

Delaware Sustainable Transportation Funding Task Force

July 30, 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

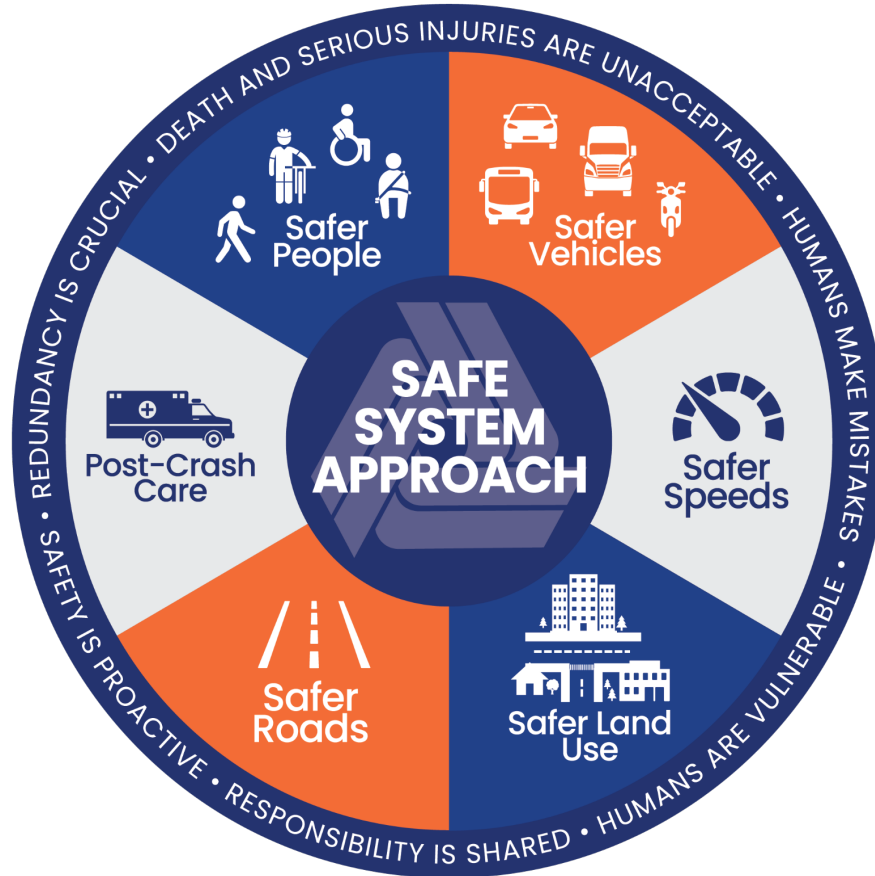
BE DELAWARE.
TOWARD **ZERO** DEATHS
BEDELAWARE.DECDOT.GOV

2026 Delaware Traffic Fatalities as of 7/30/2026

	2026	2025		Totals	2024		Totals
		Year-to-Date			Year-to-Date		
Fatalities	66	59	↑ 12%	117	77	↓ -14%	130
Delaware Residents	60	43	↑ 40%	90	63	↓ -5%	110
Person Types							
Vehicle Occupant	37	32	↑ 16%	67	41	↓ -10%	65
Pedestrian	14	15	↓ -7%	27	15	↓ -7%	34
Bicyclist	5	2	↑ 150%	4	3	↑ 67%	5
Motorcyclist	9	9	0%	17	14	↓ -36%	21
Other Person Type	1	1	0%	2	4	↓ -75%	5
Crash Types							
Curve Related	16	9	↑ 78%	15	15	↑ 7%	23
Roadway Departure	30	27	↑ 11%	50	30	0%	42
Intersection Related	15	16	↓ -6%	37	30	↓ -50%	48
Median Crossover	2	1	↑ 100%	2	0	↑ N/A	0
Wrong Way	0	2	↓ -100%	4	2	↓ -100%	4
Work Zone	2	5	↓ -60%	7	5	↓ -60%	5



DelDOT Safe System Approach



Agenda

- Welcome
- Review/Approval June 22, 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: August 24 2:30pm – 4:00pm (Dover, DE)
- Public Comment



Review Minutes from June 22, 2026

Stakeholder Engagement

Stakeholder Engagement

- Delaware State Chamber Board of Governor's Meeting – September 10th 7:30am
 - Business Sentiment Survey – TBD
- DelDOT Employee Survey – TBD
- Delaware League of Local Governments – September 24th 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



2011 Recommendations Survey

Follow-up Information from Last Month's Recommendations Discussed

#29 Increase Gas Tax @ Welcome Center/I-95, #31 Index Motor Fuel Tax, #52 Increase Motor Fuel Tax, #53 Increase Diesel, #67 Combining Motor Fuel Tax Rates

- Share links and provide additional information on how other state variable programs work
- In other states are their variable rates within the state for different areas?



The Gas Tax, in Decline

Carl Davis

Research Director

Institute on Taxation and Economic Policy

carl@itep.org

About ITEP

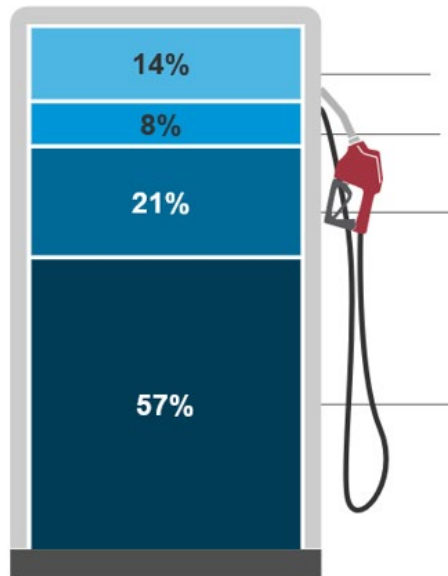
The Institute on Taxation and Economic Policy (ITEP)

- Non-profit, non-partisan
- Federal, state, and local tax policy issues
- Research and data focused
- ITEP Microsimulation Tax Model



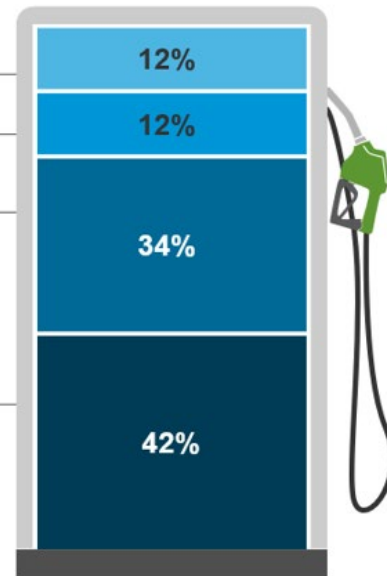
What we
pay for in
a gallon
of...

Regular Gasoline
March 2026
Retail price: \$3.64/gallon



Taxes
Distribution & Marketing
Refining

Diesel
March 2026
Retail price: \$4.92/gallon

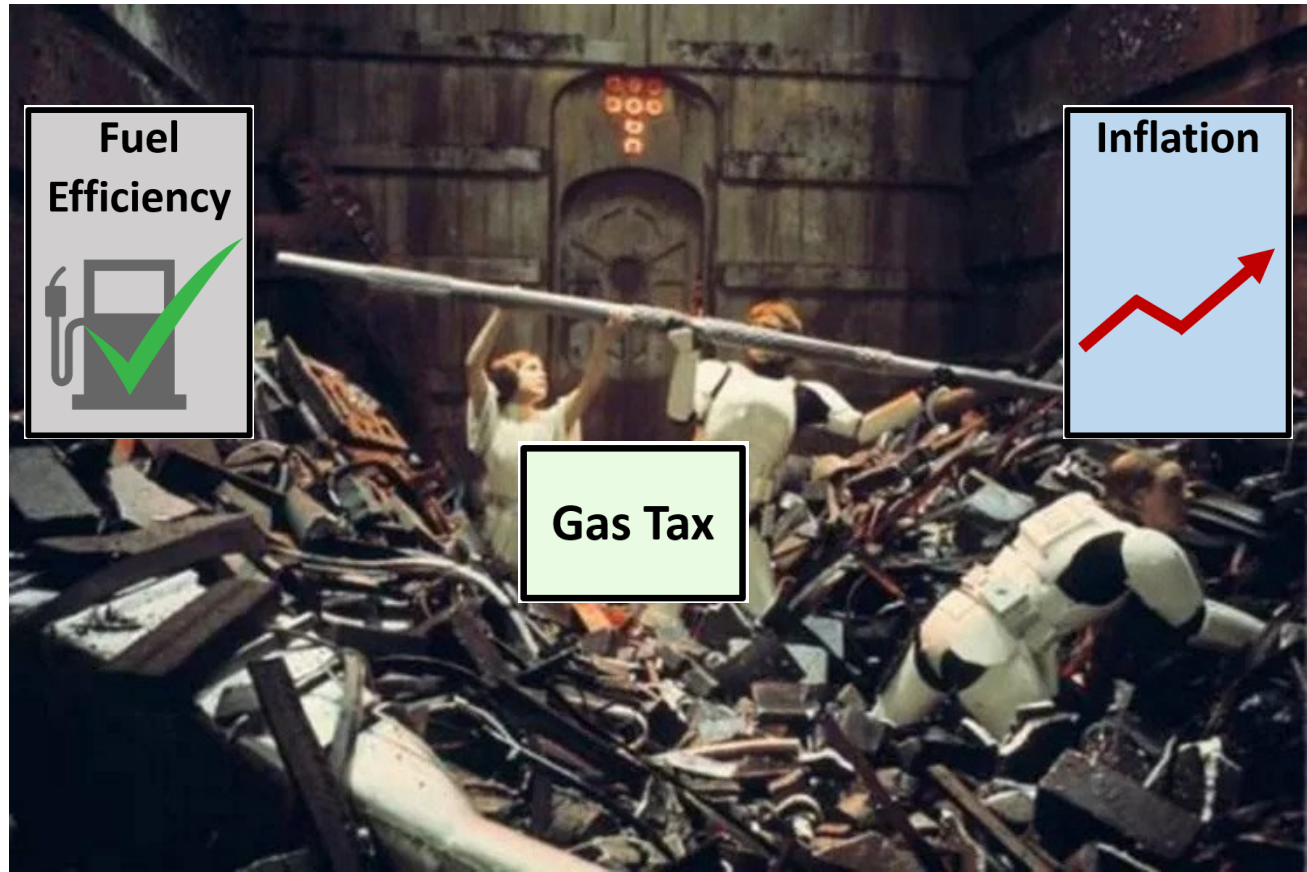


Crude Oil



Data source: U.S. Energy Information Administration, *Gasoline and Diesel Fuel Update*

