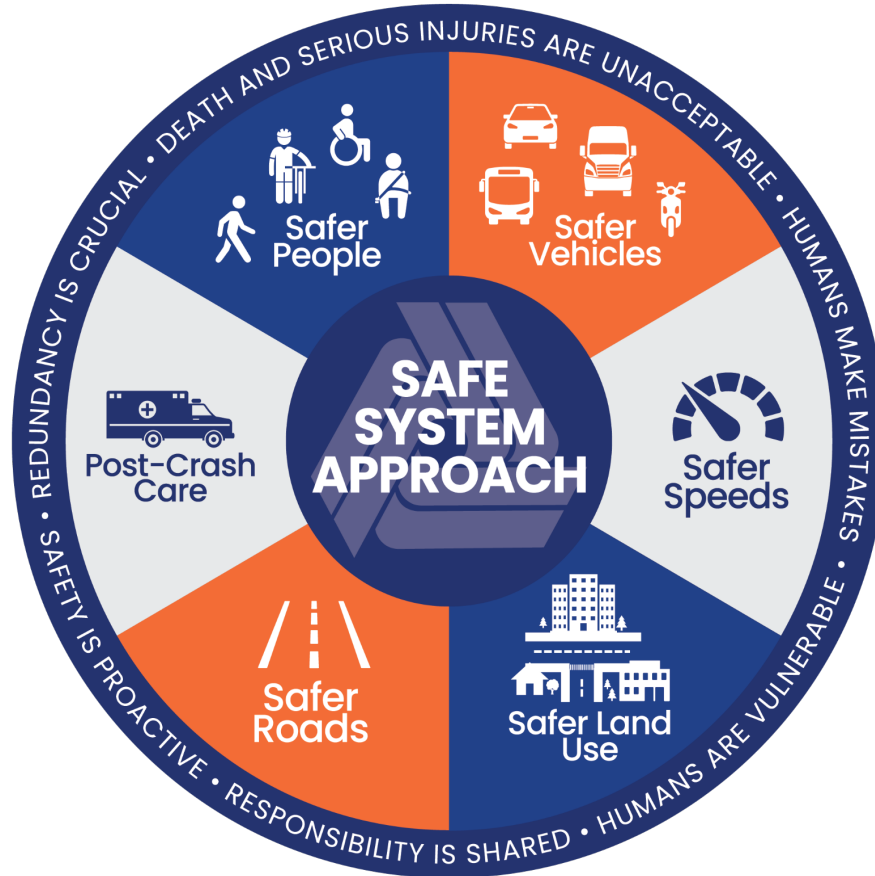
as of 8/20/2026

|                      | 2026 | 2025 |         |        | 2024 |         |        |
|----------------------|------|------|---------|--------|------|---------|--------|
|                      |      | YTD  |         | Totals | YTD  |         | Totals |
| Fatalities           | 72   | 64   | ↑ 13%   | 117    | 84   | ↓ -14%  | 130    |
| Delaware Residents   | 64   | 47   | ↑ 36%   | 90     | 70   | ↓ -9%   | 110    |
| Person Types         |      |      |         |        |      |         |        |
| Vehicle Occupant     | 39   | 34   | ↑ 15%   | 67     | 45   | ↓ -13%  | 65     |
| Pedestrian           | 16   | 17   | ↓ -6%   | 27     | 16   | 0%      | 34     |
| Bicyclist            | 5    | 2    | ↑ 150%  | 4      | 3    | ↑ 67%   | 5      |
| Motorcyclist         | 11   | 10   | ↑ 10%   | 17     | 16   | ↓ -31%  | 21     |
| Other Person Type    | 1    | 1    | 0%      | 2      | 4    | ↓ -75%  | 5      |
| Crash Types          |      |      |         |        |      |         |        |
| Curve Related        | 16   | 10   | ↑ 60%   | 15     | 15   | ↑ 7%    | 23     |
| Roadway Departure    | 30   | 29   | ↑ 3%    | 50     | 31   | ↓ -3%   | 42     |
| Intersection Related | 19   | 17   | ↑ 12%   | 37     | 34   | ↓ -44%  | 48     |
| Median Crossover     | 2    | 1    | ↑ 100%  | 2      | 0    | N/A     | 0      |
| Wrong Way            | 0    | 2    | ↓ -100% | 4      | 3    | ↓ -100% | 4      |
| Work Zone            | 3    | 5    | ↓ -40%  | 7      | 5    | ↓ -40%  | 5      |

**BE DELAWARE.**  
TOWARD **ZERO** DEATHS  
[BEDELAWARE.DELEDOT.GOV](http://BEDELAWARE.DELEDOT.GOV)



# DelDOT Safe System Approach



# Agenda

- Welcome
- Review/Approval July 30, 2026 Minutes
- Public Outreach Updates
- Continued Review of Updated Data for 2011 Recommendations
- Review 2025/2026 List of New Ideas
- Review Action Items
- Next Meeting: September 21, 2:30pm – 4:00pm (Bear, DE)
- Public Comment



# Review Minutes from July 30, 2026

# Stakeholder Engagement Discussion

# Stakeholder Engagement

- Delaware State Chamber Board of Governor's Meeting – September 10 7:30am
  - Business Sentiment Survey – TBD
- Delaware League of Local Governments – September 24 5:30pm
- American Council of Engineering Companies (ACEC) – TBD
- Delaware Contractors Association (DCA) – TBD
- Committee of 100 – TBD
- In Person and Virtual Public Information Sessions – TBD
- DelDOT Employee Survey – TBD



# 2011 Recommendations Survey

## Follow-up Information from Last Month's Recommendations Discussed

### **#19 Insurance Penalties \$100.00 to \$125.00 plus \$5.00/day (this is for uninsured motorists when they let their insurance lapse)**

- **Do we know what other states charge?**
  - Maryland: \$200 first 30 days, then \$7/day; annual cap \$2,500
  - New York: \$8/\$10/\$12 per day through 90 days; max \$900 in lieu of plate surrender
  - Nevada: Tiered reinstatement by lapse length and history; up to \$1,250
  - North Carolina: \$50/\$100/\$150 based on prior lapses; plus \$50 restoration
  - Florida: \$150/\$250/\$500 reinstatement based on repeat occurrence
  - Pennsylvania: \$500 optional civil penalty in lieu of 3-month registration suspension



## Follow-up Information from Last Month's Recommendations Discussed

**#23 Dealer Reassignment \$10.00 to \$20.00 (this is the fee paid when a vehicle is sold from one dealership to another to update the title)**

- **Do we know what other states charge?**
  - Our research shows that most other states do not have a separate charge for Dealer Reassignment



## Follow-up Information from Last Month's Recommendations Discussed

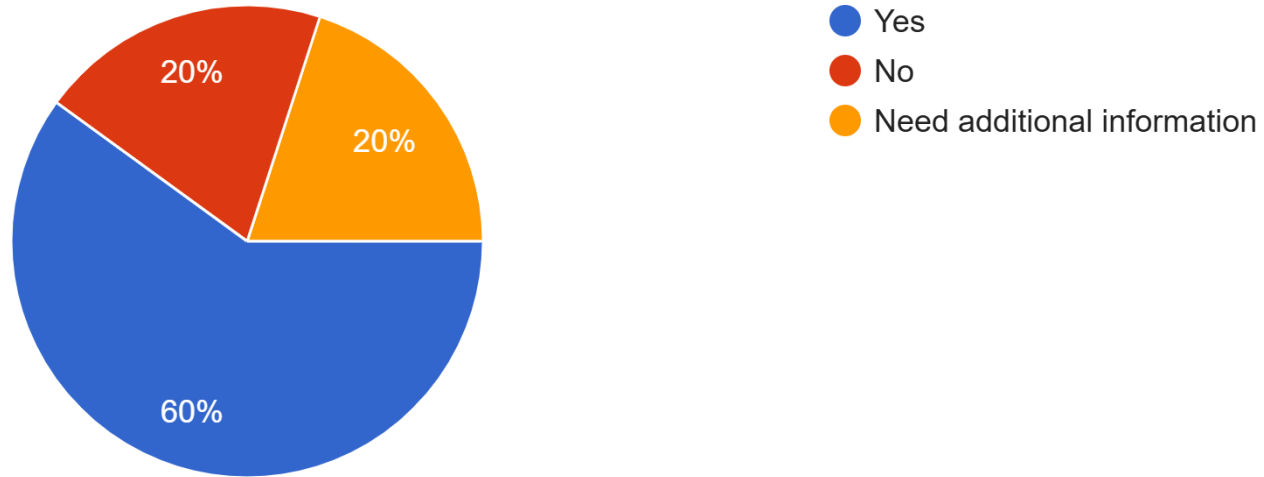
### **#50 Sale of Parking Garages/Lots (we currently own three parking garages at the Riverfront, Biden Train Station and Wilmington Transit Center)**

