

PARTNERSHIPS IN TRANSPORTATION

Tolls as an Alternative Revenue Source

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Topics

- ▶ **Toll Road History**
- ▶ **Why Fuel Taxes and not Tolls?**
- ▶ **Re-emergence of Toll Financing**
- ▶ **Toll Facilities in the U.S.**
- ▶ **Evolution of Toll Collection Technology**
- ▶ **State Initiatives**

Toll Road History

- ▶ **Private turnpike companies began operating in late 1700's to help westward expansion**
- ▶ **Modern turnpike system created in 1940's and 50's to meet post-war boom**
- ▶ **Toll Road construction ceased with creation of the interstate system in 1956**
- ▶ **Interstate system financed with motor fuel taxes**

Source: FHWA: Toll Facilities in the United States

Why Fuel Taxes And Not Tolls?

- ▶ **Not enough toll revenue to repay bonds on some segments**
- ▶ **Percentage of revenue needed to pay for toll collection and administration**
- ▶ **Congressional opposition to debt financing**
- ▶ **Some special interests lobbied against tolls**
- ▶ **Result: Highway Trust Fund set-up on a pay-as-you-go basis with fuel taxes as the revenue source**

*Source: TOLLROADSnews
July 16, 2004*

Re-emergence of Toll Financing

- ▶ **Growing gap between needs and funding**
- ▶ **Political resistance to raising motor fuel tax rates**
- ▶ **More flexible federal policies**
- ▶ **Convenience and reduced cost of electronic toll collection technology**

Toll Facilities in the U.S.

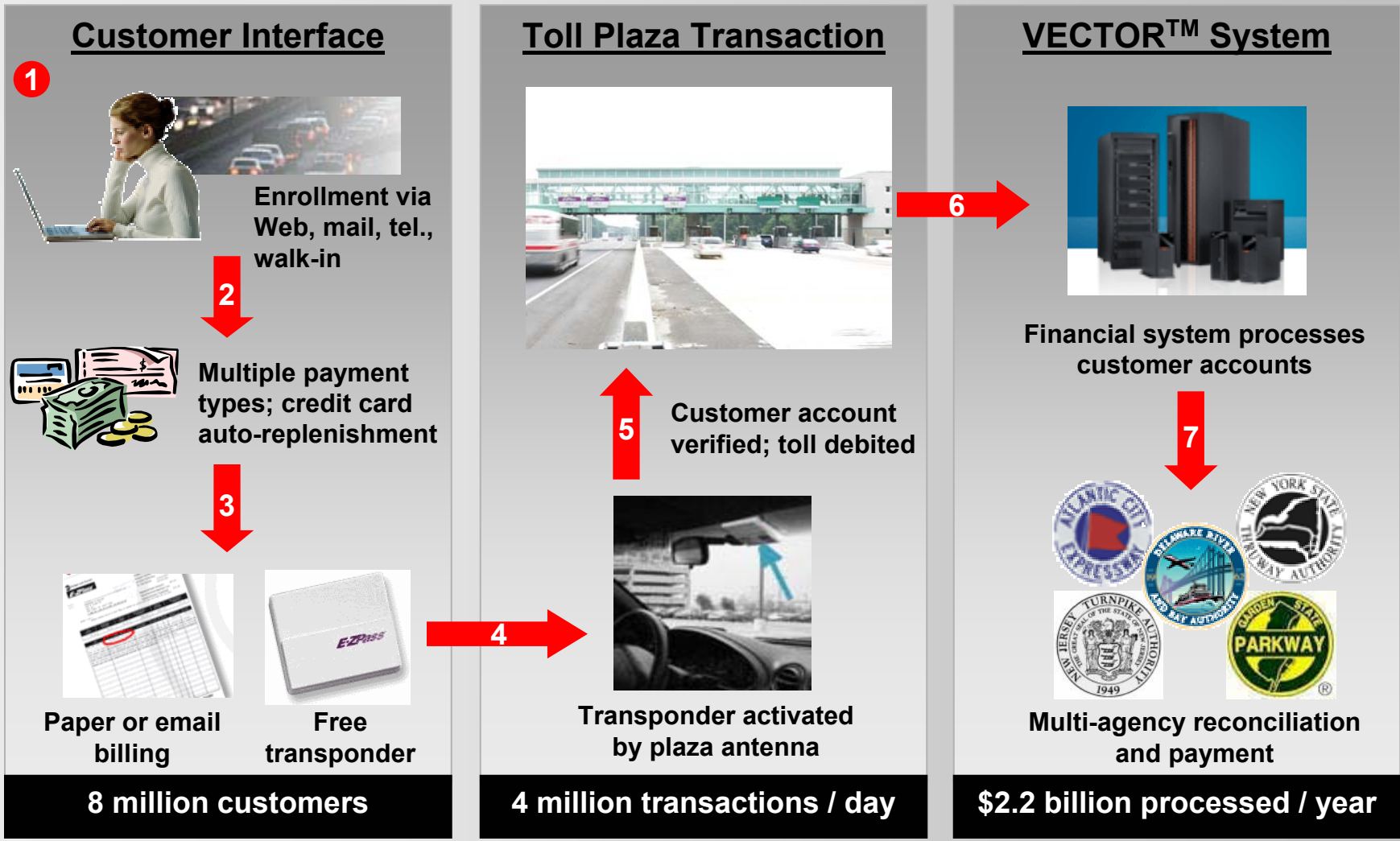
- ▶ **36 States**
 - **10 with toll roads**
 - **10 with toll bridges and tunnels**
 - **16 with both**
- ▶ **127 operating agencies**
 - **13 State DOTs**
- ▶ **4,908 miles of roadway**
 - **up 18% in 10 years**
- ▶ **156 bridges and tunnels**
 - **95 intrastate**
 - **25 interstate**
 - **36 international**
- ▶ **\$7.2 billion in toll revenues**