Gas Tax Purchasing Power



Fuel Efficiency: an example

Year #1

$$\begin{array}{|c|} \hline 10,000 \\ \hline \text{miles of} \\ \hline \text{driving} \\ \hline \end{array} @ \begin{array}{|c|} \hline 20 \text{ mpg} \\ \hline \end{array} = \begin{array}{|c|} \hline 500 \text{ gallons} \\ \hline \text{of gas} \\ \hline \text{purchased} \\ \hline \end{array} \times \begin{array}{|c|} \hline \text{Taxed at} \\ \hline 30\text{¢ per} \\ \hline \text{gallon} \\ \hline \end{array} = \begin{array}{|c|} \hline \text{Pays \$150} \\ \hline \text{gas tax} \\ \hline \end{array}$$

Year #2: Driver buys a new car that's 5% more efficient

$$\begin{array}{|c|} \hline 10,000 \\ \hline \text{miles of} \\ \hline \text{driving} \\ \hline \end{array} @ \begin{array}{|c|} \hline 21 \text{ mpg} \\ \hline \end{array} = \begin{array}{|c|} \hline 476 \text{ gallons} \\ \hline \text{of gas} \\ \hline \text{purchased} \\ \hline \end{array} \times \begin{array}{|c|} \hline \text{Taxed at} \\ \hline 30\text{¢ per} \\ \hline \text{gallon} \\ \hline \end{array} = \begin{array}{|c|} \hline \text{Pays \$143} \\ \hline \text{gas tax} \\ \hline \end{array}$$

an example

Year #1

Pays \$150
gas tax

@

\$6 per sq ft
for asphalt

=

This buys
25 sq ft

Year #2: Asphalt prices rise 5%

Pays \$150
gas tax

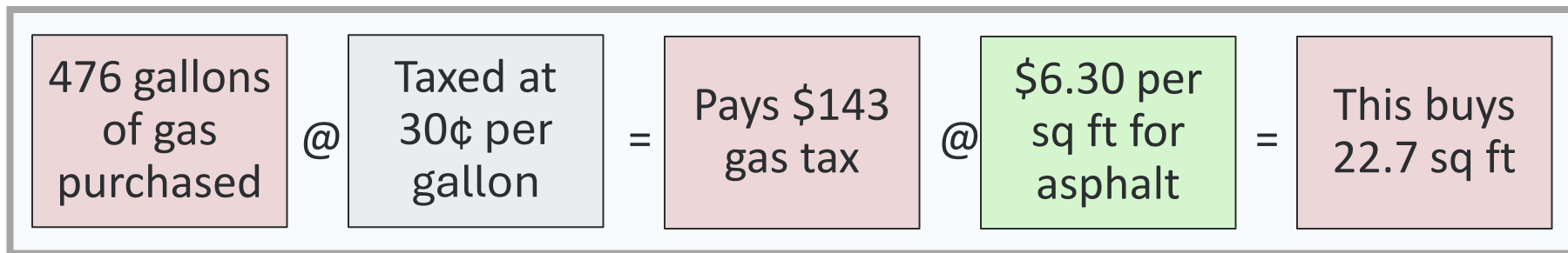
@

\$6.30 per
sq ft for
asphalt

=

This buys
23.8 sq ft

Put it together: inflation and fuel efficiency



In this example, 5% better fuel efficiency + 5% inflation =

9.2% loss in purchasing power.

(The DOT can only buy 22.7 sq ft of asphalt instead of 25 sq ft.)

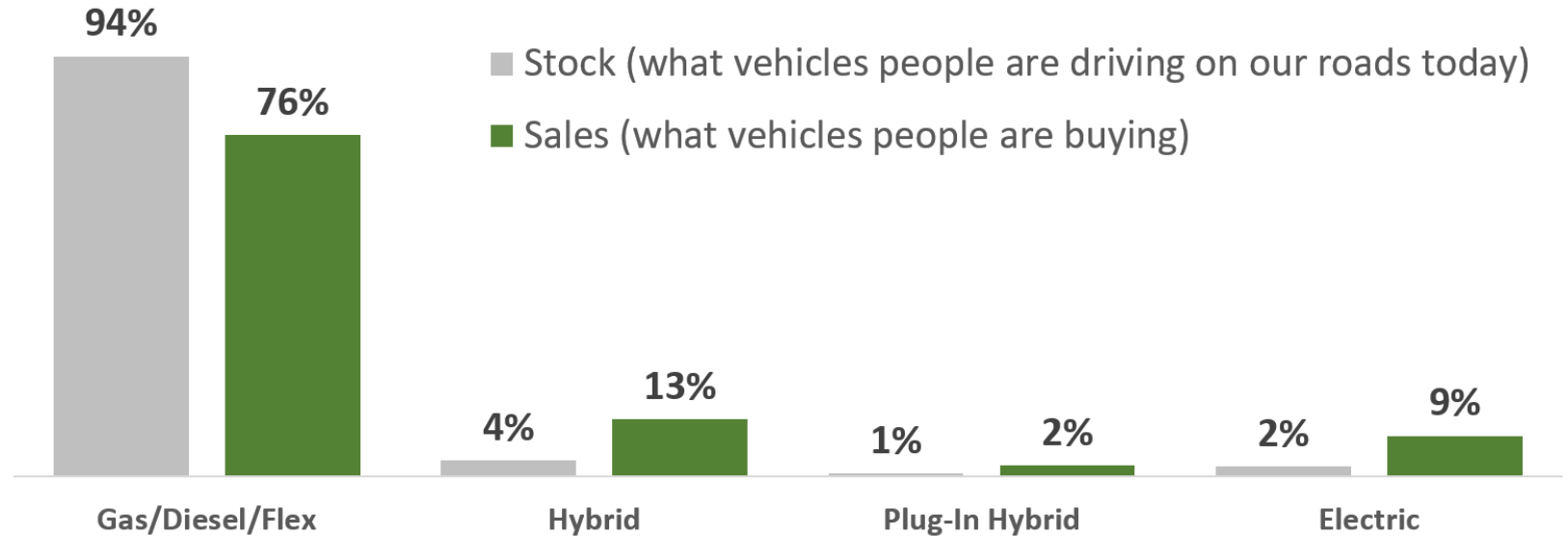
A **33.1¢** gas tax rate is needed to restore purchasing power.

This is not theoretical.

We know both these things have happened
and will continue to happen.