- **Are the lots full; Why did the revenue decline in 2025 for Riverfront Parking Garage compared to 2023 and 2024?**
  - Monthly revenue declined significantly during the final three months of FY24 and remained at the lower level throughout FY25
  - The decline driven by the loss of revenue for ~200 parking spaces previously leased by an employer eliminating the recurring revenue associated with those spaces



#65: Installation fee for Residential pipe installment in driveways (currently residents pay for the pipe, but not for the installation of it)

15 responses



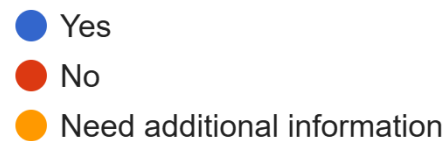
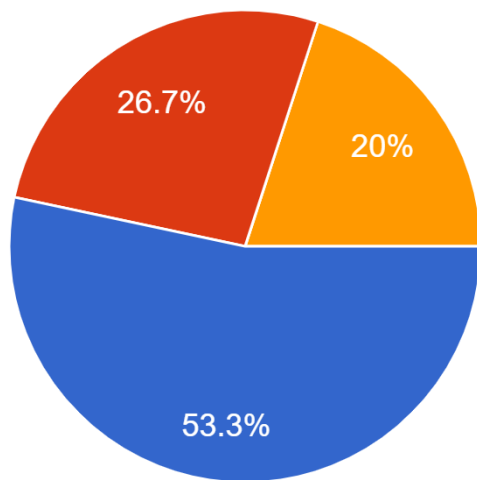
## #65 – Additional Information

- **Current Practice**
  - North and Canal District
    - DelDOT: Issues Permit and Inspects
    - Homeowner: Supplies and Installs Pipe
  - Central and South District
    - DelDOT: Issues Permit, Installs Pipe, and Inspects
    - Homeowner: Supplies pipe
  - CY 2025 annual cost was \$397,383.00



## #72: Increase Development Coordination/Inspection Fees

15 responses



# #72 – Additional Information

- **Current Fees**

- Initial Stage Fee: Are collected at the time of the record plan for DelDOT's review.
  - Minor residential subdivision: \$100
  - Major residential subdivision: \$400 plus \$10 per lot
  - Non-residential development: \$500 plus \$20 per lot or \$500 plus \$20 per 1,000 square feet of gross floor area, whichever is greater
  - Mixed use development: calculated for each land use separately and added together
- Construction Stage Fee:
  - Minor residential subdivision: N/A
  - Major residential subdivision: 125% of the Initial Stage Fee for a major residential subdivision
  - Non-residential development: 150% of the Initial Stage Fee for non-residential development



## #72 – Additional Information

- **Other States**

- **Maryland (SHA):** Requires permits for work within State highway right-of-way. Fees generally include an application fee and inspection charges, with larger or more complex projects allowing SHA to recover costs based on the actual level of inspection effort.
- **Pennsylvania (PennDOT):** Uses the Highway Occupancy Permit process for work within State right-of-way. In addition to permit and inspection fees, PennDOT assesses surface-opening fees based on the amount and type of roadway area disturbed. More complex projects may also require additional inspection oversight and cost recovery.
- **New Jersey (NJDOT):** Requires permits for highway access and openings, with application and inspection fees. Larger or more complex projects may require additional oversight, with associated costs recovered through an agreement similar in concept to DelDOT's Level II inspection process.



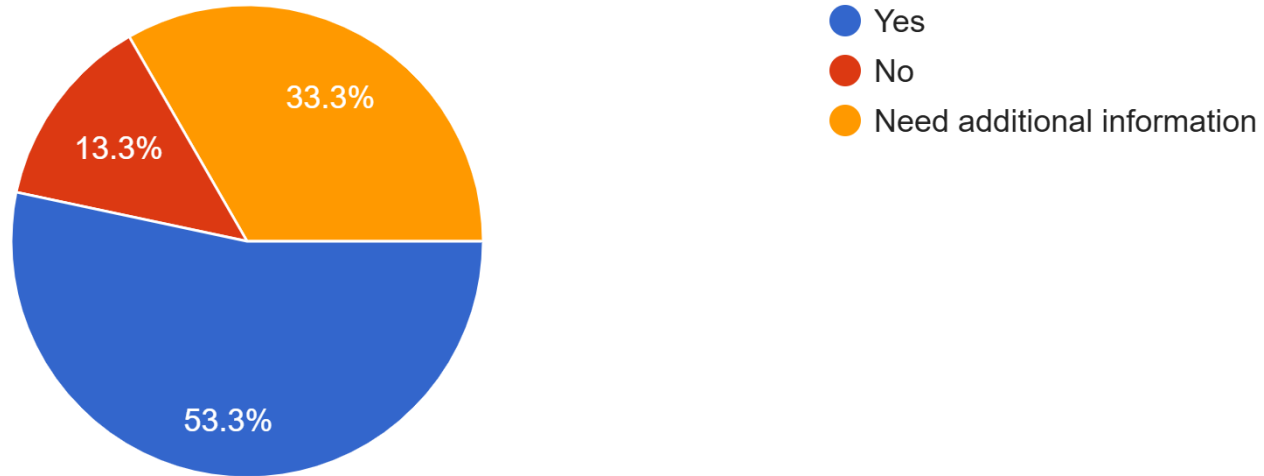
## #72 – Additional Information

- **Current Status / Work Underway**
  - House Substitute 1 for HB 450, signed July 13, 2026
  - By January 1, 2027, DelDOT must establish a statewide transportation impact fee for areas not already located within an established local or regional TID
  - The fee will be calculated by county based on development's reasonable proportionate share of the projected cost to address transportation infrastructure
  - All development fees will be reevaluated in the context of this law



## #74: Lightering tax on oil on Delaware Bay – \$0.01 per barrel

15 responses



## #74 – Additional Information

### **Lightering Tax:**

A tax or fee associated with the transfer of cargo (often oil or petroleum products) between vessels, typically offshore or in a port or anchorage area



## #74 – Additional Information

- **Contemplated for Delaware in the 2008 General Fund Revenue Portfolio report and again in the 2011 Delaware Transportation Trust Fund Task Force Report**
  - 2008 General Fund Revenue Portfolio Report concluded that taxing lightering itself in the manner Delaware was considering had not been attempted by other states but pointed to Texas and Louisiana's per-barrel marine oil-transfer fees as models Delaware could potentially follow.
    - Delaware subsequently established a \$100,000.00 annual business license fee for crude-oil lightering operators for the tax periods beginning after December 31, 2009, with the proceeds going to the Hazardous Substance Cleanup Fund (HB287 of the 145<sup>th</sup> General Assembly)
    - Fee was then eliminated in 2012 (HB251 of the 146<sup>th</sup> General Assembly)



