

TOLLING THE INTERSTATES

THE CASE FOR FLEXIBILITY

The Interstate Highway System is 48,053 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 consist 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 percent of America’s total public road miles.
- Are 6 percent 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.

The International Bridge, Tunnel and Turnpike Association (IBTTA) is the worldwide association for the owners and operators of toll facilities and the businesses that serve them. Founded in 1932, IBTTA has members in 26 countries on six continents. Through advocacy, thought leadership and education, members are implementing state-of-the-art, innovative user-based transportation financing solutions to address the critical infrastructure challenges of the 21st Century. Follow us on **Twitter @IBTTA** and join the conversation at #TollRoads. For more information, visit: **www.IBTTA.org**



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The Congress must lift the ban on tolling federally accredited highways. They must lift the ban.

– Ray LaHood, Former Governor of Pennsylvania,
Former Secretary of the U.S. DOT and Co-Chair, Building America's' Futur

THE ROLE OF TOLLING

The federal contribution to the Interstate system has decreased from roughly 90 percent of the initial construction cost to less than 45 percent 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 usage 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 of collecting 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 lift 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.

Both the Obama and Trump Administrations, through the GROW AMERICA Act and the 2018 Budget: Infrastructure Initiative, have proposed to remove or significantly reduce federal restrictions on Interstate tolling. With two successive Administrations advocating for expanded tolling on the Interstate system, progress is evident for tolling's expansion as a funding and financing option.

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