Vehicle sales data prove we're moving toward a more fuel-efficient future

Shares of light-duty vehicle stock/sales, by vehicle type



Share of Light-Duty Vehicle Stock

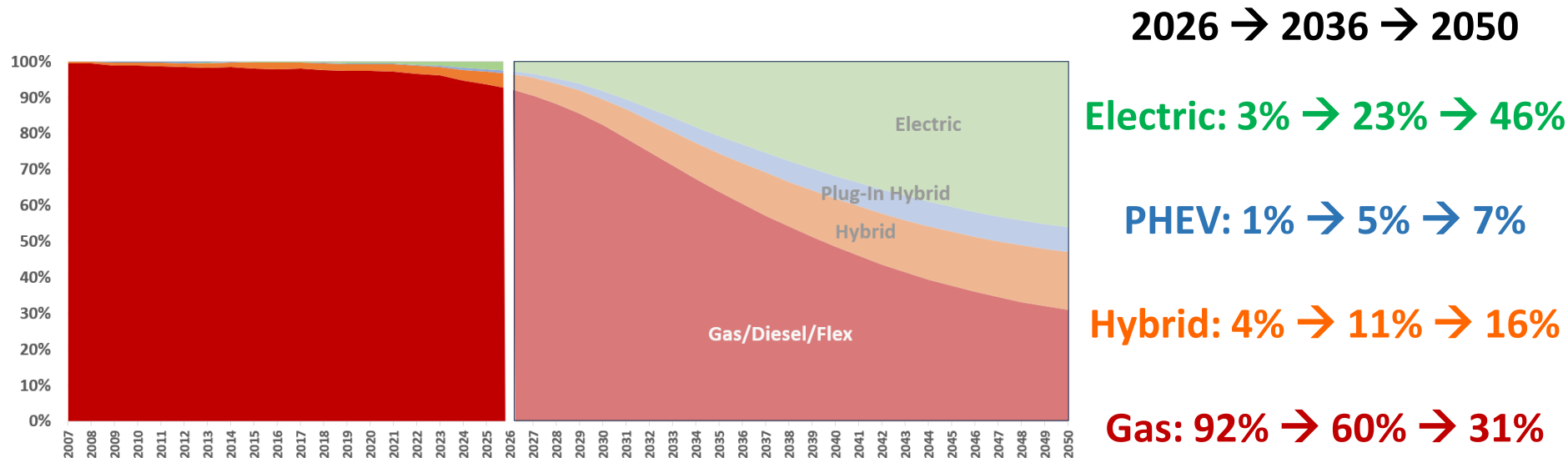
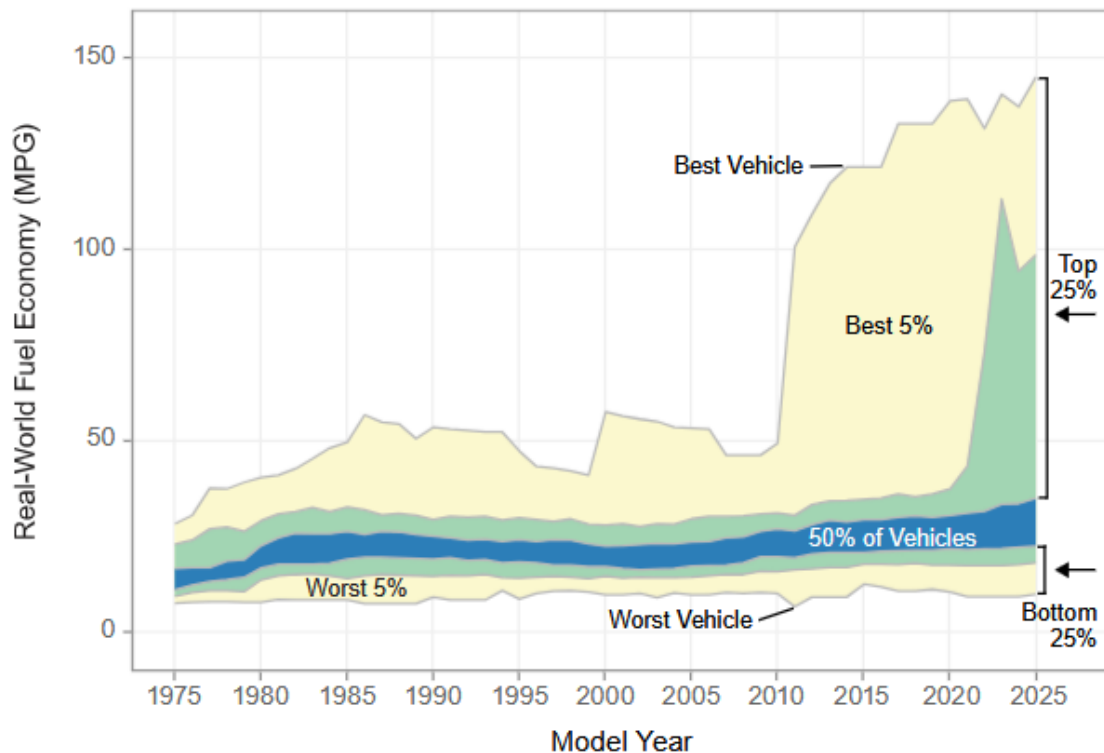
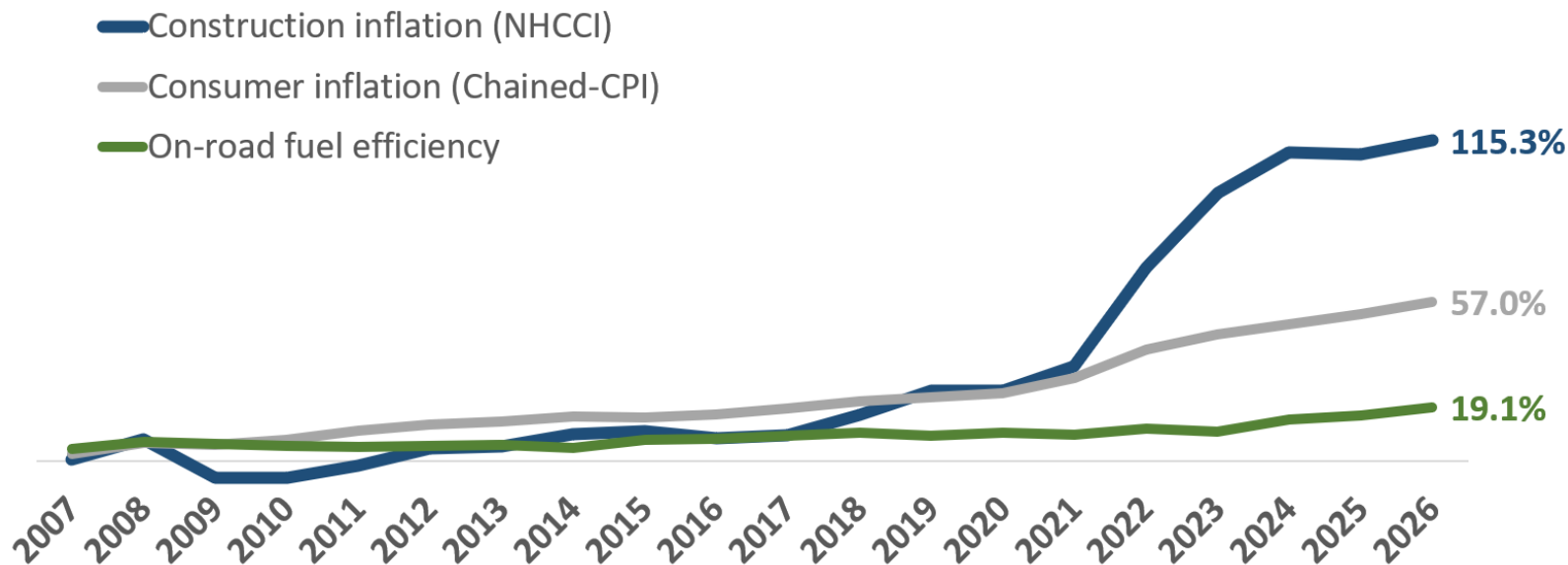


Figure 2.3. Distribution of New Vehicle Fuel Economy by Model Year³



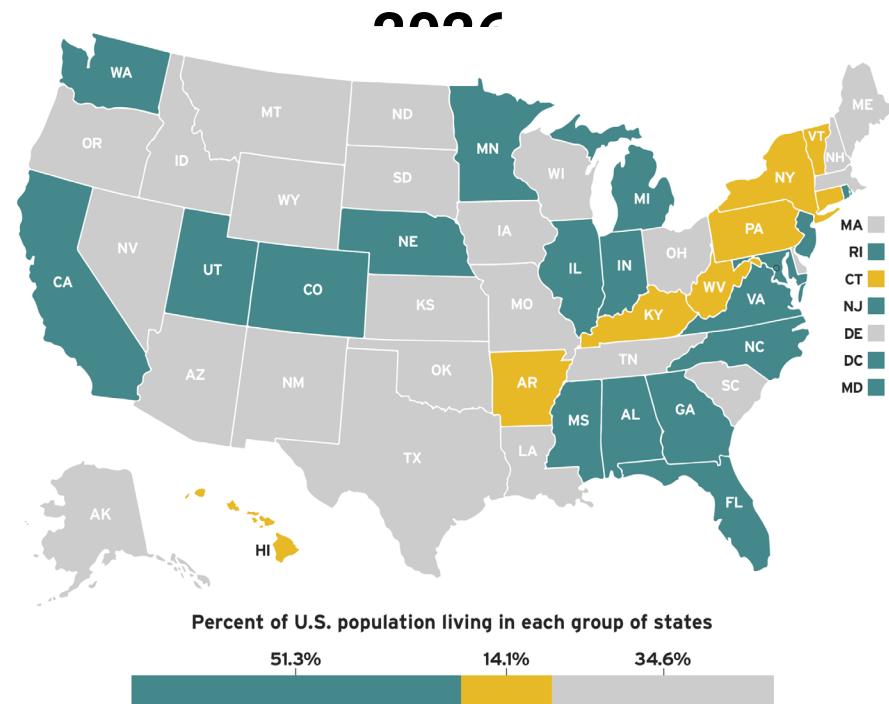
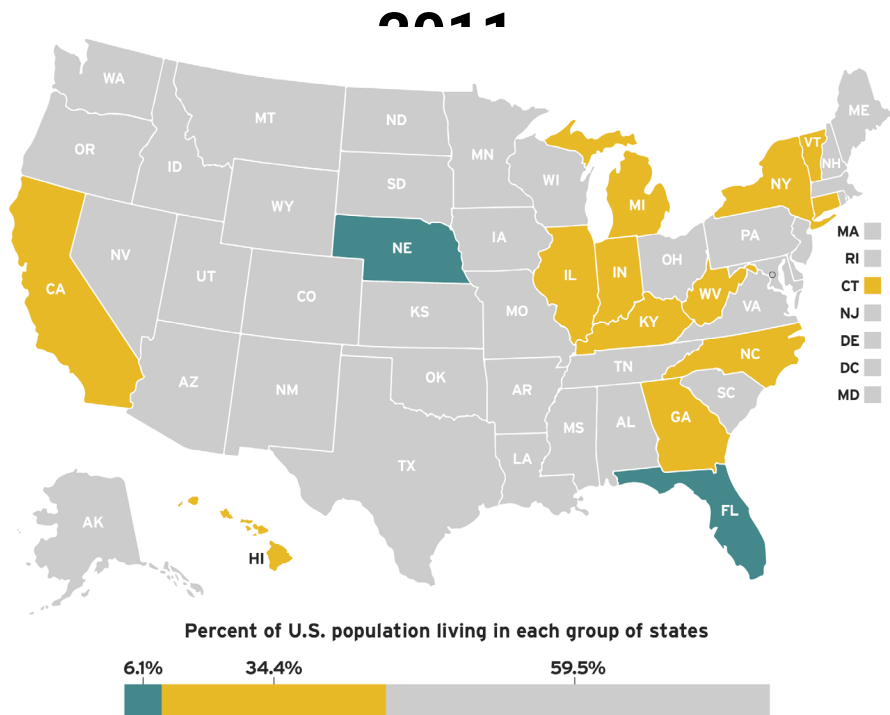
Factors affecting gas tax purchasing power

Cumulative change over last two decades



States With Variable-Rate Gas Taxes

Variable tax rate connected to: ■ Inflation or infrastructure costs ■ Gas prices only



ITEP's new tool for measuring purchasing power: Delaware example

Gas Tax Purchasing Power Calculator

Measures how highway construction cost inflation and vehicle fuel efficiency improvements erode state gas tax purchasing power over a selected period.