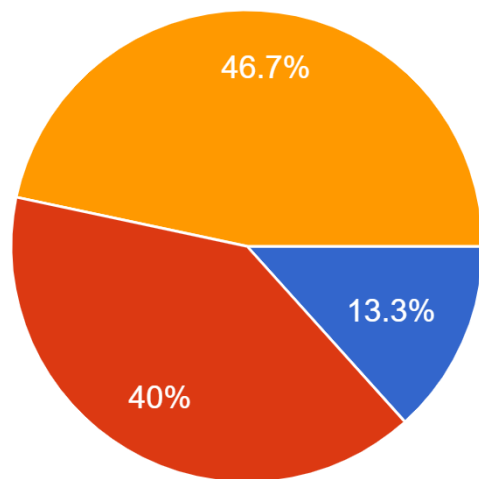
## #74 – Additional Information

- **Contemplated for Delaware in the 2008 General Fund Revenue Portfolio report and again in the 2011 Delaware Transportation Trust Fund Task Force Report**
  - **Summary in the Report States:** “The taxation of lightering and/or the transport of crude oil in the Delaware Bay and River is an intriguing source of potential revenue. The proposal, however, is fraught with complex issues and potential pitfalls. If they choose to pursue this option policymakers, need to do so with their eyes wide open. While it is conceivable that one day proposal could become a viable source of State revenue, it is not panacea, especially for an immediate budget shortfall.”
  - [https://financefiles.delaware.gov/DEFAC/General\\_Fund\\_Revenue\\_Portfolio\\_Report\\_2008%29\\_SJR\\_5.pdf?utm\\_source=chatgpt.com](https://financefiles.delaware.gov/DEFAC/General_Fund_Revenue_Portfolio_Report_2008%29_SJR_5.pdf?utm_source=chatgpt.com)



## #77: Outsource areas of DOT operations

15 responses



- Yes
- No
- Need additional information

# #77 – Additional Information

- **Current DelDOT Operations that are outsourced:**
  - E-ZPass Customer Service Operations
  - Automated Safety Enforcement Operations
  - Comprehensive Inspections
    - NPDES Annual
    - Overhead Sign Structures
    - Statewide Construction Inspection Services
    - Roadway Distress Collection Services
    - Subsurface Investigation Services
  - Design Services
    - Stormwater & Water Quality
    - Traffic Engineering & ITS Support
    - Architectural and Engineering Services
  - Some District Mowing, Guardrail and Drainage Repairs



## #77 – Additional Information

- **Louisiana Transportation Research Center 2021 Report “Synthesis on the Best Practices for State DOTs to Determine Project Delivery Time, Project Management, and Ratio of Consultant to In-House Design”**
  - LTRC's 2021 study found that most prior research comparing consultant and in-house DOT design costs concluded that in-house delivery is less expensive, with some studies estimating in-house costs approximately 17%–20% lower. However, the report also found that DOTs rely on consultants primarily to address staffing shortages, obtain specialized expertise, and accelerate project delivery. Therefore, outsourcing may provide important operational flexibility even when it does not result in direct cost savings.
  - [https://www.ltrc.la.gov/pdf/2021/FR\\_633.pdf](https://www.ltrc.la.gov/pdf/2021/FR_633.pdf)



## #77 – Additional Information

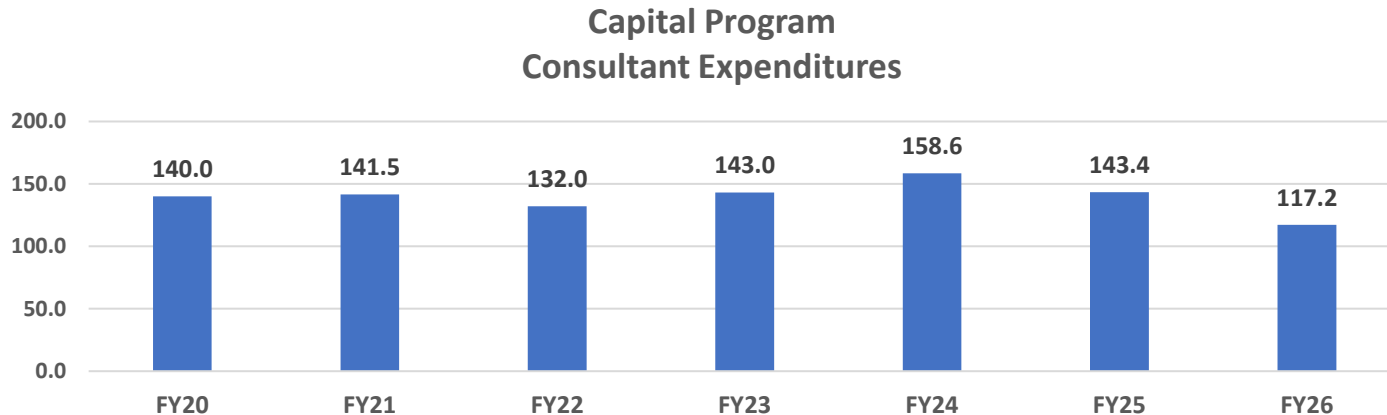
- **NCHRP Synthesis 614: “Outsourcing Post-Construction Stormwater Best Management Practice Inspection and Maintenance Activities”**
  - NCHRP Synthesis 614 (2024), sponsored by AASHTO in cooperation with FHWA, found that state DOT outsourcing of stormwater inspection and maintenance activities was primarily driven by staffing and resource constraints. The study did not establish that outsourcing was less expensive than in-house delivery, and many participating DOTs reported that maintenance contract cost data were either unknown or unavailable.
  - <https://www.nationalacademies.org/read/27502/chapter/1>



# #77 – Additional Information

- **Consultant Costs**

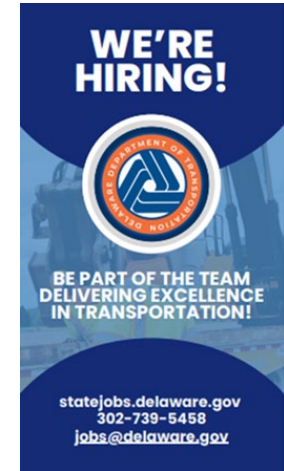
- Include Direct Salary Rates + Indirect Cost Rate (ICR) + Fixed Fee + Direct Expenses
  - Average ICR rate for FY26 = 144.87%
  - Average ICR rate for FY27 = 156.25%



# Vacancy Rates & Recruitment Efforts

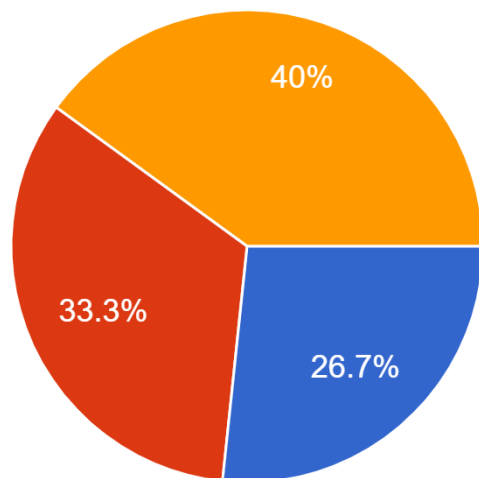
Overall Vacancy Rate: 11%

- Equipment Operators: 15% vacancy (53 positions vacant)
- Mechanics: 18% vacancy (13 positions vacant)
- Engineering Positions: 17% vacancy (32 positions vacant)
- DMV Frontline: 5% vacancy (15 positions vacant)
- Bus Drivers: 4% vacancy (24 positions vacant)



