



— CASE STUDY

Virginia's Mileage Choice Program

December 2025

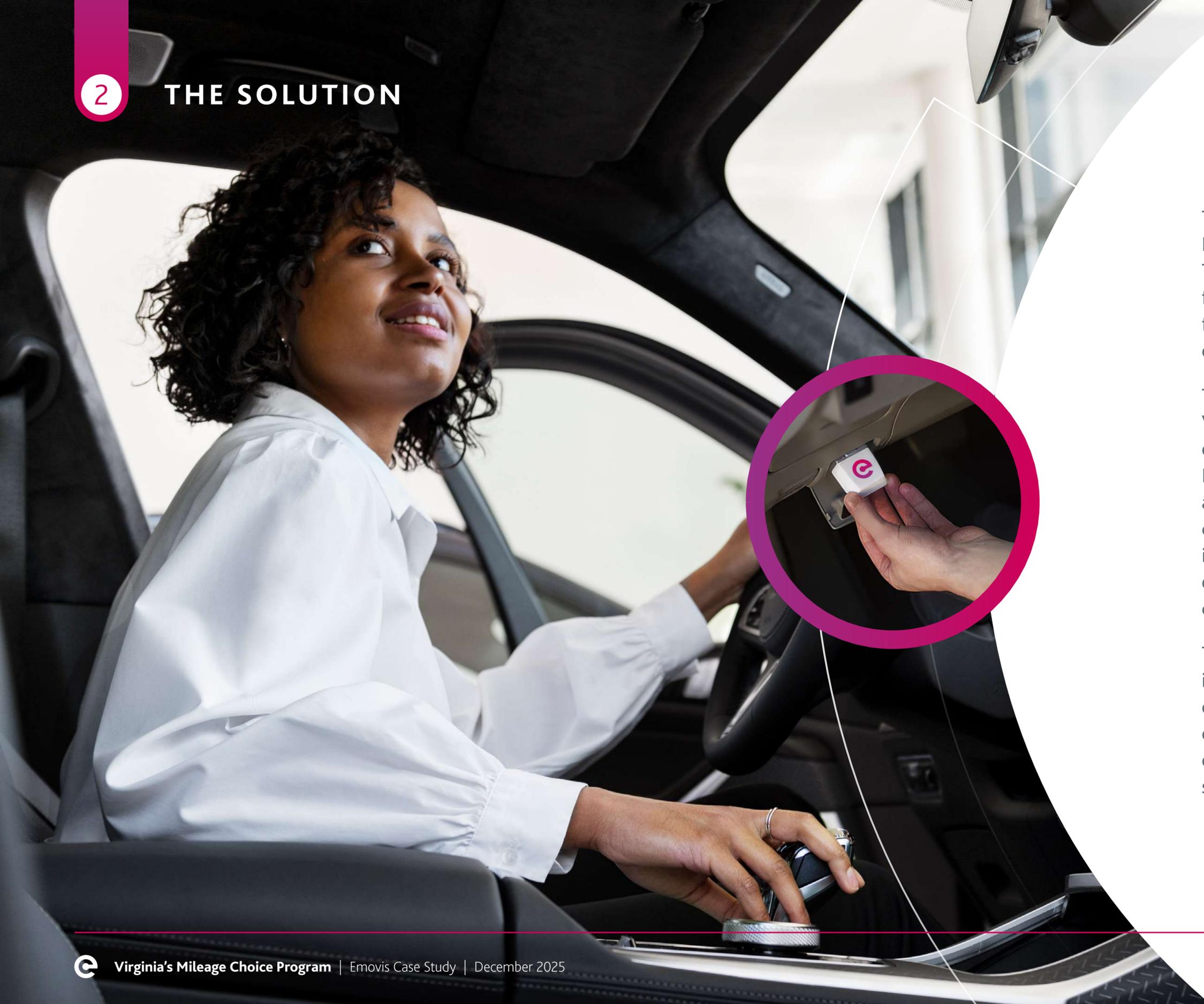
1 THE PROBLEM

Virginia's roadways were increasingly being driven by fuel efficient and electric vehicles.

Consequently, the revenue collected from the state motor fuel tax were declining. The tax was no longer a sustainable funding source for Virginia's transportation infrastructure over the long term. By 2030 the use of electric, hybrid, and other fuel-efficient vehicles would amount to a loss of \$250 million in fuel-tax revenue, according to a Virginia Secretary of Transportation 2019 report. This is essentially 25% of the Virginia state budget for transportation financing and infrastructure projects.

