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**FOR IMMEDIATE RELEASE**  
Tuesday, December 5, 2006

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# **As Traffic Tightens and Old Highways Decay, Tolling Surges as a Way to Finance New Roads**

*New Toll-Road Miles Almost Equal To New Non-Toll  
Miles*

*Since 1992 Law Realigned U.S. Infrastructure Priorities*

WASHINGTON (Dec. 5, 2006) – Struggling to pay for new highway construction that can ease America’s ever-tighter traffic congestion, state and local governments are increasingly building toll roads – not non-toll highways – as the existing U.S. infrastructure erodes and as federal highway funding steadily dwindles, according to a consensus among transportation experts at a national conference on the United States’ deepening crisis in transportation finance.

“You cannot ‘build your way’ out of congestion, yet you have to build new roads. You cannot ‘transit your way’ out of congestion, yet you have to promote the greater use of mass transit,” said David Forte, a transportation planner from Washington State in a speech to the IBTTA conference. “Tolling is a pricing mechanism, and that’s a central part of the solution. You have to create added [highway and mass transit] capacity at strategic ‘choke points’ in specific areas . . . to get people from areas with affordable housing to areas where the jobs are.”

Toll-road planning and construction have soared since 1992, when a new federal law changed the way the U.S. surface transportation system is structured. Since 1992, 738 new miles of toll roads have been opened while about 1,170 miles of new non-toll roads have been paved – a dramatic increase in the nation’s proportion of toll roads. Those 738 new miles – and the 3,035 additional miles of toll roads now in the planning stages – are atop the 5,000 miles of toll roads that existed before the 1992 law, according to Steve Lockwood, a Maryland-based consultant on transportation policy.

The popularity of toll roads “has clearly accelerated in the last six or seven years,” said Lockwood, who traced the surge in tolling to policies enacted by Congress in 1992 in the Intermodal Surface Transportation Efficiency Act (ISTEA).

The analysis of the increasing trend toward tolling came on the second day of a national Transportation Finance Summit – sponsored by the International Bridge, Tunnel and Turnpike Association (IBTTA) – with the theme “Dynamism in Transportation.” The conference, at the Capital Hilton in downtown Washington, heard experts from a variety of industries bemoan the deterioration of the basic U.S. transportation infrastructure – and lament that the dwindling revenues from the federal taxes on gasoline and diesel fuel are steadily falling behind the nationwide need to invest in highways, bridges, tunnels and interchanges.

The failure to invest in the American transportation system “could cripple our way of life,” said Steve Cohen, a senior analyst with the U.S. Government Accountability Office, who discussed a recent GAO study on increasing public acceptance of the trend toward building toll roads. States, local governments and regional authorities are increasingly turning to tolling, said Cohen, as they recognize that there is likely to be little federal money for future infrastructure investment.

It is unrealistic to expect major new federal funding for infrastructure projects, said Cohen, given the stark reality of the overburdened federal budget. By the year 2030, he said, a recent federal budget projection shows that (if current trends continue) there will be only enough revenue in the federal budget to pay for Social Security, Medicare, Medicaid and interest on the national debt – with no federal money available for anything else, including defense, education, environmental protection, transportation and other federal programs now seen as indispensable. By the year 2040, he said, the projection shows that there will only be enough revenue to make annual interest payments on the national debt – with no federal money available for any other purpose, even Social Security, Medicare and Medicaid.

The experts’ analysis of the surge in tolling was a featured panel in the national conference, which assembled dozens of experts on transportation finance – including engineers and planners from private-sector firms as well as government officials – to discuss the corrosive effects of the nation’s chronic under-funding of its roads and bridges, airports and seaports, and railroads and waterways. The continuing shortfall in

funding is projected to amount to \$1 trillion by 2025, accelerating the steady erosion of the transportation network's physical infrastructure

The IBTTA-sponsored conference will provide valuable data to the National Surface Transportation Policy and Revenue Study Commission, a federal panel that is now considering ways to overcome the funding crisis. Often referred to as "the 1909 Commission," the panel was created under Section 1909 of the Safe, Accountable, Flexible, Efficient Transportation Equity Act — A Legacy for Users (SAFETEA-LU) law, which was enacted by Congress in 2005.

"Profound changes are changing the way we plan, finance and build our basic transportation network. Using market-based forces like tolling is a crucial way to help drive investment toward critically needed projects," said Patrick D. Jones, the executive director of IBTTA. "This conference – and today's panel discussion, emphasizing the growing role of tolling, will provide the 1909 Commission with realistic data that can help shape its policy recommendations. The commission's report will be a vital roadmap toward building a stronger American economy, and the tolling industry is ready to offer constructive ideas to promote a more agile, more resilient transportation system."

About IBTTA:

The International Bridge, Tunnel and Turnpike Association (IBTTA) is the worldwide alliance of toll operators and associated industries that provides a forum for sharing knowledge and ideas to promote and enhance toll-financed transportation services. IBTTA's members own, operate, or support toll facilities in 35 U.S. states and in 25 countries on six continents around the world. Founded in 1932, IBTTA is driving positive change in surface transportation.

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