

Pay As You Go Transit Financing

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No one that I know likes toll roads. Not commuters, and certainly not politicians who have a toll road running through their districts.

Using tolls as a way to pay for roads is as old as the Commonwealth itself. Little River Turnpike and Georgetown Pike were toll roads. The late Governor and then Senator Harry F. Byrd worked as a toll road inspector on the Valley Pike, later to become Route 11, in the Shenandoah Valley. That experience may have contributed to his "pay as you go" philosophy of running state government.

A healthy debate is underway about the possible use of surplus toll revenues to help finance a rail system in the Dulles Corridor. For such debate to be meaningful, it needs to be based on good information. There are some misconceptions about toll financing in general and the Dulles Toll Road in particular.

Some people assert that the Dulles Toll Road has paid for itself several times. Although the road has been extremely successful, it has not paid off its total debt. Toll roads are built with money borrowed from bond holders. Not only must the bonds be retired, but the interest must be paid as well.

The usual follow-up to the statement that the Toll Road has paid for itself is the contention that its revenues are being used to build roads in other parts of the state. Actually, a law on the books I got passed prohibits the use of Dulles Toll Road revenues outside the corridor. All the money stays here.

Some people say that Northern Virginia has been singled out to have the only toll road in the state. Actually, Northern Virginia has the fewest toll roads of any region in the urban-suburban crescent of Virginia. Many of Richmond's roads were built with surplus toll revenues from the Richmond-Petersburg Turnpike. Currently there are three toll roads in the Richmond area – the Downtown Expressway, the Powhite Parkway, and the Powhite Parkway Extension. Depending upon your direction of travel, you may pay as much as \$1.50 to get to downtown Richmond from the suburbs. Most of the tunnels and bridges in the Hampton Roads area started out as toll facilities, and the George P. Coleman Bridge and the Chesapeake Bay Bridge-Tunnel continue to collect tolls.

There are claims that tolls are a system of financing of the past. Actually, two new toll facilities opened in Virginia this year – the Chesapeake Expressway, a 16-mile highway to the Outer Banks with a non-commuter toll of \$2.00, and the Pocahontas Parkway, an 8.8-mile connector road south of Richmond with a \$1.50 cash toll. A toll road alongside I-81 for trucks is being discussed for development as a public-private partnership. The Dulles Greenway with its \$1.50 toll was built as a public-private partnership.

The Virginia Institute for Public Policy, a conservative think-tank, in a paper by Dr. Robert H. Nelson, proposes that "if we really want to be smart, we should abolish our socialistic system of free public use of highways and instead put market methods to work in this outmoded area of our economy" through demand pricing on the use of all our highways.

As the future of the Dulles Toll Road is debated, it is clear that an immediate restructuring of the tolls is in order. Discounts for the use of the electronic transponders need to be implemented. Likewise, discounts for regular commuters should be introduced. Demand pricing should be studied.

Toll financing enabled the Dulles Toll Road to be built at least 20 years before regular financing may have come available. Community groups in Reston supported the building of the road. For a quarter, I saved 20 minutes on my commute to Tysons Corner. Rail offers even more potential for our community. With an enlightened debate we can select a financing system to make it happen now.