## #78: Outsource paratransit operations

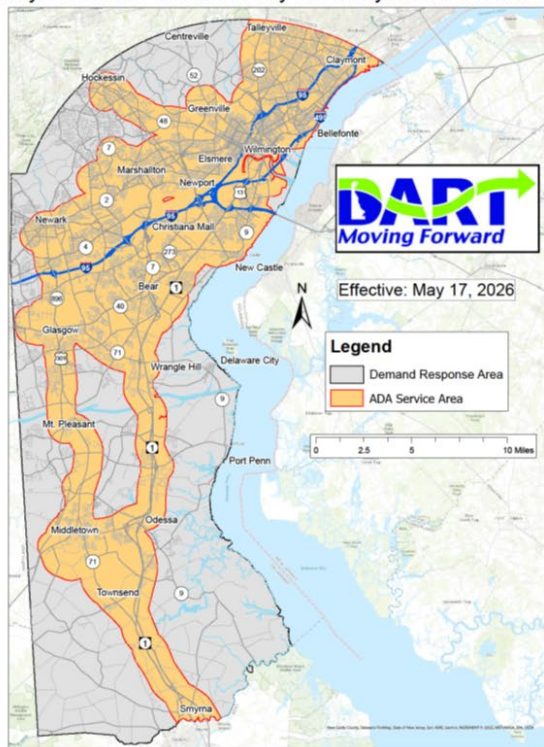
15 responses



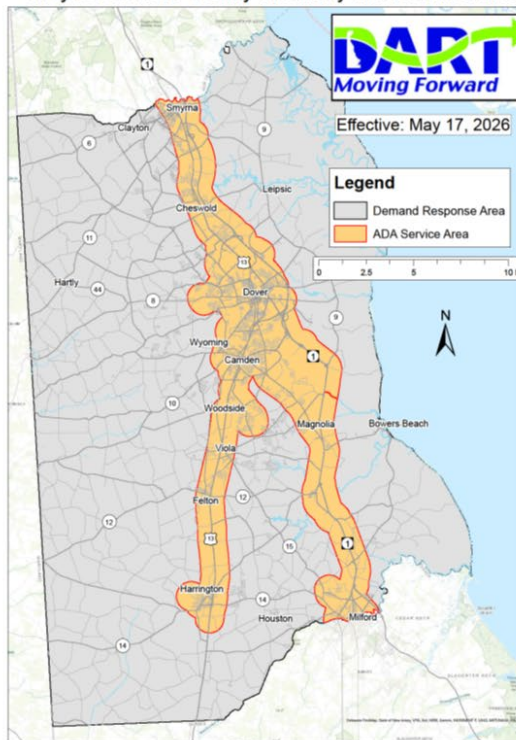
- Yes
- No
- Need additional information

# Weekday Service Area – May 2026

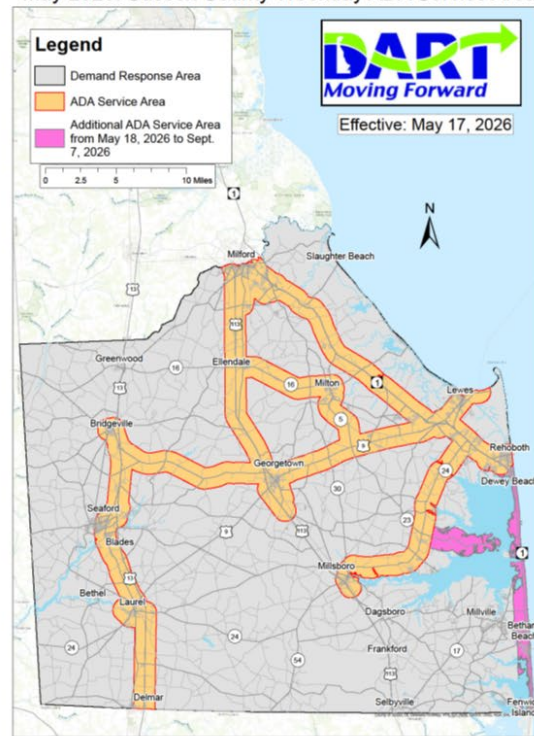
May 2026: New Castle County Weekday ADA Service Area



May 2026: Kent County Weekday ADA Service Area

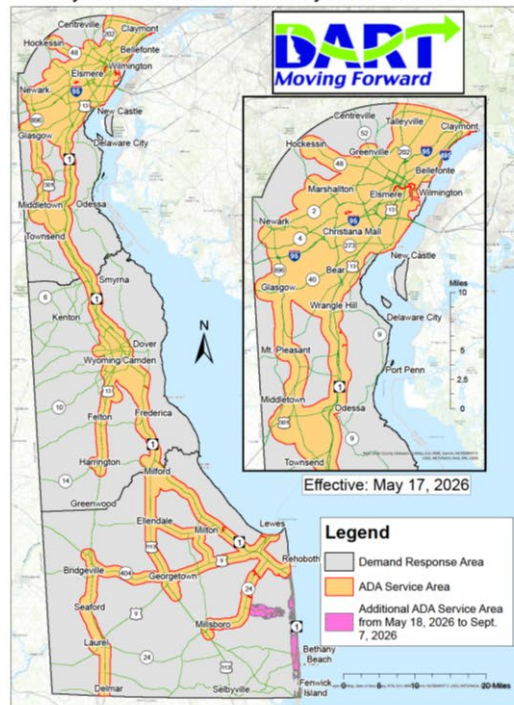


May 2026: Sussex County Weekday ADA Service Area

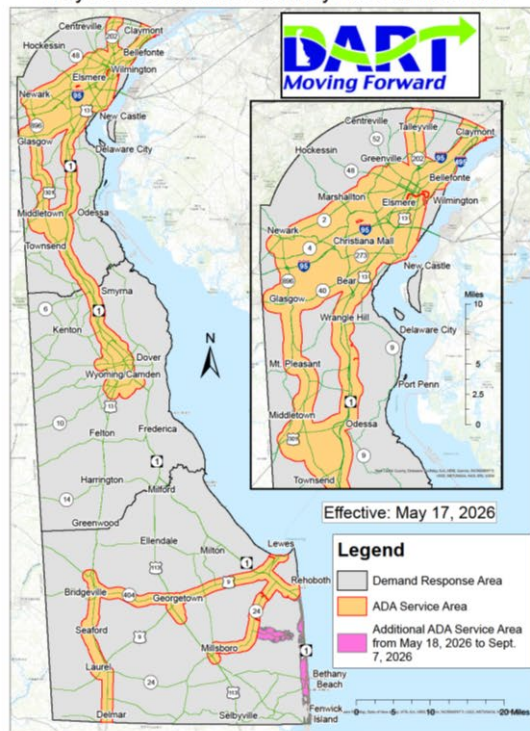


# Statewide Weekday & Weekend Service Area – May 2026

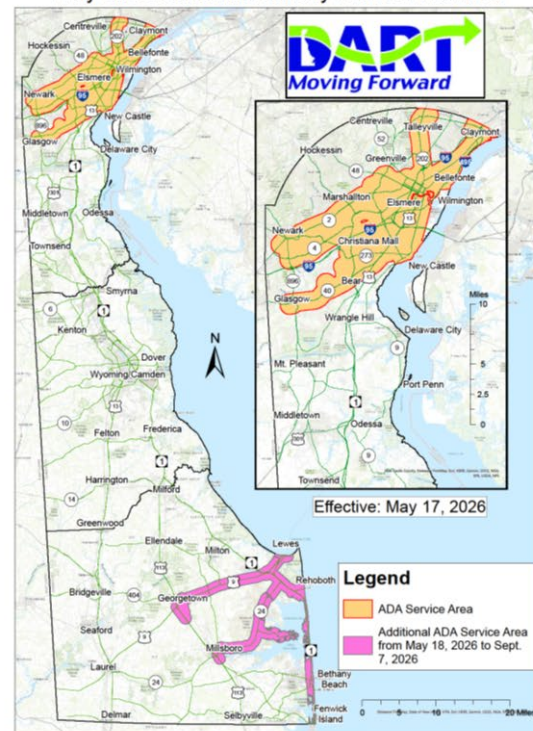
May 2026: Statewide Weekday ADA Service Area