Source: FHWA: Toll Facilities in the U.S. June 2003

Evolution of Toll Collection Technology

- ▶ **1940's and 1950's – cash only with punch card toll tickets**
- ▶ **1960's and 1970's – automatic coin machines and magnetic stripe toll tickets**
- ▶ **1980's and 1990's – emergence of electronic toll collection technology (ETC)**
- ▶ **2000's – open road tolling with no toll booths and interoperability between toll agencies**

How ETC Works



Open Road Tolling



*Pascack Valley Toll Plaza
Garden State Parkway, NJ*

Open Road Tolling



*Exit 18W Toll Plaza
New Jersey Turnpike*

Open Road Tolling



*SR 91 Managed Lanes
Free-Flow / Barrier Separation*

Variable Pricing = Congestion Management



SR 91 - Variable Toll Rate Sign

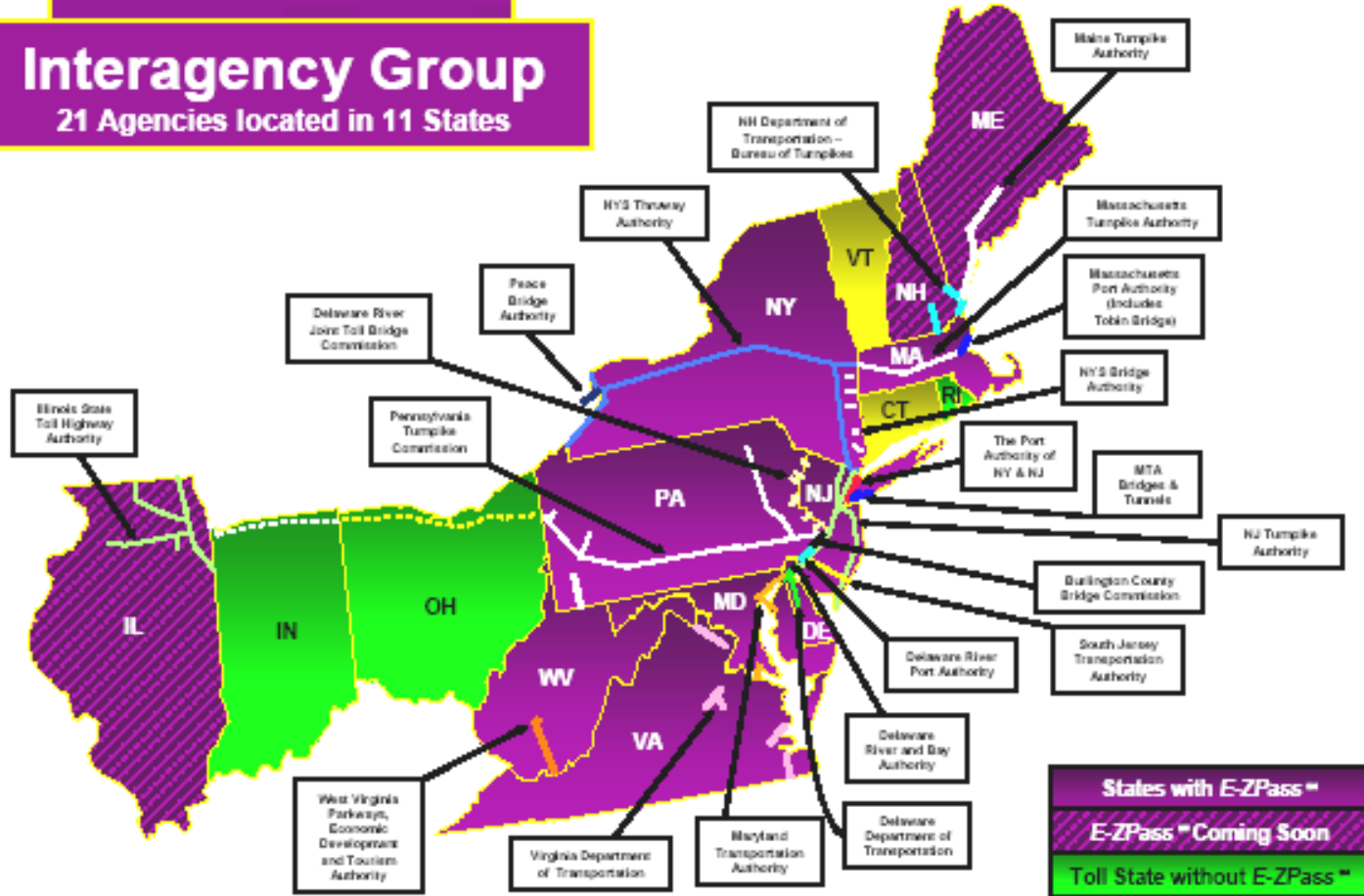


SR 91 - Overhead Gantry

Interoperability



Interagency Group
21 Agencies located in 11 States



State Toll Initiatives - In The News

- ▶ ***Legislator Proposes Tolls for Missouri Roads***
KMBC, Kansas City
- ▶ ***Toll Road at Heart of Daniel's Highway Proposal***
South Bend Tribune
- ▶ ***Utah Delegation Visits Texas to Learn About Toll Roads***
Associated Press – Salt Lake City
- ▶ ***Texas Expediting Construction With Toll Financing***
Innovation Briefs
- ▶ ***Measure Paves the Way for More Toll Roads***
News 14 North Carolina
- ▶ ***Pennsylvania Lawmakers Study Tolls***
Herald-Standard
- ▶ ***Governor Blagojevich Announces \$5.3 Billion Congestion-Relief Plan***
Beloit Daily News
- ▶ ***Bill Would Finance Coast Toll Road***
Clarion-Ledger Mississippi News

A New Toll Bridge?



These Are



*Sunshine Skyway Bridge
Tampa Florida*



*C&D Canal Bridge
St. Georges Delaware*

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