TOP STORY

WEDNESDAY, JUNE 08, 2011

States push to convert interstate highways into toll roads
By Daniel C. Vock, Stateline Staff Writer

The 40-mile stretch of Interstate 95 that serves as Rhode Island’s transportation backbone is falling apart, despite several ambitious projects by the state to relieve congestion and improve safety on the well-traveled route between New York and Boston. Conditions on one I-95 bridge are bad enough that heavy trucks must find a different route to cross the Pawtucket River. A major viaduct in Providence needs replacing.

The needs are piling up. A recent study shows that Rhode Island must spend about $300 million more a year just to keep its current roads and bridges in good repair. That is twice as much as the state typically spends.

There is an obvious way to pay for the needed upkeep—make Interstate 95 into a toll road as it crosses the state. But that idea may be illegal. Ever since the interstate system was built, Congress has prohibited states from charging tolls on highways built with federal money. The constraint posed fewer problems when transportation money was easier to find. But now almost every other source of road funds is drying up, and several states are eyeing the possibility of collecting tolls on interstates that drivers now use for free.

Rhode Island is one. The state, says Michael Lewis, the director of the Rhode Island Department of Transportation, is running out of alternatives. “The tolling option,” he says, “is what we think of as the least painful, most equitable, least impacting option to raise additional revenues that can be invested back in states’ infrastructure.”

Virtually every state, like Rhode Island, faces a funding crunch for roads. The federal piggy bank for highway maintenance, a major funding source for states, is nearly empty. The bulk of its money is raised through the federal gas tax, which has not been increased since 1993. Despite several moves by Congress in the last three years to replenish the Highway Trust Fund, that money is expected to run out again by late 2012.

Related Stateline stories

The consensus on Capitol Hill, where Congress is drafting a new highway funding bill, is that the new highway plan will have less money than in the past for transportation. That puts further pressure on states to find other sources for road repairs. States have been hesitant to raise their own gas taxes, too, and their poor fiscal conditions leave them with few options for finding money elsewhere in their budgets.

In Rhode Island, which has one of the highest state gas taxes in the country, the governor has tried to find more money for fixing roads by calling for increased vehicle registration fees and by pushing lower borrowing levels, which would free up money now spent on interest.

**Exception to the rule**

Adding tolls is nearly as unpopular with the public as raising the federal gas tax, but states are betting that motorists will pay higher fees if they get specific improvements in return.

Under current law, states are allowed to toll interstates if the roads had tolls before they became part of the national network, which is why so many states in the Northeast already charge tolls for driving on I-95. They also are allowed to put tolls on new roads that are not part of the Interstate Highway System. States can even add new carpool lanes to existing interstates, and charge money to use the faster lanes. But they generally cannot put tolls on previously toll-free interstate stretches built with federal money.

There is, however, one exception to the rule. In 1998, Congress created a pilot program under which up to three states can start collecting tolls on existing interstates to fund improvements on those roads. So far, though, no states have used it.

Virginia and Missouri both have federal permission to move ahead with the idea, but neither has the tolls up and running. Last year, Virginia amended its request and asked the federal government to let it place tolls on Interstate 95 near the North Carolina border. That request is still pending.

Pennsylvania also applied for the exception, in order to put tolls on Interstate 80 across the northern stretch of the state. The federal government rejected that plan, largely because it would have diverted some of the toll revenue from the highway to support public transit in Philadelphia.

Edward Rendell, who was Pennsylvania’s governor at the time, argued in a recent congressional hearing that the conditions were too stringent. Placing tolls on I-80 would have allowed the state to increase its annual maintenance budget for the road from $90 million to $200 million, he said.

“States simply do not have that capacity without you allowing us to toll,” Rendell told a Senate panel in May. “So job one is lift the cap on tolling. It’ll be our decision. It’ll be governors and legislatures (who) decide whether to toll or not. But for Lord’s sake, lift the cap.”
Rhode Island hopes to qualify for the spot left open when Pennsylvania’s application failed. Lewis, the transportation director, says Rhode Island officials learned from Pennsylvania’s experience. Under the plan they are now developing, tolls collected on I-95 would go only toward improvements to the interstate itself.

The interstate has plenty of needs. Right now, Rhode Island is wrapping up a decade-long project to reroute traffic through downtown Providence, but the state will be paying for this project, called the I-way, out of its share of federal highway money for another 12 years. Now, the state is starting to fix up the Pawtucket River bridge, near Massachusetts, where the heavy trucks are being diverted. Repairs on that bridge alone will cost the state half of its annual federal apportionment, Lewis says. Next on the list of repairs is the Providence viaduct.

So far, though, U.S. Transportation Secretary Ray LaHood has been skeptical. “If a state or a governor or DOT wants to add capacity or two lanes on each side, we think that’s a good use of tolls, and we have supported that kind of approach,” he told a Rhode Island television station. “We don’t support the kind of approach, though, for roads that have already been built with taxpayer dollars then to be tolled.”