May 2026: Statewide Saturday ADA Service Area



May 2026: Statewide Sunday ADA Service Area



# Ridership Statistics

| <u>Year</u> | <u>Fixed Route</u> | <u>Paratransit</u> | <u>ADA</u> | <u>Non-ADA</u> | <u>Septa</u> | <u>DART Connect</u> | <u>Systemwide</u> |
|-------------|--------------------|--------------------|------------|----------------|--------------|---------------------|-------------------|
| FY16        | 8,401,294          | 981,677            | 644,613    | 337,064        | 1,240,830    |                     | 10,623,801        |
| FY17        | 7,512,218          | 953,234            | 625,936    | 327,298        | 1,128,094    |                     | 9,593,546         |
| FY18        | 7,170,059          | 926,884            | 608,634    | 318,250        | 1,160,079    |                     | 9,257,022         |
| FY19        | 7,162,659          | 945,628            | 620,942    | 324,686        | 1,196,630    |                     | 9,304,917         |
| FY20        | 6,010,461          | 758,064            | 497,779    | 260,285        | 840,692      |                     | 7,609,217         |
| FY21        | 3,993,887          | 455,171            | 298,886    | 156,285        | 211,975      | 3,345               | 4,664,378         |
| FY22        | 4,110,318          | 696,195            | 457,153    | 239,042        | 404,032      | 19,879              | 5,230,424         |
| FY23        | 5,017,921          | 811,075            | 532,588    | 278,487        | 499,837      | 19,305              | 6,348,138         |
| FY24        | 5,394,405          | 858,178            | 563,518    | 294,660        | 663,683      | 27,409              | 6,943,675         |
| FY25        | 5,346,439          | 866,880            | 569,232    | 297,648        | 654,866      | 30,563              | 6,898,748         |
| FY26        | 4,993,265          | 864,991            | 567,992    | 296,999        | 549,071      | 25,456              | 6,432,783         |



Over the last 11 years fixed route (FR) averages about 79% of ridership, paratransit follows with 11%, and SEPTA takes the remaining 10%.

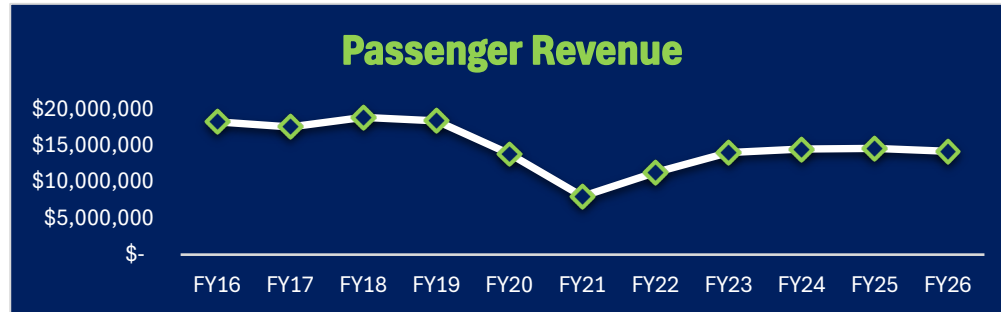


DART Connect was introduced as a pilot program in 2021 in Georgetown and now services Georgetown, Millsboro, and Newark, Delaware.

\*Ridership data is from DTC internal reporting

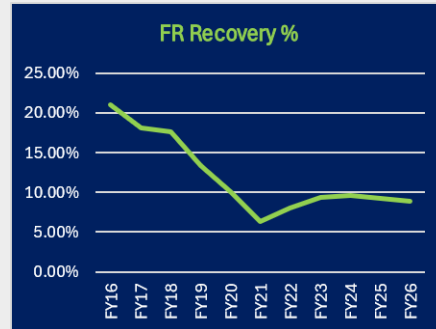
# Passenger Revenue History

| <u>Year</u> | <u>Fixed Route</u> | <u>Paratransit</u> | <u>SEPTA</u> | <u>Total</u>  |
|-------------|--------------------|--------------------|--------------|---------------|
| <b>FY16</b> | \$ 11,191,088      | \$ 2,737,230       | \$ 4,358,075 | \$ 18,286,393 |
| <b>FY17</b> | \$ 10,345,384      | \$ 3,274,106       | \$ 3,950,978 | \$ 17,570,468 |
| <b>FY18</b> | \$ 10,521,628      | \$ 4,201,964       | \$ 4,162,043 | \$ 18,885,635 |
| <b>FY19</b> | \$ 9,404,935       | \$ 4,603,000       | \$ 4,407,877 | \$ 18,415,812 |
| <b>FY20</b> | \$ 6,993,330       | \$ 3,535,716       | \$ 3,324,597 | \$ 13,853,643 |
| <b>FY21</b> | \$ 4,958,897       | \$ 2,152,242       | \$ 907,968   | \$ 8,019,107  |
| <b>FY22</b> | \$ 6,173,019       | \$ 3,306,181       | \$ 1,820,449 | \$ 11,299,649 |
| <b>FY23</b> | \$ 7,543,407       | \$ 3,869,149       | \$ 2,637,535 | \$ 14,050,091 |
| <b>FY24</b> | \$ 7,868,425       | \$ 3,999,367       | \$ 2,650,869 | \$ 14,518,661 |
| <b>FY25</b> | \$ 7,859,644       | \$ 3,865,729       | \$ 2,878,512 | \$ 14,603,885 |
| <b>FY26</b> | \$ 7,452,824       | \$ 3,858,961       | \$ 2,928,519 | \$ 14,240,304 |

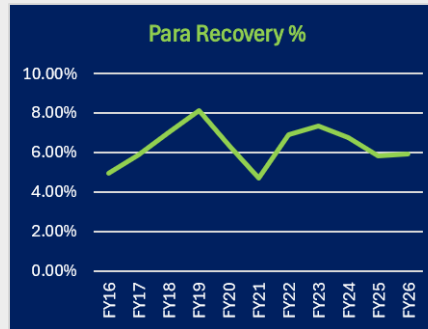


# Recovery Ratio by Mode

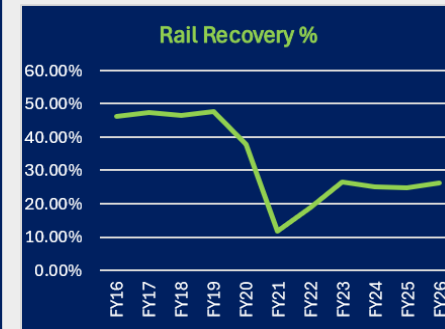
| Year | FR OpEx       | FR RR% |
|------|---------------|--------|
| FY16 | \$ 53,389,827 | 20.96% |
| FY17 | \$ 57,096,428 | 18.12% |
| FY18 | \$ 59,561,482 | 17.67% |
| FY19 | \$ 70,124,653 | 13.41% |
| FY20 | \$ 68,906,084 | 10.15% |
| FY21 | \$ 77,645,192 | 6.39%  |
| FY22 | \$ 76,738,516 | 8.04%  |
| FY23 | \$ 80,434,037 | 9.38%  |
| FY24 | \$ 81,447,213 | 9.66%  |
| FY25 | \$ 85,158,384 | 9.23%  |
| FY26 | \$ 83,653,110 | 8.91%  |



| Year | DR OpEx       | DR RR% |
|------|---------------|--------|
| FY16 | \$ 55,530,328 | 4.93%  |
| FY17 | \$ 55,968,394 | 5.85%  |
| FY18 | \$ 60,287,047 | 6.97%  |
| FY19 | \$ 56,627,439 | 8.13%  |
| FY20 | \$ 55,526,249 | 6.37%  |
| FY21 | \$ 45,611,483 | 4.72%  |
| FY22 | \$ 47,861,661 | 6.91%  |
| FY23 | \$ 52,730,428 | 7.34%  |
| FY24 | \$ 59,074,221 | 6.77%  |
| FY25 | \$ 66,311,582 | 5.83%  |
| FY26 | \$ 65,385,702 | 5.90%  |

