



Planning for Tollways

Background

GTVP

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September 2015



Definitions:

“Toll” means any fee or charge for the use of a tollway

“Tollway project” means any capital project involving... a tollway, related facilities or any portion thereof

“Tollway” means any roadway... which is wholly or partially funded with toll revenues resulting from an agreement under ORS 383.005

“Pricing” is a subset of tolling where the level of the toll is used to ration highway capacity or finance additional highway capacity



Federal Law:

- Generally, with exceptions, Interstate System highways may not be tolled
- Reconstruction/replacement of all bridges may be tolled
- New, non-Interstate System highways may be tolled
- Other Federal-aid highways may be tolled for reconstruction or capacity additions
- Tolling of Federal-aid highways not accompanied by reconstruction or capacity additions on those highways is not permitted
- Federal law does not apply to non-Federal-aid highways



Where it Works, Where it Doesn't: Highways

- Construction of a new highway, funded by bonds backed by toll revenue, requires a high volume of traffic, requiring a lot of development in the area – both of which are likely to be discouraged by the toll
- Reconstruction of an existing highway would require a much more modest toll (and development is already established)
- Reconstruction of an existing highway with additional capacity would fall somewhere in between
- In a developed network, a new toll on one segment will result in large amounts of traffic diverted to other routes



Where it Works, Where it Doesn't: Bridges

- Compared to highways, large bridges are hugely expensive, not many are built, and they become focal points for traffic
- Traffic diversion is minimized by large amounts of out-of-direction travel for alternative routes
- As a result, even in rural areas, large bridges could be funded with bonds backed by toll revenue
- However, in urban areas with several bridges, single-bridge tolling will result in large amounts of traffic diversion
- As the need for small bridges is ubiquitous, their costs, though large, are typically just absorbed into other highway construction projects



Difficult Policy Issues:

- Geographic fairness
- What if a tolled facility can't pay all its expenses?
- Socially tolerable rates may be lower than willingness-to-pay
- Special rates or exemptions
- Use of revenue: Fee v. Tax
- Traffic diversion: Local impacts



Collection Process Alternatives:

- Toll booths
- Transponder & account based
- LPR without an account
- LPR with an account
- LPR with an account & a transponder for HOV identification
- Long-term: Piggyback on mileage fee collection?
- Compatibility with the State of Washington (ORS 383.014)



Other Issues:

- Need to accommodate the “non-banked”
- Use of revenue for non-capital expenses
- Administrative/collection costs as a percent of revenue
- Enforcement



References:

- See ODOT's Tolling and Pricing page:
<http://www.oregon.gov/ODOT/TD/TP/pages/tolling.aspx>
- E-mail Jack Svadlenak: John.R.Svadlenak@State.OR.US



Discussion?

