

**Remarks to Governor Malloy's Transportation Finance Panel
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Introduction

Chairman Staples and distinguished members of the Governor's Transportation Finance Panel. My name is Patrick Jones and I am the Executive Director & CEO of the International Bridge, Tunnel and Turnpike Association. Thank you for the invitation to speak with you today.

In the next few minutes, I will:

- Make the point that tolling is one of the tools in the transportation funding toolbox;
- Show how technology has transformed tolling and made it more efficient, easier to implement, and more acceptable to the public;
- Outline the role that tolling plays in mitigating congestion through managed lanes; and
- Talk about public attitudes toward tolling.

First, a word about my association.

About IBTTA

IBTTA is the worldwide association for the owners and operators of toll facilities and the businesses that provide products and services to the industry. We promote state of the art, innovative user-based transportation financing solutions to address the critical infrastructure challenges of the 21st century. Founded in 1932, IBTTA has more than 60 toll agency members in the United States and hundreds more in 20 countries on six continents.

Tolling: One of the Tools in the Toolbox

The U.S. has a rich history with regard to tolling that dates to colonial times. Today, there are approximately 120 tolling agencies operating in 35 states. Tolling is a viable, proven, and increasingly popular tool to fund major surface transportation infrastructure. If you remember only one thing I say today, remember this: **Tolling is one of the tools in the transportation funding toolbox – and it's a powerful tool.**

There are nearly 6,000 miles of tolled highways, bridges and tunnels in America that collect more than \$13 billion in tolls annually. The number of trips on tolls roads has increased 14

percent over the last four years, rising from 5 billion trips in 2011 to 5.7 billion trips in 2015. The Federal Highway Administration reports a 9 percent increase in U.S. toll road mileage, growing from 5,431 miles in 2011 to over 5,932 miles in 2013.

Connecticut holds a unique place in American history as one of the few states to eliminate an established tolling system and pass the full cost of maintaining roadways on to the State DOT. We appreciate the reasoning for that toll removal decision. We also respect the willingness of this panel to revisit the concept as a potential means of addressing the state's transportation funding challenges.

The Role of Technology – Not Your Grandfather's Toll Road

I want to assure you that the practice and technology of tolling has advanced significantly in the last 30 years. Electronic toll collection (ETC) was introduced in the United States in 1989 and has since become ubiquitous among all major toll agencies in the country.

All electronic tolling has removed the need for physical toll plazas as well as the traffic queues and safety issues that were associated with them.

Connecticut is in a unique position with respect to tolling. You have the freedom – the choice – to design your tolling systems to incorporate non-stop, all electronic tolling from the very beginning – without barriers or plazas.

Managing Congestion

Finding effective ways to reduce traffic congestion is another major goal of this panel. Today, most toll roads, bridges and tunnels collect tolls electronically. As your vehicle passes under a gantry, you pay your toll without stopping – often at highway speeds – using a transponder associated with your account. Most toll facilities are moving toward all electronic toll collection (AET), in which no cash changes hands in the lanes.

Let me show you some pictures to illustrate the point:

- SLIDE 5 – **OPEN ROAD TOLLING** IN ILLINOIS – free flow electronic tolling in the middle lanes; cash collection off to the side. They converted their barrier system to this.

THREE EXAMPLES OF **ALL ELECTRONIC TOLLING** – NO cash collected on the roadway; no barriers; not stopping and waiting.

- SLIDE 3 – E-470 PUBLIC HIGHWAY AUTHORITY in Denver, Colorado

- SLIDE 4 – NORTH TEXAS TOLLWAY AUTHORITY in Dallas, Texas
- SLIDE 6 – MIAMI DADE EXPRESSWAY AUTHORITY in Miami, Florida

This technology also allows you to implement what are called “managed lanes.” In this scenario, the toll operator uses time-of-day or dynamic pricing to change the level of the toll to account for the level of congestion in the managed lanes. In this way, you can use pricing to ensure that the driving speed in the managed lanes stays above a predetermined minimum level, for example, 50 mph.

- SLIDE 7 – I-95 EXPRESS LANES IN NORTHERN VIRGINIA.

The use of managed lanes could be especially effective in taming congestion on I-84 here in Hartford and along I-95 between New Haven and New York.

Public Attitudes toward Tolling

We appreciate the fact that tolling can provoke strong feelings among voters. But we also believe there is great merit in fairly considering all transportation funding options, especially when

governmental budgets are stretched to the limit as they are here in Connecticut.

Tolling may not seem popular. But the data tell a different story. More than 37 million Americans have an electronic toll account, and for every account there are often two or three other users. Nearly 80 million Americans use electronic tolling on a regular basis.

What do the residents of Connecticut think about re-introducing tolling in the state? According to a March 2015 Quinnipiac University poll, in response to the question, “Would you support or oppose putting tolls on state highways in Connecticut **if the money were used for repairs to the state’s roads and bridges,**” the response is 59 percent in support and 40 percent opposed.

In other words: nearly three-fifths of Connecticut residents said they would support highway tolls in Connecticut if the money were used for repairs to the state’s roads and bridges.

Acknowledgment of the Gas Tax

The gas tax is another powerful tool to raise funds for transportation, and we support its use. However, there seems to

be declining political support. Indeed, Congress has not increased the federal gas tax in 22 years.

The beauty of toll finance is that it establishes a direct connection between the use of the road and payment for that use.

Vehicles on Connecticut highways that run on fuel purchased in other states may not be paying for the wear and tear they impose on Connecticut's roads. Tolling re-establishes a direct connection between drivers, the trips they make, and the time and routes they use.

Conclusion

IBTTA recognizes that tolling is not the only solution to fund surface transportation. Nor do we suggest that tolling is appropriate for all transportation projects. Tolling is one of the tools in the transportation funding toolbox.

There are highways in rural parts of America with too little traffic or demand to effectively recover the cost of their operation through tolls. But tolls can be an important solution for certain projects, especially in a compact state with urban areas like those in Connecticut.

In the past decade, we have seen a resurgence in toll financing to support new construction and reconstruction projects sponsored by state, county and local governments. These include traditional tolling projects, the conversion of High Occupancy Vehicle (HOV) lanes to High Occupancy Toll (HOT) lanes, and the creation of new managed lanes where they didn't exist before.

As a former Connecticut resident – I received my K-12 public school education just down the road in Simsbury – I feel very strongly about seeing this state develop the kind of road infrastructure that will allow it to compete effectively in the world economy.

Thank you for inviting me to be with you today. I look forward to your questions and comments.

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