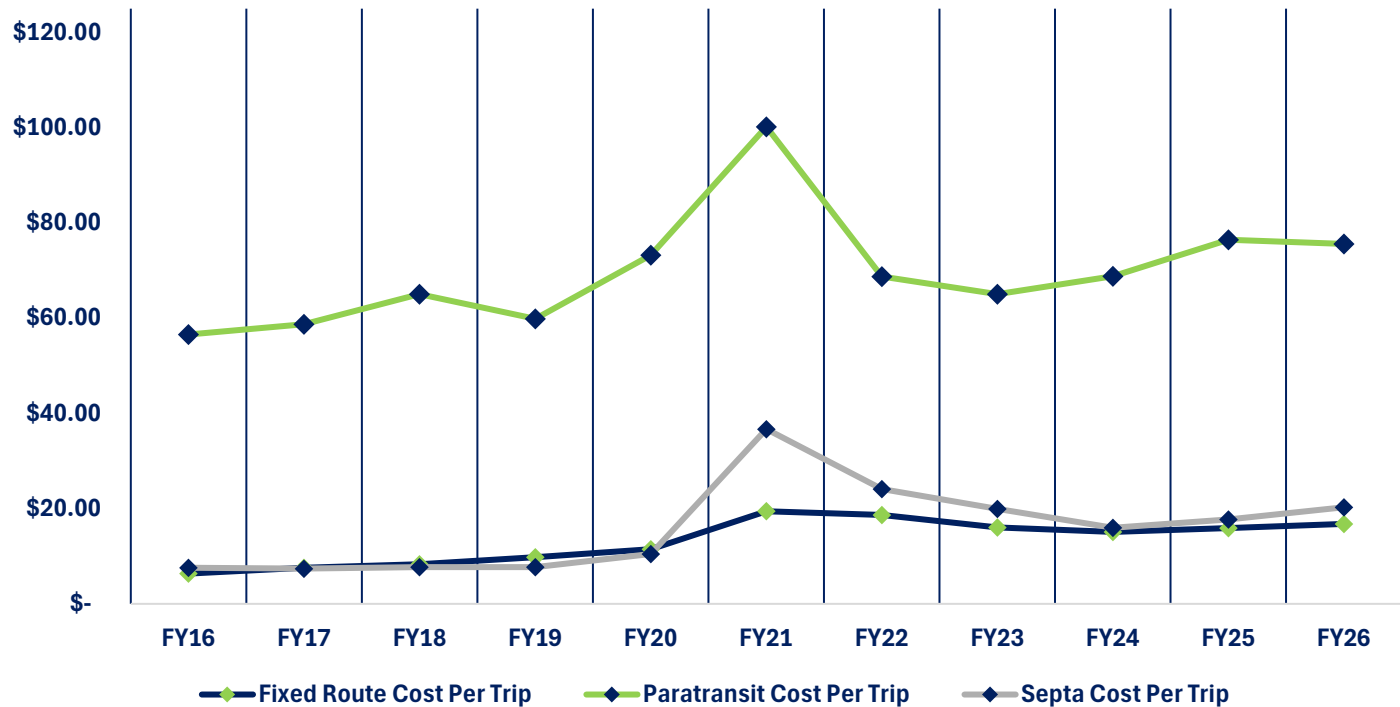


| Year | Rail Costs    | Rail RR% |
|------|---------------|----------|
| FY16 | \$ 9,427,958  | 46.23%   |
| FY17 | \$ 8,355,237  | 47.29%   |
| FY18 | \$ 8,962,218  | 46.44%   |
| FY19 | \$ 9,220,804  | 47.80%   |
| FY20 | \$ 8,798,773  | 37.78%   |
| FY21 | \$ 7,778,835  | 11.67%   |
| FY22 | \$ 9,729,520  | 18.71%   |
| FY23 | \$ 9,974,106  | 26.44%   |
| FY24 | \$ 10,595,089 | 25.02%   |
| FY25 | \$ 11,604,255 | 24.81%   |
| FY26 | \$ 11,149,584 | 26.27%   |



\*Revenue and expense data is from DTC's annual audited NTD submission. FY26 Data is pending audit and submission.

# Cost Per Trip



## #78 – Additional Information

- **Example:**

- Los Angeles Access Services – Outsourced Paratransit Model  
Service Delivery: ADA paratransit service is provided through six regional contractors serving Los Angeles County
- Scale: More than 4 million trips annually across a service area of approximately 1,950 square miles
- FY2025 Cost per Trip: Approximately \$62.53
- FY2026 Projected Cost per Trip: Approximately \$75.59
- Drivers: Contractual CPI increases, insurance costs, and higher operating-contract expenses
- Key Takeaway: DART's \$75.59 cost per trip is relatively close to the \$66.71 benchmark, indicating a modest cost differential. The comparison reinforces that outsourcing alone does not necessarily generate significant cost savings and that cost competitiveness should also consider service quality, operational efficiency, customer experience, and the overall service delivery model



# New Ideas from Task Force

# New Ideas from Task Force

- Evaluate the Woodland Ferry Costs and Lack of Fare – reviewed June 2026 meeting
- Charge for Special Events
- Continue to explore innovative funding like TIFIA
- Continue to explore Public Private Partnership opportunities
- Continue to explore alternative forms of traditional contracting
- Explore additional Toll Opportunities



# New Ideas from Task Force

- Fee for New State Maintained Development Roads
- Statewide TID Model
- Index Motor Fuel Tax
- Raise Gas Tax during peak months and lower during remaining months (Seasonal Motor Fuel Tax Rate)
- E-bike Registration Fees
- Mileage Based Alternative Fuel Vehicle Fee Option
- Index Alternative Fuel Vehicle Fee



# New Ideas from Task Force

- Concession Agreement for the Smyrna Rest Area
- Redirect some of the Marijuana Tax Revenues to the TTF
- Charge individuals for electric they are using to charge EV's privately at residence
- Charge for public chargers (EV) that are owned by Private Entities
- Modifying Existing DMV Fees not previously discussed



# Fee for New State Maintained Development Roads

- **Difference between Development Impact Fee vs. State Maintenance Fee**
  - **Development Impact Fee**
    - Helps pay for new or expanded infrastructure needed because of development
    - Pays for: New roads, added lanes, intersections, signals, turn lanes, other capacity improvements
    - Typically, is a one-time fee associated with development
    - Budgets for development's impact on the transportation system
  - **State Maintenance Fee**
    - Helps to pay for future upkeep of the infrastructure
    - Pays for: pavement repairs, resurfacing, drainage
    - Typically, is collected when a road is accepted for public maintenance
    - Budgets for future maintenance costs



# Fee for New State Maintained Development Roads

- **State Maintenance Fee**
  - Not many other state Departments of Transportation have maintenance responsibilities that include suburban streets
  - One DOT Example is: Virginia's State Maintenance Fee
    - Inspection fee of \$250.00 per addition + \$125.00 per .1 centerline mile
      - Acceptance of a 1-mile Subdivision Road
        - $\$250.00 + (10 \times \$125.00) = \$1,500.00$
  - County Examples: Richland County, SC
    - Annual Road Maintenance Fee is \$20.00 annually and collected per registered vehicle