State / Area

Delaware

Start Year
1995

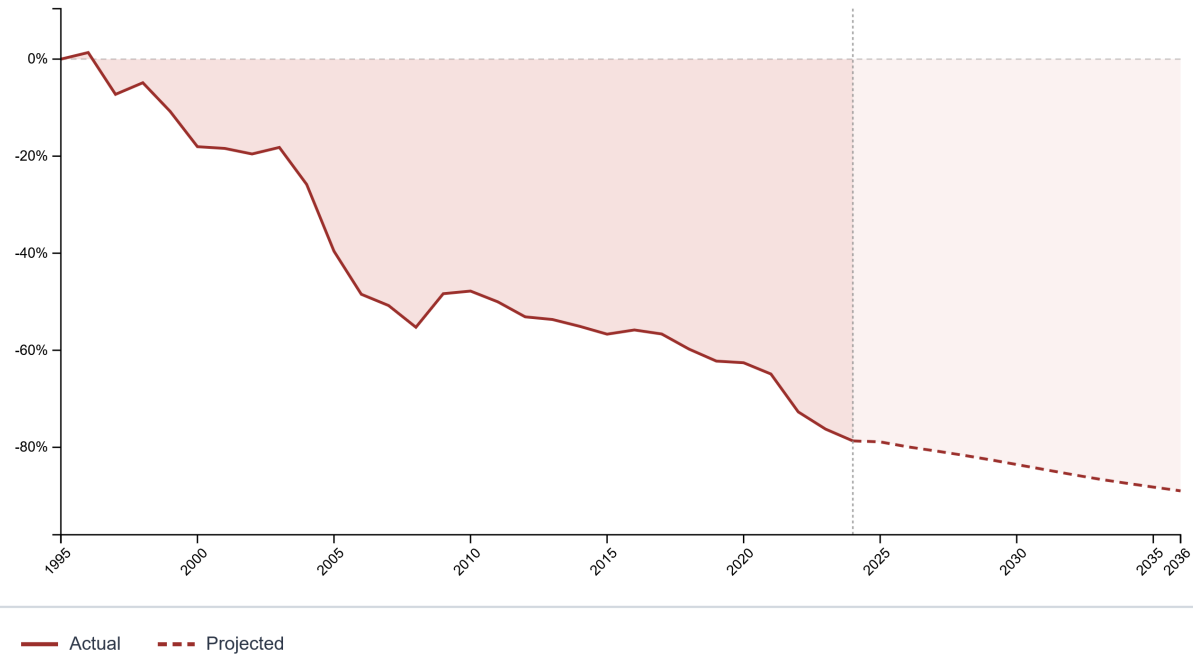
End Year
2026

Gas Tax Rate (\$/gal) ⓘ ⓘ
\$ 0.23000

Calculate

In **Delaware**, a gas tax rate of **\$0.23000** per gallon of gasoline in **1995** has the same buying power as a tax rate of **\$1.14372** per gallon in **2026**.

Change in Purchasing Power of the Delaware Gasoline Tax, 1995–2036



Note: Considers changes in infrastructure costs and light-duty vehicle fuel efficiency.

Source: Author's analysis conducted using the Institute on Taxation and Economic Policy's gas tax purchasing power calculator.

Source: Institute on Taxation and Economic Policy | <https://itep.org/gas-tax-purchasing-power-calculator/>



Gas Tax Purchasing Power Calculator

Measures how highway construction cost inflation and vehicle fuel efficiency improvements erode state gas tax purchasing power over a selected period.

State / Area

Florida



Start Year

End Year

Gas Tax Rate (\$/gal) ?  

2016



2026



\$

0.247



Calculate

In **Florida**, a gas tax rate of **\$0.24700** per gallon of gasoline in **2016** has the same buying power as a tax rate of **\$0.54276** per gallon in **2026**.

Policy considerations

- **Revenue adequacy and sustainability**

- Is enough revenue coming in today to fund the projects that the public wants?
- Will enough revenue be raised in future years?

- **Parity across vehicle types**

- Are people who own different cars (e.g., electric vs. gas) paying comparable rates?
- Complication: Does the state want to incentivize more efficient vehicles to promote better air quality or curb greenhouse gas emissions?

- **Consideration of ability to pay**

- “User pays” principle often in conflict with “ability to pay.” Is it desirable (or politically realistic) to ask low-income and working class people to pay more?
- If not, can transportation revenue measures be paired with offsets for these groups?

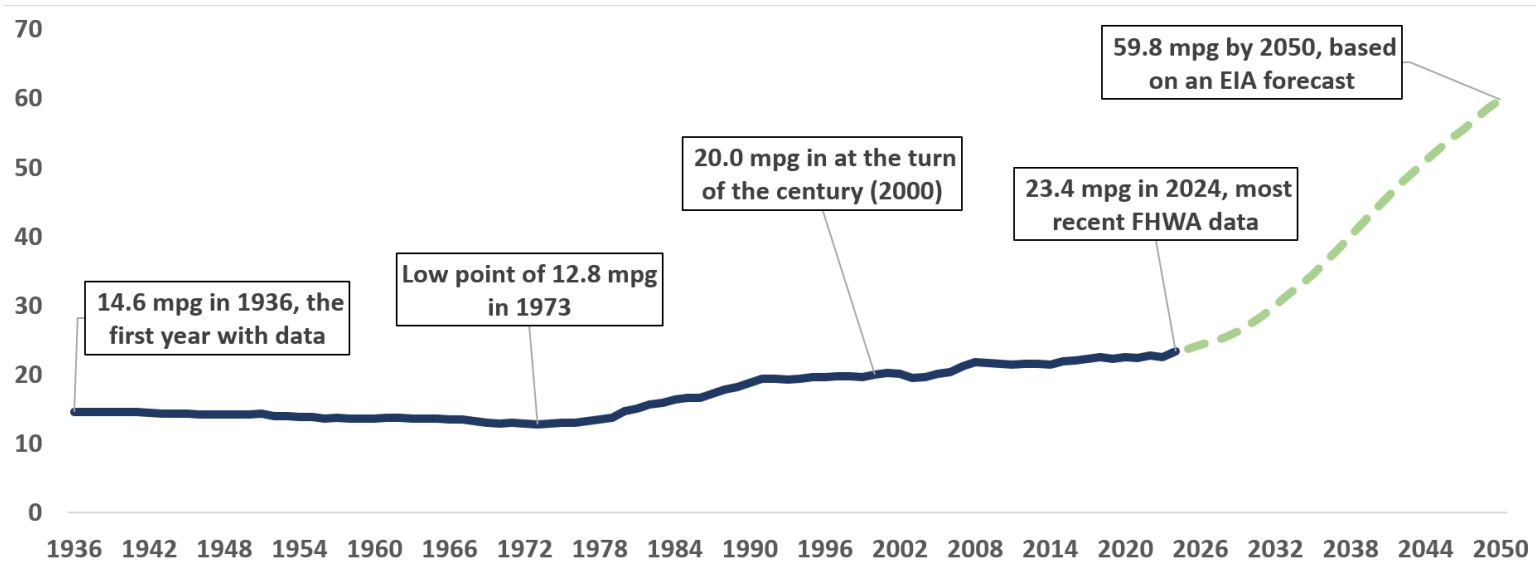
Scan to try
the calculator
yourself:



www.itep.org/gas-tax-purchasing-power-calculator/

Bonus Slides

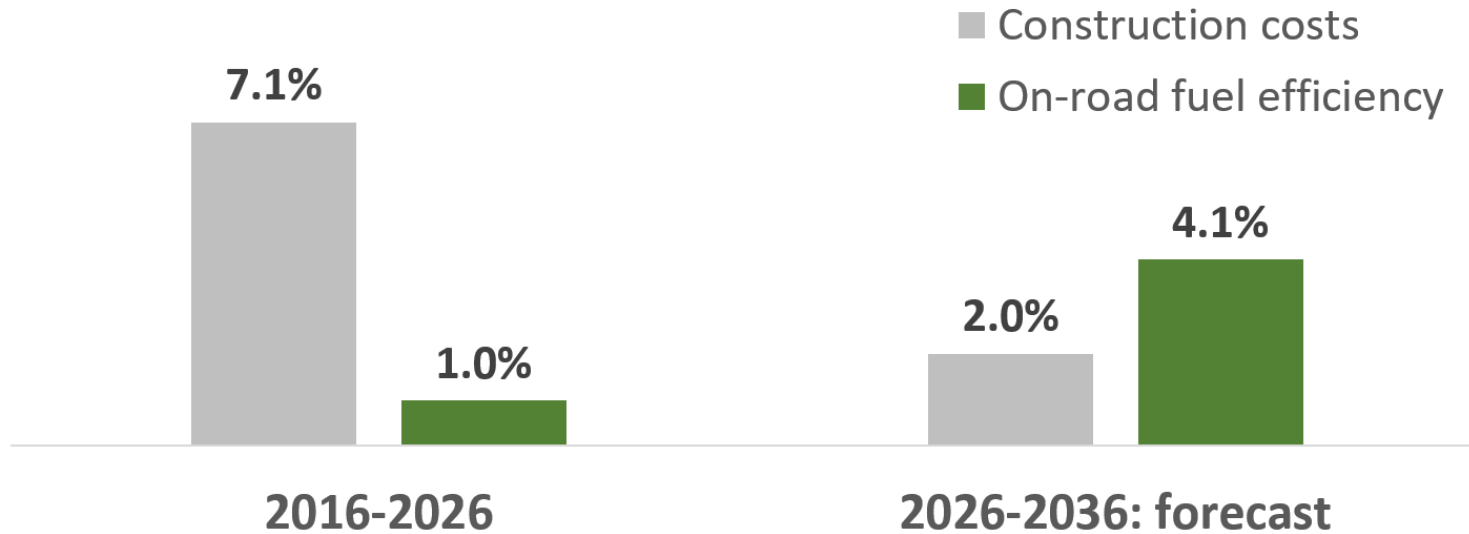
Average On-Road Fuel Efficiency for Light-Duty Vehicle Stock (miles per gallon)



Source: ITEP analysis of data from FHWA Highway Statistics and EIA Annual Energy Outlook reports.

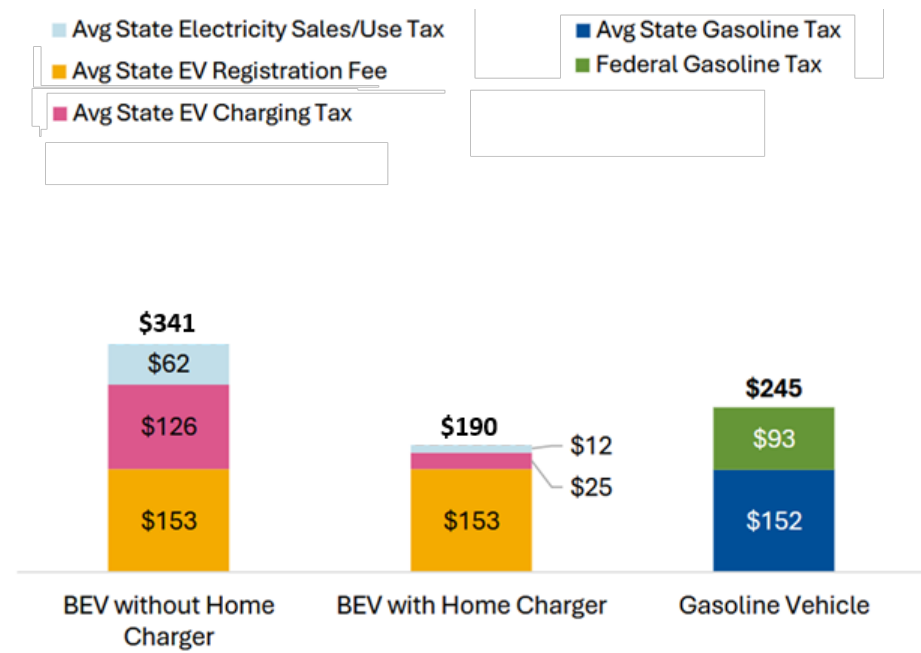
Inflation has been the bigger deal so far, but that seems likely to change.