Lewis hopes LaHood will change his tune once Rhode Island submits its proposal, most likely this summer. In any event, the state is a long way from putting up toll booths. The General Assembly would still have to approve the plan, and engineering work would have to be done. The toll plazas would not open for at least another two years.

**Challenging restrictions**

With the highway bill being rewritten and states scrambling for more road money, the issue of tolling interstates is not likely to go away soon. “Bake sales,” Lewis says, “aren’t going to do this.”

Tolling, for example, is part of the discussion of how to improve North Carolina’s stretch of Interstate 95. The state is in the middle of a two-year study on the future of the aging highway, and officials there have said that tolling is one of the options on the table.

The federal restrictions on tolling were put into place originally so that motorists would not have to pay twice to use the highways: once at the pump, when they pay a gas tax, and a second time at the toll booth. But some of the roads that were built under the original program are now more than half a century old. “You can argue,” says Ron Utt of the Heritage Foundation, “that these projects have been fully depreciated.”

Allowing tolls on interstates, Utt says, could become the “fallback position” for members of Congress, who have few other options for finding more road money. It would also put the onus on state officials, who would have to choose whether to raise tolls and how to spend the money.

“This could be a big deal if this is part of the reauthorization,” Utt says, “but at the same time it really depends on whether the states are going to use the opportunities provided to them.”

— Contact Daniel C. Vock at dvock@stateline.org.
State push to convert interstate highways into toll roads

Comment on this story in the space below by registering with Stateline.org.

**Issues and Topics**

**Issues:** Politics, Taxes and Budget, Transportation

**Comments (3)**

**Most Recent Comments**

**toll roads**

*By Glenn Cole on Jun 8, 2011 11:13:24 AM*

Anybody wants to know about turning public roads to tolls should check out what Mitch Danials did to us in Indiana. It was not pretty...

**Report as Offensive**

**Interstates turned into toll roads**

*By Carol Fleshood on Jun 8, 2011 10:51:06 AM*

Someone is needed that can look at the budgets of each department with honesty, fairness and then be able to follow through even though those decisions may be tough ones to make either for personal and/or professional reasons. Not being able to make decisions in this manner and then passing the costs on to the citizens of each state is not a correct attitude to be adopting that adds to further decline of each department and to the point of all jobs/departments being eliminated because the monies will not be there.

Someone with the understanding of how each state’s coffers needs to take an honest assessment of where those monies are and if not there, instead of dismissing the issue of stating it is not there research the reasons why so that this does not occur again.

There is immense waist in every state that should not be and can be eliminated. Just the simple fact anyone can visually see waist that passes an area where people have and/or are working along the highways.

For the type of jobs it is obvious that there is over kill in man power when you can pass by and see the same individuals sitting around that you passed more than an hour ago. Jobs are dragged out purposely for XY and Z reasons when they should not be. Instant saving when you have allocated the correct number of people for a certain type of job and stopping overtime that is not needed.

Use quality products that is known to last longer instead of trying to purchase what looks good on paper to the public when first viewing but in actuality cost more in the long run because it wastes away quickly and creates more man hours to fix again when not necessary.

Refurbish the old roads, all these new roads are not needed and are not used enough to justify the building of. Reinvest into what is there which a substantial savings is.

Quit building new roads and etc. In hopes of resolving an issue because no one is hired that has an understanding of how to resolve traffic flow. All too obvious this is not being done. Immense savings right there!

Most homes and apartments (no matter where you live) have parking garages. Enforce that they are used instead of allowing parking on the streets creating more issues from accidents to sluggish flow of traffic.

All business that delivers can use the parking lots of the businesses and homes where they are delivering to in most cases, but instead they create traffic and parking issues in the streets and many times a danger to other citizens and drivers.

Asses everyone’s job description and/or if that cannot be done, outline who will do a certain part of a job for X amount of time and pay accordingly. Paying someone the same pay to hold and/or sit, while holding a stop and go-sign is insanity as compared to someone, with the same years and education that is operating electrical equipment.

Even when the jobs are finished clean up the road signs and etc. to be used elsewhere which will be a large savings instead of leaving the signs and etc. along the highways? Examples signs of
slow down to XY and Z because of road construction ahead when it is obvious there has not been road construction in that area for an immense long time. Not to say the least how ugly it makes everything look.

Report as Offensive

Interstate tolls
By Michael Kearney on Jun 8, 2011 10:48:02 AM

The time tested method of paying for highways is through the gas tax. The states have failed to have the gas tax keep up with inflation so they are short. They need to index the tax to inflation. Tolls would be the classic double dip because everyone on the interstate is already paying the gas tax. There is also a cross subsidy taking place because trucks do not pay user fees proportionate to the damage they cause to the roads, thus increasing maintenance costs.

Report as Offensive

 dévelop Read More Comments

c 2009. he Pew haritable rusts. ll rights reserved.