# Statewide Transportation Improvement District (TID) Model

- **Task Force Recommendation:** Consider expanding the Transportation Improvement District concept statewide to better coordinate development and transportation infrastructure needs
- **Current Status / Work Underway**
  - House Substitute 1 for HB 450, signed July 13, 2026, already moves Delaware toward a statewide development-impact framework
  - By January 1, 2027, DelDOT must establish a statewide transportation impact fee for areas not already located within an established local or regional TID
  - The fee will be calculated by county based on development's reasonable proportionate share of the projected cost to address transportation infrastructure
  - DelDOT is also advancing a Statewide Transportation Improvement Master Plan, intended to provide a broader, more coordinated approach to identifying transportation needs associated with existing and future development

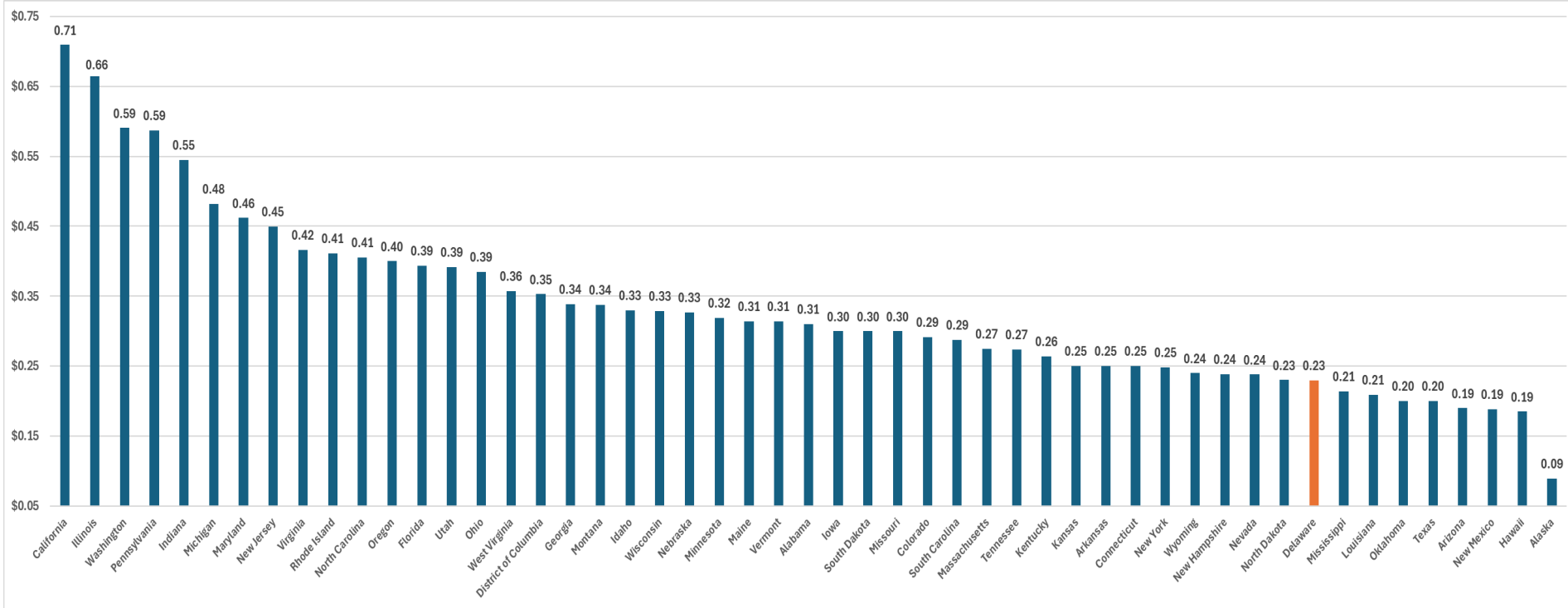


# Index Motor Fuel Tax

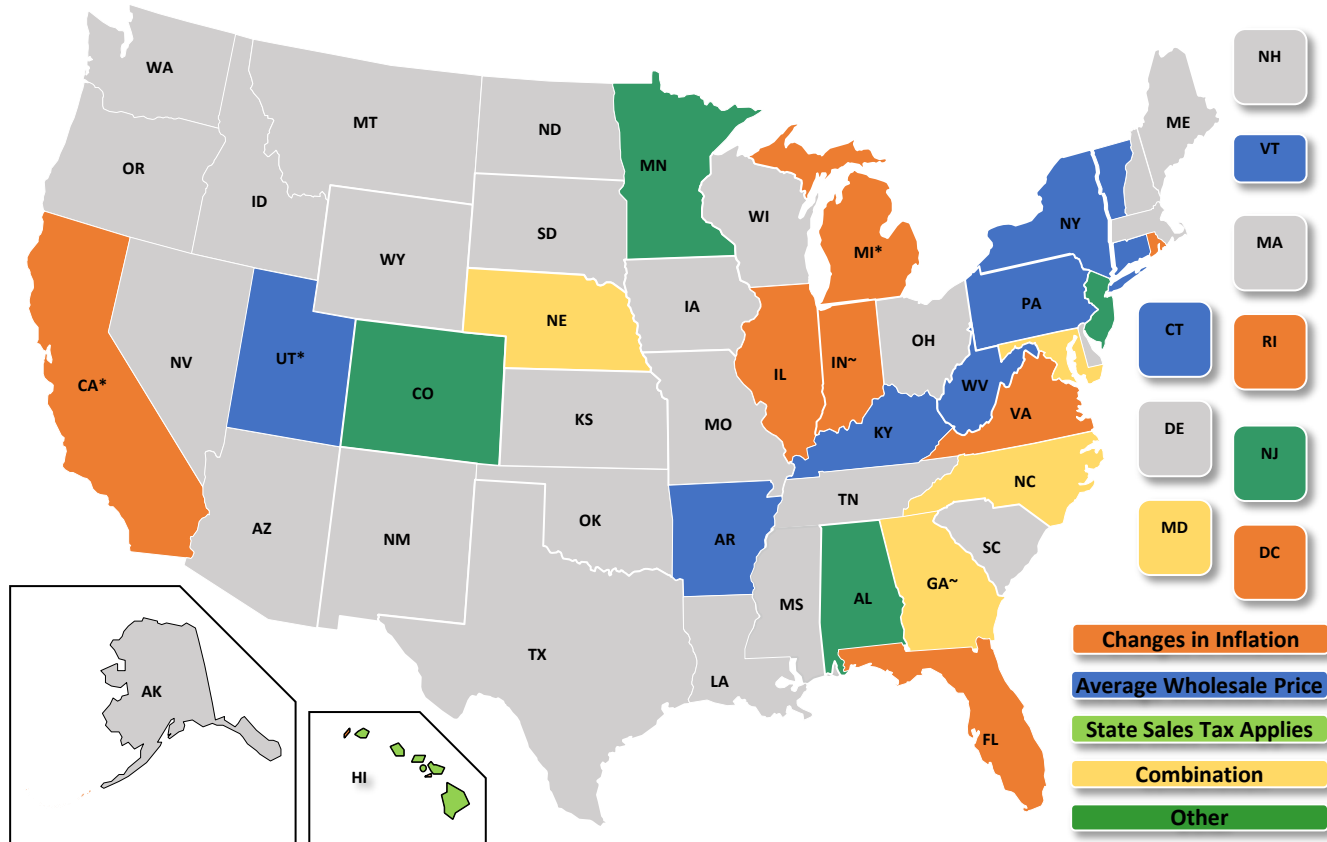
- **Current Motor Fuel Tax**
  - \$.23/gallon for gasoline
  - \$.22/gallon for diesel
- **Currently have the 7<sup>th</sup> lowest Motor Fuel Tax Rate in the Nation**
- **24 States + Washington, DC, Index Motor Fuel Tax**
- **Methods to Index Motor Fuel Tax**
  - Consumer Price Index
  - Average Wholesale Price of Fuel
  - Meeting State's Transportation Fund Needs
  - Changes in Population
  - Corporate Average Fuel Economy (CAFE)
  - National/Local Highway Construction Cost Index
  - General Sales Tax on Fuel Purchase