Average annual growth in...



Source: ITEP analysis of data from FHWA's Highway Statistics, EIA's Annual Energy Outlook, and Congressional Budget Office economic projections.

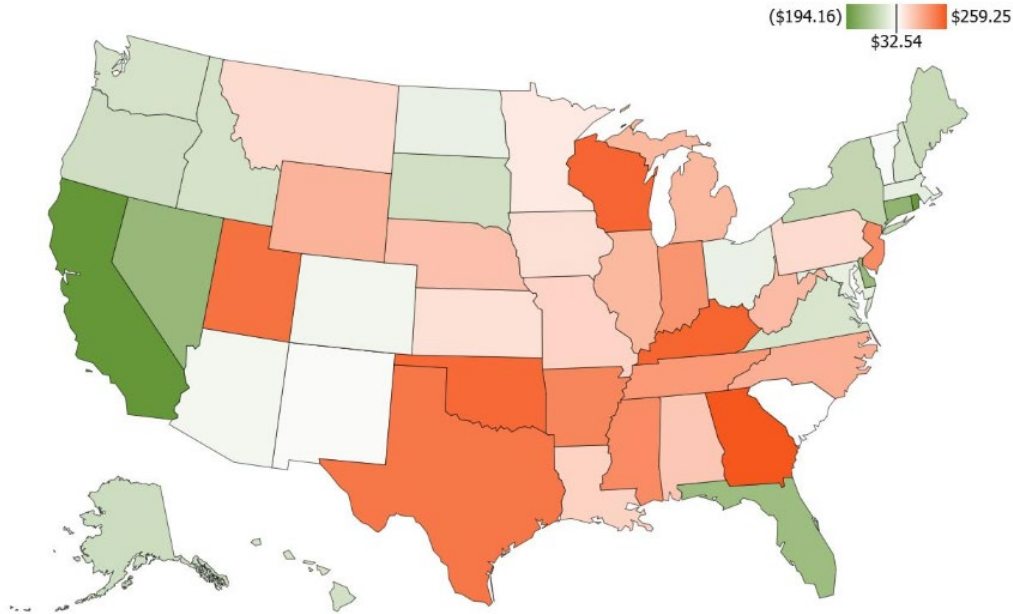
Average Taxes and Fees for EVs vs. Gasoline Vehicles in Nine States with EV Charging Taxes



Assumes vehicles travel 12,000 miles per year, EVs consume 4,000 kWh per year, a gasoline vehicle fuel efficiency of 23.7 mpg, and an EV energy efficiency of 3 kWh per mile. These estimates do not take PHEVs into account. These estimates include Georgia, Iowa, Kentucky, Montana, Nebraska, Oklahoma, Pennsylvania, Utah, and Wisconsin.

Source: Atlas Public Policy, September 2025

Average Annual EV Penalty/Bonus, by State

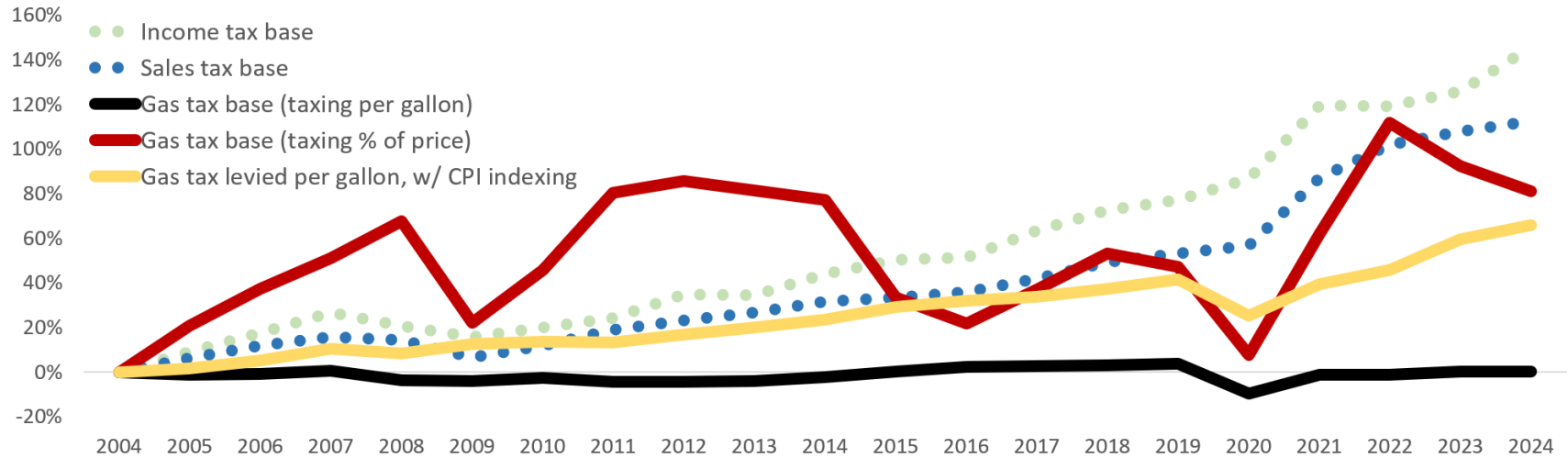


Assumes vehicles travel 12,000 miles/year, BEVs get 3 miles/kWh, and gasoline vehicles have a fuel economy of 23.7mpg. Uses Electrify America 2023 pricing for public charging prices at the charger and **assumes all charging occurs at public chargers.** Does not consider local or federal taxes and fees. **Orange-colored shading indicates states where EV drivers pay more than the gasoline driver, while green-colored shading indicates the opposite.**

Source: Atlas EV Hub, September 2025

Gas taxes offer a less sustainable revenue base than either income or sales taxes

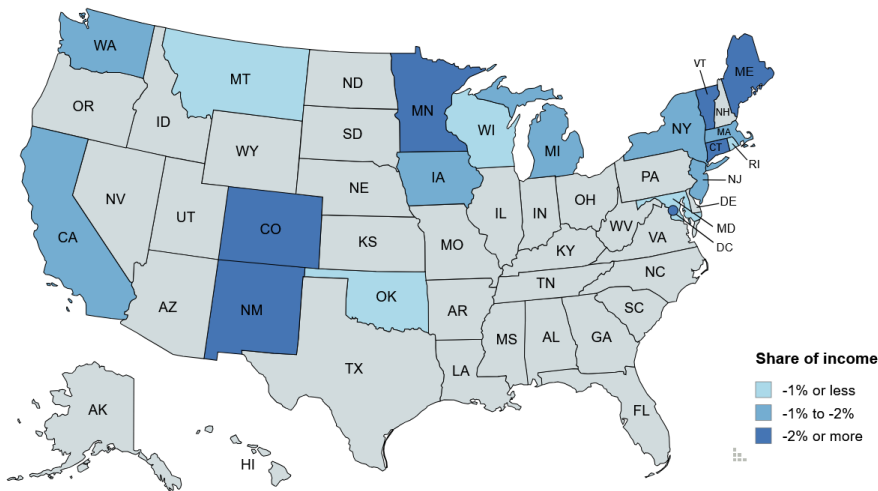
Cumulative Percent Change Since 2004



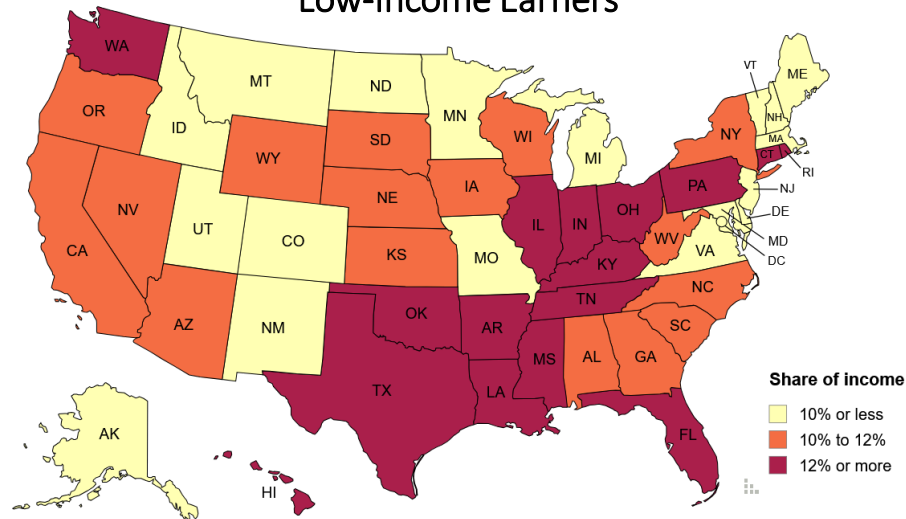
Source: ITEP analysis of data from IRS, BEA, EIA, FHWA, and BLS.