By 2030, a \$250 million loss in fuel-tax revenue



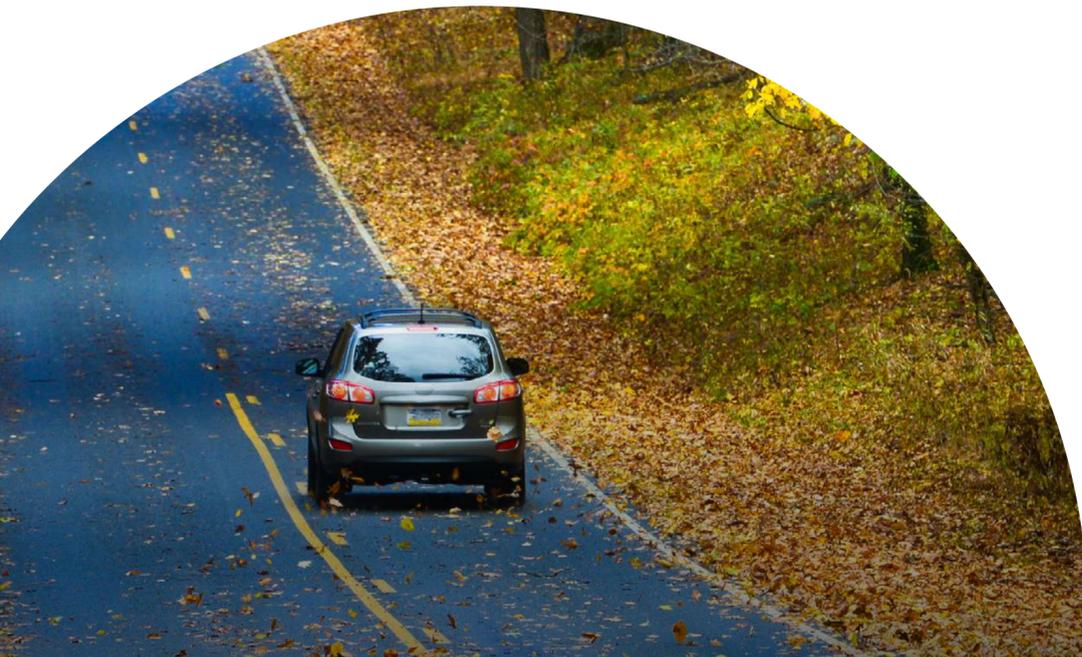


To address these concerns, Virginia legislators passed House Bill 1414 during the 2020 Virginia General Assembly session. This bill contained legislation establishing a flat highway use fee (HUF), effective July 1, 2020, and an alternative to that flat fee which allows users to pay the highway use fee based on the user's actual vehicle miles traveled.

This legislation led to the Virginia Department of Motor Vehicles collaborating with Emovis to implement an efficient and effective mileage-based user fee program. Participants volunteering to be part of the program installed a device in their vehicle that recorded how many miles they drove. Similar to an E-ZPass for tolls, users enter payment information and pay an initial balance. The fees can never exceed the highway use fee the driver would've paid if they didn't sign up for the per-mile program.

The program launched to the public on July 1, 2022. It was intended to enhance public understanding of the challenges of transportation funding sustainability, promote awareness of alternative mechanisms for the payment and collection of highway use fees, and facilitate Virginia's transition to a successful long-term transportation funding solution.

The Virginia Department of Motor Vehicles (Virginia DMV) enrolled over **10,000 vehicles** in its **Mileage Choice Program** in the first six months. As of January 28, 2024, **this number jumped to 22,340 vehicles**. These **users have generated 113 million miles**. Most of the vehicles in the program are made by Toyota, Honda, and Tesla (**19.5% of all vehicles are electric, 31.75% hybrid, and 48.75% gas/diesel**). Here is a breakdown highlighting these users' behaviors.



93%
of all vehicles in the program are active
(provided an odometer photo and recorded mileage)



56%
of vehicles chose to share GPS location



81%
of vehicles use the plug-in OBD mileage reporting option; the other 19% use the embedded vehicle telematic options



81%
of initial enrollees remain active in the program



As a result of the program,
\$400,145 in mileage charges
and **\$282,000 in annual**
highway usage fees have been
collected. There have been
no data security breaches.

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