# Motor Fuel Tax Rates by State



# 24 States + DC Use Variable-Rate State Gas Taxes



Source: TIAC, "Variable-Rate State Gas Taxes," Feb. 2020

# Seasonal Motor Fuel tax Rate

- **Concept**
  - Increase the motor fuel tax during Delaware's peak season
  - Reduce the rate during the remainder of the year
  - Intended to capture additional transportation revenue during periods of increased travel
- **Other State Experience**
  - No state identified that currently operates a statewide seasonal motor fuel tax
  - Maine has studied and proposed the concept
- **Considerations**
  - Could generate additional revenue during Delaware's peak tourism season
  - Delaware residents would also pay the higher seasonal rate
  - Potential impacts on border-area fuel purchases would need to be evaluated
  - Limited precedent, the concept has been studied but does not appear to be currently implemented by another state



# E-Bike Registration Fees

- **2026 National consumer survey found that 17% of adults surveyed reported owning or occasionally renting/using an E-Bike/motorized bike.**
  - If 77.2% of Delawareans are adults based on 2020 census data and population is 1,059,952, potential that there could be 139K e-bikes or motorized bikes in our state
- **States that charge an E-Bike Registration Fee**
  - **Hawaii**
    - \$30 one-time registration fee and revenue is dedicated to bikeways
  - **New Jersey**
    - Implemented a mandatory registration for E-Bikes, fees temporally waived.
      - NJ Motor Vehicle Commission confirmed that it projects a \$5 permit fee (one-time), \$6 license fee (one-time), and \$8 registration (annual) fee once they are authorized to begin collecting fees



# Mileage Based Alternative Fuel Vehicle Fee Option

- **Concept**
  - Charge alternative fuel vehicles based on miles driven rather than a flat annual registration fee
- **How It Could Work**
  - Per-mile charge applied to EVs, plug-in hybrids, and/or hybrids
  - Mileage reported through odometer readings, smart devices, telematics, or a vendor-administered system
- **State Examples**
  - **Virginia:** Mileage Choice Program; alternative to annual Highway Use Fee
  - **Utah:** Road Usage Charge option for EVs, hybrids, and plug-in hybrids
  - **Oregon:** OReGO voluntary road usage charge program
  - **Hawaii:** Mileage-based EV fee using odometer readings



# Mileage Based Alternative Fuel Vehicle Fee Option

- **Benefits**
  - More closely ties payment to actual road use
  - More equitable than a flat fee for low-mileage drivers
- **Challenges**
  - Requires new administrative/technology system
  - Privacy and data-security concerns
  - Difficulty distinguishing Delaware miles from out-of-state miles
  - Does not capture out-of-state EVs unless broader system is developed
  - Higher implementation and enforcement costs
- **Key Takeaway**
  - Mileage-based fees better align transportation revenue with road usage, but they are more complex and costly to administer than a flat alternative fuel vehicle fee



# Index Alternative Fuel Vehicle Fee

- **Existing Alternative Fuel Vehicle Fee (AFV)**
  - Implemented October 1, 2025
  - Currently does not have a mileage-based option
  - Rates range from \$15.00–\$900.00 annually and are weight based
- **States that Index Alternative Fuel Vehicle Fees**
  - **Georgia** – Adjusts AFV fee annually based on vehicle fuel-efficiency changes and CPI
  - **Utah** – Adjusts hybrid/PHEV fees annually using CPI; its mileage-based usage charge also had inflation adjustments
  - **Colorado** – EV registration fee is indexed for inflation; increase is capped at 5% annually
- **Would make sense to include this only if indexing the MFT becomes a recommendation**



# Concession Agreement for the Smyrna Rest Area



- 60.6 acres
- 154 car spaces
- 32 truck spaces
- Located in Smyrna, DE
- 4 EV Charging Stations
- Operates 365 days/year, 7am-7pm
- Accessible to public 24/7
- Currently collect fees for dump station and EV chargers
- 442,441 visitors in FY26
- Division of Visually Impaired manages food operations per Federal and State Code



# Concession Agreement for the Smyrna Rest Area



- Annual costs include:
- \$1.15M in Operating Costs (salaries, fuel, utilities, building maintenance)
- Capital Improvement Costs over last 12 years totaled \$2.4M
- Cost per Visitor for FY26 is \$2.60 (based only on operating costs)

# Redirect some of the Marijuana Tax

- **Delaware Marijuana Tax Revenue**
  - Adult-use retail sales began August 1, 2025
  - Delaware imposes a 15% retail marijuana tax
  - \$53.4M in sales during the first 12 months, generating \$8M in tax revenue
- **States that allocate Marijuana Tax Revenue for Transportation**
  - Michigan – Allocates 35% of adult-use marijuana excise tax distributions to the Michigan Transportation Fund for roads and bridges
  - Colorado – Allocates marijuana tax revenue to CDOT for marijuana-impaired-driving education and enforcement
- **Potential Delaware Considerations**
  - Evaluate whether a portion of future marijuana tax revenue could be considered for transportation-related purposes
  - As the adult-use market matures, future collections may provide a clearer picture of the revenue available for consideration



# Charge individuals for electric they are using to charge EVs at home

## Conceptually possible, but not currently used and difficult to administer

- **No clear state precedent:** We have not identified any state currently charging individuals a transportation tax on electricity used to charge EVs at private residences
- **Primary challenge with metering:** Standard residential electric meters do not distinguish between electricity used for EV charging and electricity used for household appliances
- **System requirements:** Would likely require separate EV meters, utility reporting, smart charger data, or vehicle-based reporting
- **Implementation concerns:** High administrative cost, privacy concerns, utility coordination, customer disputes, and enforcement challenges
- **Key takeaway:** A residential EV charging tax is not a practical near-term revenue option without significant technology, regulatory, and administrative infrastructure



# Charge for public chargers (EV) that are owned by Private Entities

- **Concept**
  - Assess a tax on electricity dispensed at public/commercial EV charging stations
  - Applies to public chargers, including those owned by private entities
  - Charging station owner/operator collects and remits the fee to the State
- **Why It Is Different from Residential Charging**
  - Public chargers already measure the amount of electricity dispensed
  - Residential meters generally do not distinguish EV charging from household electricity use



# Charge for public chargers (EV) that are owned by Private Entities

- **States Using Public EV Charging Taxes**
  - **Iowa:** 2.6¢ per kWh → Road Use Tax Fund
  - **Kentucky:** 3.2¢ per kWh → Road Fund
  - **Montana:** 3¢ per kWh → Highway Restricted Account
  - **Utah:** 12.5% of charging sale → Transportation Fund
  - **Wisconsin:** 3¢ per kWh EV charging tax
- **Revenue is generally directed toward transportation or highway funds**
- **Public EV charging taxes have state precedent and may be more feasible than taxing residential charging.**



# Modifying Existing DMV Fees not previously discussed

- **Current Status**
  - Several DMV fees have not been adjusted in more than 10 years, with some remaining unchanged for 50+ years
- **Examples include:**
  - Duplicate ID and duplicate tags
  - Moped fees
  - DPC issuance, renewal and transfer fees
  - Occupational driver license fees
  - Construction and tow vehicle tags
  - Farm vehicle fees
  - Dealer plates and renewals
  - ATU and OHV registration/duplicate registration fees
  - Potential Revenue
- **Modest, incremental adjustments to these longstanding fees could generate approximately \$1 million annually**





# Action Items

# Action Items

- Next Meeting: September 21<sup>st</sup> at 2:30pm-4:00pm (Bear, DE)
- Complete online survey to determine draft recommendations by September 4
- Setup Stakeholder Public Engagement Meetings for September and October



# Public Comment



# THANK YOU!



<https://linktr.ee/delawaredot>