Refundable income tax credits can offset some of the cost of transportation taxes/fees for lower-income people

States with **Negative** Income Tax Rates for Low-Income Earners



Total Combined State and Local Tax Rate on Low-Income Earners

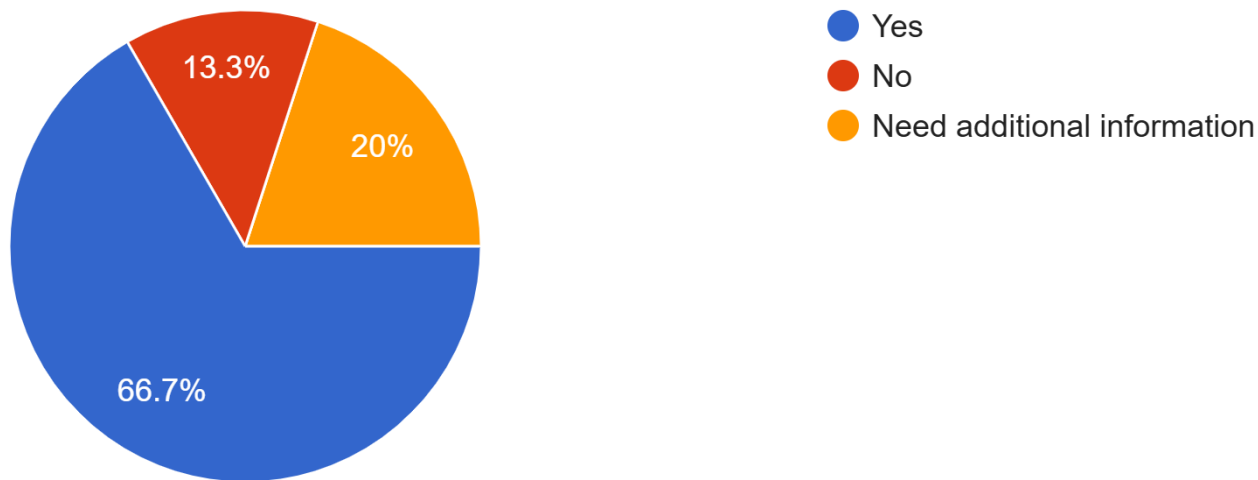


Note: Figures show state and local tax rates for bottom 20% of earners.

Source: ITEP, "Who Pays?, A Distributional Analysis of the Tax Systems in All 50 States." 7th Edition. January 2024.

#19: Insurance Penalties \$100 to \$125 plus \$5/day (this is for uninsured motorists when they let their insurance lapse)

15 responses



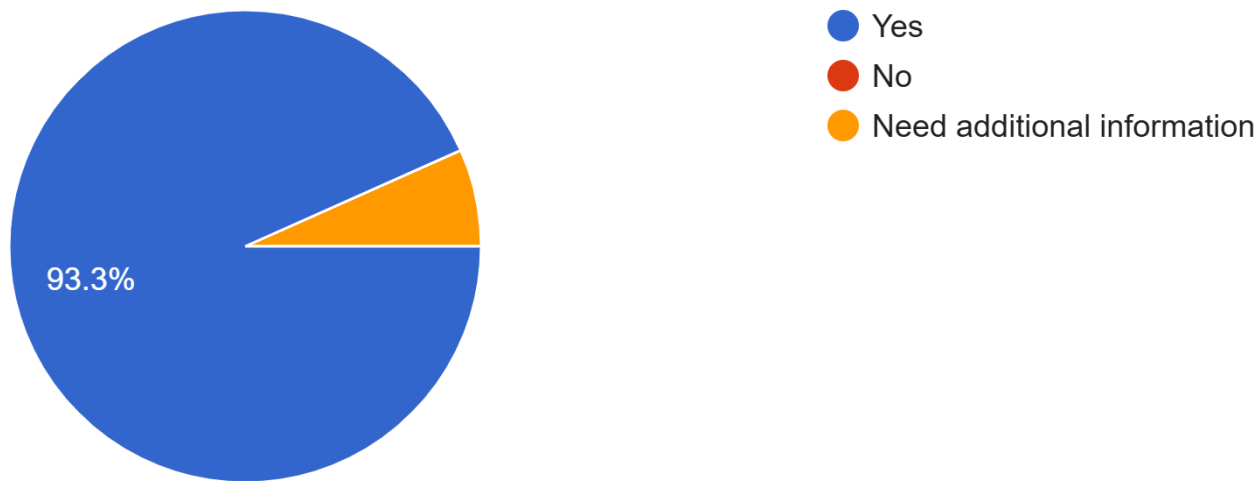
#19 – Additional Information

- 15,856 of suspended registrations currently
- Currently DMV charges a one-time \$50 registration suspension fee
 - If the individual fails to pay and are suspended again, the \$50 is not charged again based on policy.
 - We currently charge \$5 a day for lapse of insurance
- FY26 Revenue was \$1,724,567
- Estimate for the increase from \$50 to \$100
 - $15,856 \times \$50 = \$792,800$ increase annually
- Estimate for the increase from \$50 to \$125
 - $15,856 \times \$75 = \$1,189,200$ increase annually



#23: Dealer Reassignment \$10 to \$20 (this is the fee paid when a vehicle is sold from one dealership to another to update the title)

15 responses



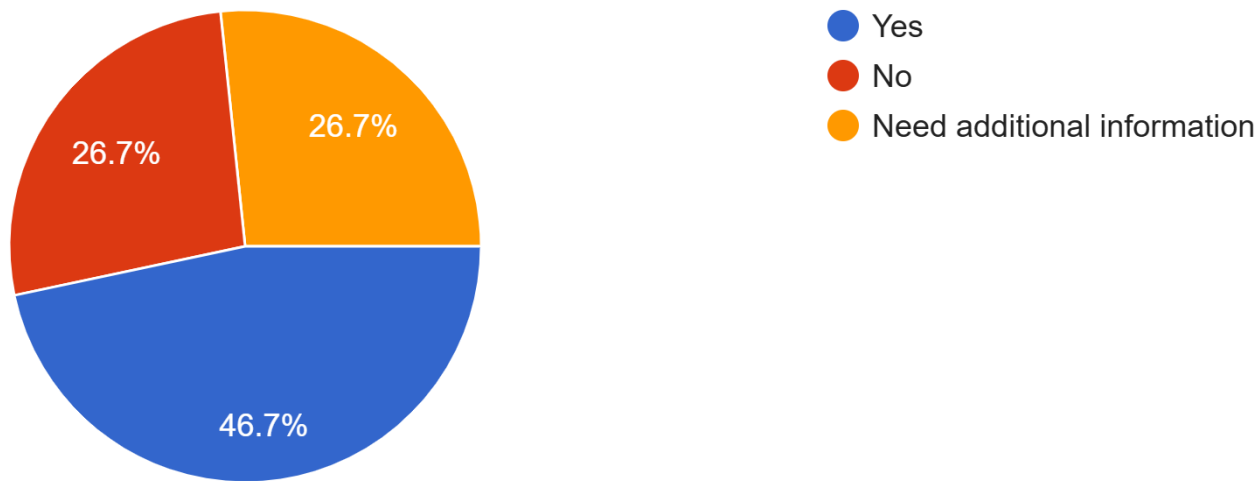
#23 – Additional Information

- Current reassignment fee = \$10.00 per form
- Number of Transactions
 - FY23 – 42,921
 - FY24 – 43,128
 - FY25 – 46,455
- Estimate for the increase from \$10.00 to \$20.00 per form
 - Average transaction count of 44,168 x \$10 = \$441,680 increase annually



#39: Increase Vehicular weight fee for SUV's - \$18.00/1,000 lbs over 4,000 lbs (the current cutoff is 5,000 lbs)

15 responses



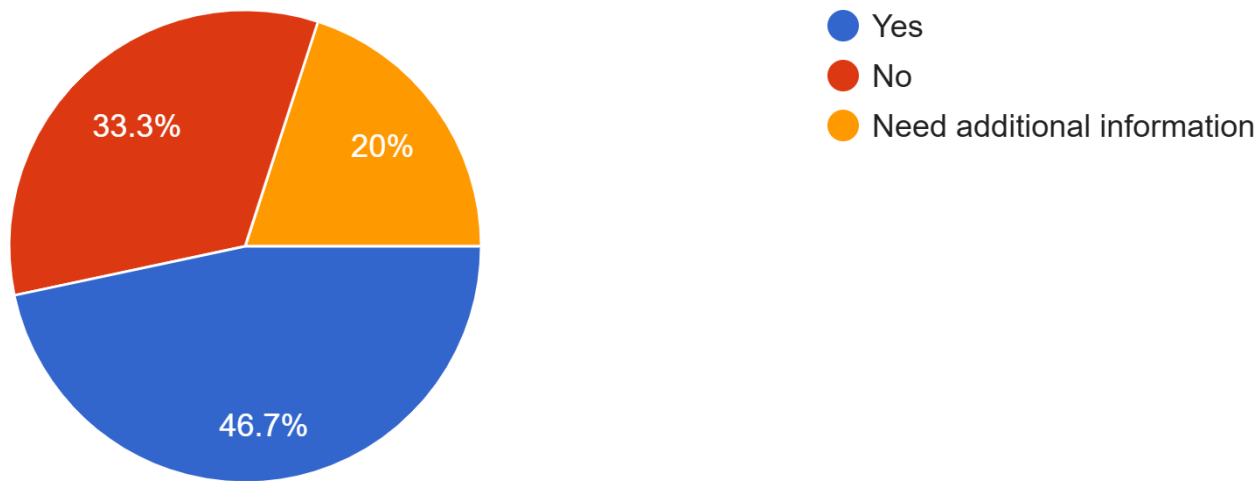
#39 – Additional Information

- Current Weight Fee = If the Truck is classified or registered as a commercial vehicle over 5,000 pounds, the fee is \$40 for the first 5,000 lbs, plus \$18 for each additional 1,000 lbs over 5,000 lbs.
- Currently there are 68,187 passenger vehicles and trucks weighing 4,001 – 5,000 lbs registered
- Estimate for the increase is $68,187 \times \$18 = \$1,227,366$ increase annually



