

TOLLING THE INTERSTATES

THE CASE FOR FLEXIBILITY

The Interstate Highway System is 48,000 miles of mobility, connectivity and economic vitality. It is probably the most important transportation investment in American history.

The Interstate system cost roughly \$129 billion to build with the federal government promoting the original idea and contributing \$119 billion toward construction. Though the federal government provided much of the funding, the states own the roads and are responsible for their operation and maintenance. Over 3,000 miles of the Interstate system consists of toll roads that pre-dated the establishment of the Interstate System.

The archaic restrictions on tolling the Interstates should be removed. Metropolitan and local leaders—in conjunction with the states—are in the best position to determine which Interstate roadway segments are the strongest candidates for pricing strategies.

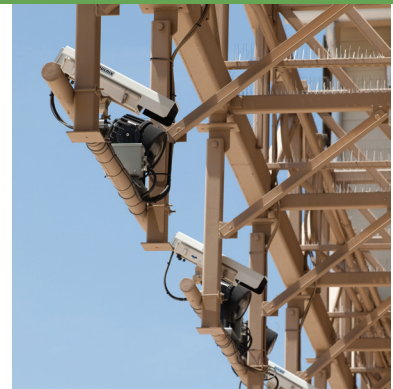
— Robert Puentes, Senior Fellow, Metropolitan Policy Program,
Brookings Institution

PAYING FOR WHAT WE USE

Many portions of the Interstate system are now **more than 50 years old**. As the system ages and the federal government's financial participation declines, states face huge costs to rebuild the system.

Current federal law still imposes major restrictions on states' ability to toll existing Interstate facilities. With states now facing the financial obligation of maintaining and repairing 50 year old highways, it's time to change federal policy and **give states the maximum flexibility to use tolling** as a dedicated source of transportation revenue. This is an argument for **flexibility and options, NOT mandates**.

It is a common misconception that the Interstates are "already paid for." Infrastructure of all kinds needs routine maintenance, upgrading, and eventual replacement. Though it cost \$129 billion to construct, it will cost nearly **\$2.5 trillion** over the next 50 years to rebuild the interstate system, largely at state expense. States are desperate for new, sustainable revenue streams to support their highways, especially the Interstate highways. A growing number of states are exploring (or revisiting) the benefits of tolling as part of a toolbox of funding options for renovating and upgrading their roadways.



THE INTERSTATE HIGHWAYS...

- Are 1.1% of America's total public road miles.
- Are 6% of all miles under the jurisdiction of state departments of transportation.
- Carry 24% percent of all vehicle miles of travel (VMT) across the country.
- Cost \$129 billion to build over 35 years.
- Will cost nearly \$2.5 trillion to rebuild over the next 50 years; with declining federal dollars, the states will have to pay more than \$1.8 trillion, nearly three-fourths of the total investment.

IBTTA is the worldwide association of toll facility owners and operators and the businesses that serve them. Founded in 1932, IBTTA has members in more than 20 countries on six continents implementing state-of-the-art, innovative, user-based transportation financing solutions to address the critical infrastructure challenges of the twenty-first century. Through advocacy, thought leadership, and education, IBTTA has become the world's leading resource on highways and tollways. Follow us on **Twitter @IBTTA** and join the conversation at **#TollRoads**. For more information, visit: **www.IBTTA.org**.



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We absolutely should consider tolling, even on existing Interstate highways, as one of the tools in the solutions toolbox. We can't afford to take any revenue options off the table.

— Patrick J. Natale, P.E., F.ASCE, F.ASAE, CAE, Executive Director,
American Society of Civil Engineers

THE ROLE OF TOLLING

The federal contribution to the Interstate system has decreased from roughly 90% of the initial construction cost to less than 45% of today's maintenance cost. With the Highway Trust Fund in precarious shape, the federal share will decline even more in the years ahead.

As a direct user charge, tolling appropriately allocates the cost of future improvements to those who benefit directly. *According to a November 2012 Reason Foundation study, the cost of collecting tolls in a mature all-electronic tolling system is equivalent to the cost to collect the gas tax.*

A succession of major studies has called on Congress to remove restrictions on tolling:

- The Fuel Tax and Alternatives to Transportation Funding, Transportation Research Board, 2006;
- The National Surface Transportation Infrastructure Financing Commission, 2009; and
- The National Transportation Policy Project, Bipartisan Policy Center.

Congress should rethink the prohibition on tolling Interstate highways because:

- The upgrading and maintenance of the Interstate system is not already paid for;
- The federal funding role is declining;
- The fuel tax is unsustainable as a long-term source of ongoing funding for highways; and
- States need and want a wider menu of funding options.

When the Bush Administration introduced the bill that became SAFETEA-LU, it contained a provision to remove the existing prohibition on tolling the Interstate Highway System. What seemed appropriate in 2003 seems equally so today. This is not a call for the federal government to prescribe the use of road pricing. The federal government should be permissive in allowing states and metropolitan regions to use these techniques to manage their transportation systems.

— Emil Frankel, Visiting Scholar,
Bipartisan Policy Center