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

15 responses



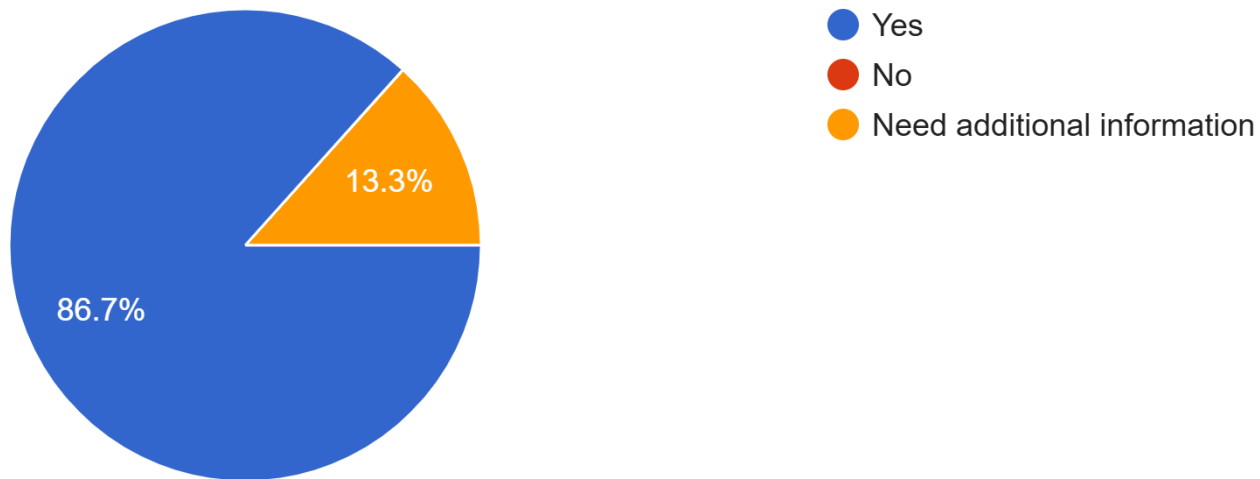
#50 – Additional Information

- DTC currently owns 3 Parking Garages; have a third-party contracts to operate them.
 - Riverfront Parking Deck
 - Annual net operating revenue:
 - FY23 – \$824.9K
 - FY24 – \$836K
 - FY25 – \$656.2K
 - Future capital costs FY27-FY30
 - \$350K
 - Christina Crescent
 - Annual net operating revenue:
 - FY23 – \$838.8K
 - FY24 – \$774.5K
 - FY25 – \$742.5K
 - Future capital costs FY27-FY30
 - \$800K
 - Wilmington Transit Center
 - Revenue sharing does not begin until year 25 of lease agreement.



#51: Leasing towers for antennas on IRLB or high mast lighting systems

15 responses



#51 – Additional Information

- Department has concerns with leasing space on IRIB for a variety of reasons
 - Lack of mounting locations, accessibility, safety concerns
- Other State DOTs with Wireless Licensing Programs
 - California
 - Infrastructure: Highway right-of-way, maintenance facilities, park-and-rides, buildings
 - CalTRANS operates a Wireless Licensing Program that licenses cell towers and antenna installations within highway ROW to generate transportation revenue.



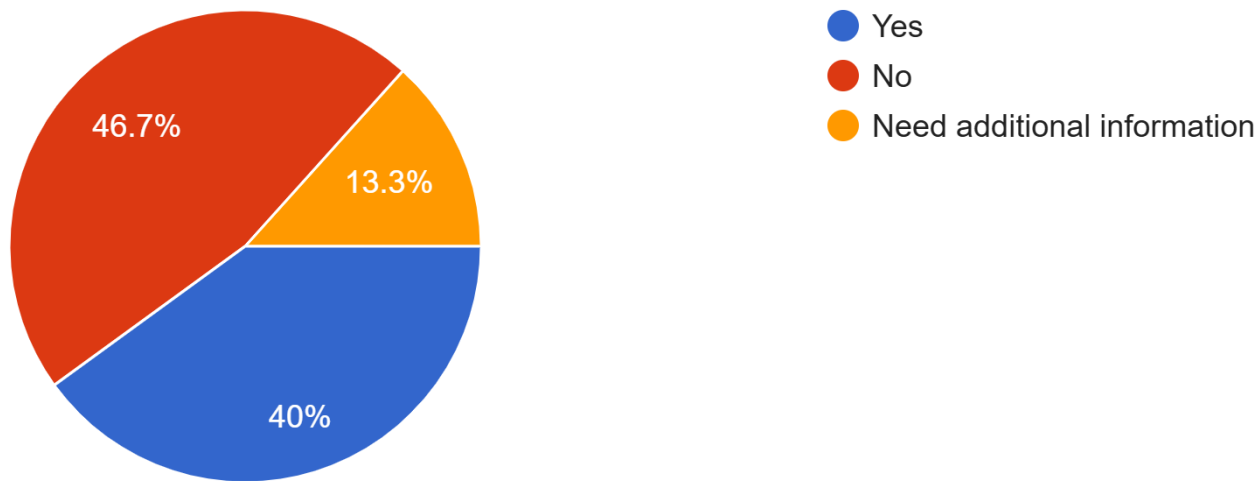
#51 – Additional Information

- Other State DOTs with Wireless Licensing Programs
 - Virginia
 - Infrastructure: Transportation communications infrastructure
 - VDOT has one of FHWA's model "Shared Resource" programs, partnering with telecommunications providers to share transportation infrastructure while generating revenue and expanding communications capabilities.
 - Indiana
 - Infrastructure: High-mast lighting structures
 - INDOT's ITS design guidance specifically allows existing high-mast lighting towers to support communications equipment where structurally appropriate, reducing the need for separate towers.



#55: SR-1 Eliminate 25% Commercial E-Z Pass Discount (we reduced it from 25% to 15% in August 2025)

15 responses



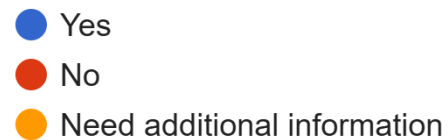
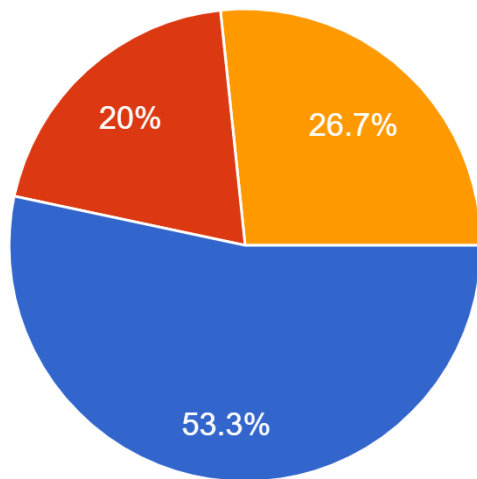
#55 – Additional Information

- Current Commercial Discount Program:
Commercial E-ZPass users get a 15% automatic discount for trips made by vehicles with 3 or more axles on SR1.
 - 15% Discount was effective August 15, 2025
 - Annual estimate - \$300K



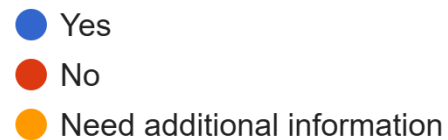
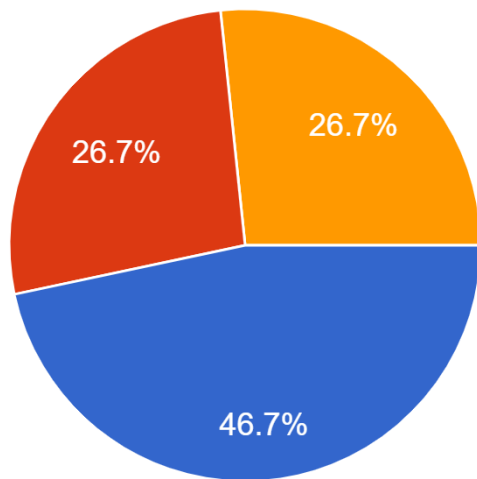
#80: Implement \$.50 toll on SB ramp at Odessa

15 responses



#81: Implement tolls on free ramps south of C&D Canal

15 responses



#80 & 81 – Additional Information

Toll Free Connections

SR 1 / I 95
SR 1 / Christiana Mall
SR 1 / SR 273
SR 1 / US 40
SR 1 / SR 71
SR 1 / SR 72
SR 1 SB / S St Georges
SR 1 NB / Port Penn Rd
SR 1 / SR 299
SR 1 NB / N Smyrna
SR 1 SB / N Smyrna Rest
SR 1 / SR 8
SR 1 / US 13 Puncheon Run
SR 1 / Bay Rd



Biddles Toll Plaza

Monday - Friday
Delaware EZPass Holders \$1.50
Non-Delaware EZPass Holders \$2.50
Saturday - Sunday
Delaware EZPass Holders \$4.00
Non-Delaware EZPass Holders \$6.00

SR 1 / Boyds Corner

\$.75 SB

SR 1 / S Smyrna

\$.50 NB

SR 1 / N Dover Scarborough Rd

\$.75 NB

Dover Toll Plaza

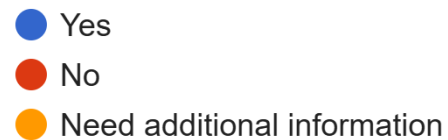
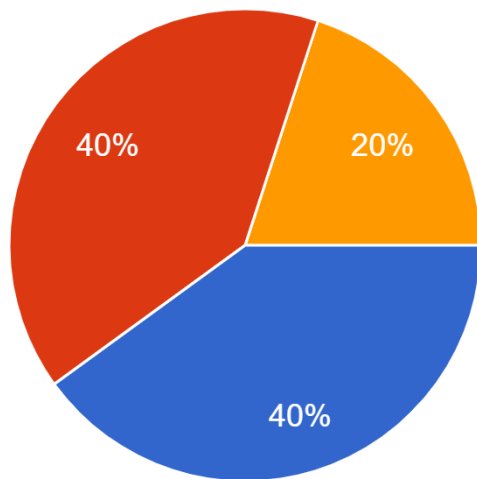
Monday - Friday
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Saturday - Sunday
Delaware EZPass Holders \$4.00
Non-Delaware EZPass Holders \$6.00



*Based On 2-Axle Vehicle

#87: Base registration fee on miles traveled

15 responses



#87 – Additional Information

- Current Registration Fees
 - Passenger Car / SUV (yearly): \$40.00
 - Trucks/Busses/Cargo Vans over 5,000 lbs: for each 1,000 over 5,000 additional \$18.00 per year
- Delawarean's drive an average of 12,609 miles per year*
 - Passenger Car = \$.003 per mile
 - 8,000 lb Truck = \$.007 per mile

** Source: <https://www.policygenius.com/auto-insurance/average-miles-driven-by-state/>*



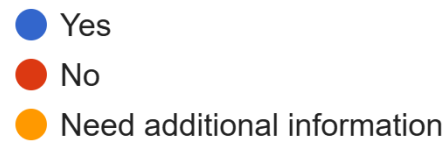
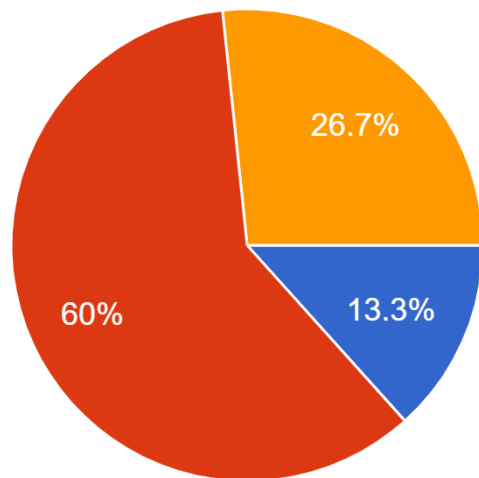
#87 – Additional Information

- Surrounding State's Annual Registration Fees (not based on mileage)
 - Pennsylvania: \$48
 - Maryland: \$120.50-\$191.50
 - New Jersey: \$46.50-\$84
 - Virginia: \$40-\$50
- No state has fully replaced traditional vehicle registration fees with a mileage-based registration fee for all vehicles.
 - Virginia has a Mileage Choice Program which replaces the Highway User Fee , but not the standard vehicle registration fee.
 - OReGo is a pay by mile program for passenger vehicles in Oregon, it does not replace vehicle registration fees, instead it reduces or waives supplemental surcharges for electric and high-efficiency vehicles.



#91: Reduce trailer registration fees

15 responses



#91 – Additional Information

- Current trailer registration annual fees
 - 0-1,000 pounds = \$15.00
 - 1,001-2000 pounds = \$20.00
 - 2,001-5,000 pounds = \$40.00
 - For each 1,000 pounds over 5,000 = \$18.00
- Number of Delaware Registered Trailers
 - 0-1,000 pounds = 11,967
 - 1,001-2000 pounds = 22,231
 - 2,001-5,000 pounds = 30,683
 - Over 5,000 = 21,287
- Annual Revenue for FY26 was \$3,967,300



#91 – Additional Information

- Currently 15,996 Delawareans have registered Trailers in Maine.
- Maine trailer registration fees
 - Up to 2,000 lbs = \$10.50/year
 - 2,000 lbs and over = \$20.00/year
- Primary reasons:
 - Lower Registration Costs
 - Long-Term Registrations
 - 8 year, 12 year, 20 year, & 25 year
 - Registration through mail or online
 - No annual vehicle inspection
- Estimated annual revenue loss = \$573,000



New Ideas from Task Force

New Ideas from Task Force

- Fee for New State Maintained Development Roads
- Evaluate the Woodland Ferry Costs and Lack of Fare – reviewed June 2026 meeting
- Index Motor Fuel Tax
- Mileage Based Alternative Fuel Vehicle Fee Option
- Index Alternative Fuel Vehicle Fee



New Ideas from Task Force

- Charge for Special Events
- Ebike Registration Fees
- Concession Agreement for the Smyrna Rest Area
- Redirect some of the Marijuana Tax Revenues to the TTF
- Statewide TID Model
- Continue to explore innovative funding like TIFIA



New Ideas from Task Force

- Continue to explore Public Private Partnership opportunities
- Continue to explore alternative forms of traditional contracting
- Explore additional Toll Opportunities
- Charge for public chargers (EV) that are owned by Private Entities



New Ideas from Task Force

- Charge individuals for electric they are using to charge EV's privately at residence
- Mileage Based Alternative Fuel Vehicle Fee Option
- Modifying Existing DMV Fees not previously discussed
- Raise Gas Tax during peak months and lower during remaining months



Charge for Special Events

- **Current Program**

- DelDOT currently does not recover costs from many major event organizers.
 - DelDOT's Special Events Regulation exempts 501(c)(3) nonprofit organizations, state agencies, counties, municipalities, school districts, and accredited colleges and universities from reimbursing the Department for temporary traffic control costs.
- Staff consists of 6 FTE's and 1 C/S Position Support this Program
 - Annual Personnel Costs:
 - Regular Pay – \$539,000
 - Over Time – \$614,350
 - Annual Supply and Equipment Costs:
 - \$400,000



Charge for Special Events

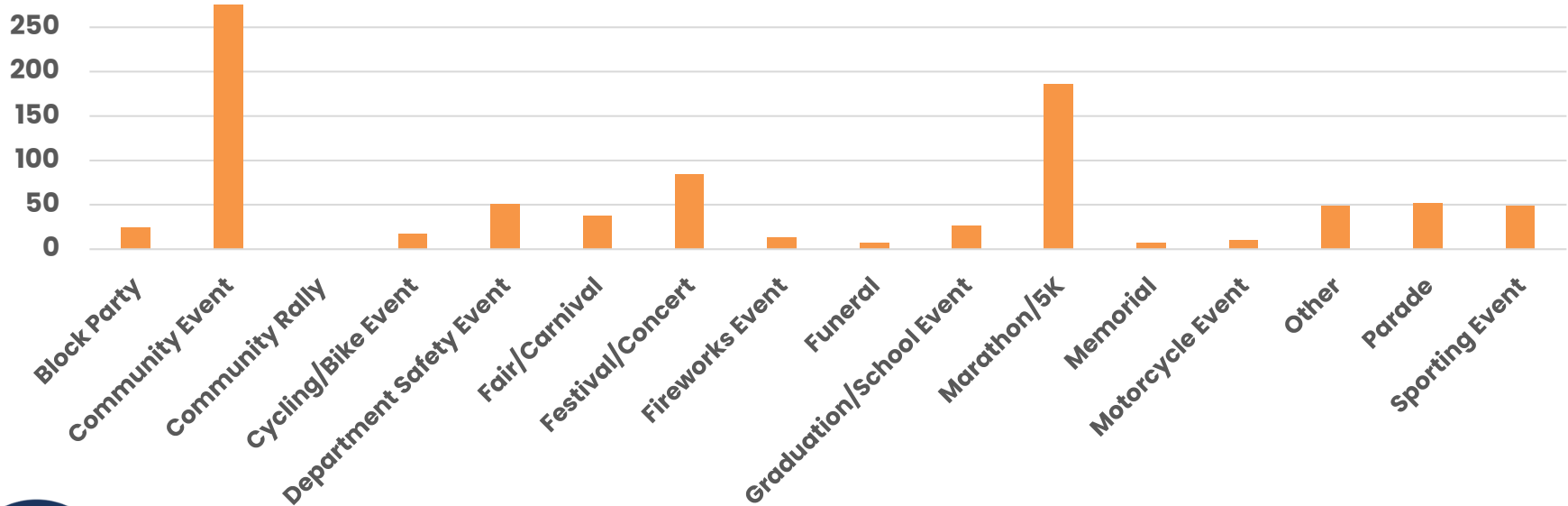
- **Current Program**

- Implementing user fees could encourage organizers to reduce requested traffic control services.
 - Reduced support may negatively impact:
 - Public safety
 - Traffic operations
 - Accountability
- CY2025
 - Received reimbursement for one event for \$28.9K
 - Special Event Stats
 - Applications Permitted: 889
 - Events Supported: 703
 - Events Staffed: 373



Charge for Special Events

CY2025 Special Events



Continue to Explore Innovative Funding Options

- **DelDOT has successfully used—and continues to pursue—innovative financing and competitive federal funding, including:**
 - **GARVEE Bonds**
 - US 301 Toll Road
 - I-95 Restore the Corridor Program
 - **TIFIA Financing**
 - TIFIA loan for the US 301 Toll Road
 - Currently working with the USDOT Build America Bureau on a TIFIA Rural Projects Initiative loan to support a portfolio of projects in Kent and Sussex counties



Continue to Explore Innovative Funding Options

- **DelDOT has successfully used—and continues to pursue—innovative financing and competitive federal funding, including:**
 - **Federal Discretionary Grants**
 - INFRA Grant – I-95/SR 896 Interchange Improvements
 - BUILD Grants – Boyds Corner Interchange, Walnut Street Bridge, and SR 1 corridor improvements
 - RAISE Grant –Georgetown to Lewes Rail with Trail, The Final Connection, SR 9 Bridge 1-305 Resiliency Project
 - PROTECT – Taylor’s Bridge Resiliency Project
 - Grants for Buses and Bus Facilities
 - **Future Opportunities**
 - Continue pursuing low-cost federal financing, competitive grants, and emerging funding programs that can advance priority projects.



Continue to explore Public Private Partnership opportunities

- **DelDOT has statutory authority to pursue P3s and will continue evaluating opportunities where they provide value, including:**
 - Evaluate projects that may benefit from private-sector investment, expertise, and innovation.
 - Leverage private financing where appropriate to accelerate project delivery and reduce financial risk.
 - Use P3s selectively when they provide measurable value and improve outcomes for taxpayers
- **DelDOT has successfully used public-private partnerships to deliver transportation improvements, including:**
 - **Wilmington Transit Center** – Developed through a partnership between DelDOT/DTC and Transit Center, LLC adjacent to the Joseph R. Biden Jr. Railroad Station
 - **I-95 Biden Welcome Center**



Continue to Explore Alternative Forms of Traditional Contracting

- **DelDOT already utilizes a variety of alternative project delivery and contracting methods and will continue to evaluate opportunities to expand their use, including:**
 - **Design-Build (DB)** – Combines design and construction under a single contract.
 - **Construction Manager/General Contractor (CM/GC)** – Engages the contractor during design to improve constructability, cost certainty, and risk management.
 - **Indefinite Delivery/Indefinite Quantity (IDIQ) Contracts** – Provides flexibility to quickly procure recurring or as-needed services through task orders.
 - **On-Call & Task Order Contracts** – Efficiently delivers engineering, design, environmental, and other professional services.
 - **A+B Bidding** – Evaluates both project cost and construction duration.
 - **Incentive/Disincentive Contracting** – Encourages early completion and minimizes impacts to the traveling public.





**QUESTIONS &
COMMENTS**

Action Items

Action Items

- Next Meeting: August 24th at 2:30pm-4:00PM (Dover, DE)



Public Comment



THANK YOU!



<https://linktr.ee/delawaredot>