



## Senate stops short of Obama on tolling expansion for road fund



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The \$265 billion transportation bill unveiled by the Senate Tuesday does not go as far on expanding the use of tolling to pay for road construction as President Obama had wanted.

Tolling advocates had declared victory last month when Obama's proposed version of the legislation included language that would lift a current ban on states placing tolls on existing highway lanes.

The Senate bill, however, includes only a provision that directs the Department of Transportation (DOT) to study "alternative transportation revenue mechanisms that preserve a user fee structure to maintain the long-term solvency of the Highway Trust Fund."

International Bridge, Tunnel and Turnpike Association (IBTTA) executive Patrick Jones told The Hill on Tuesday that the tolling industry was happy to a part of the transportation funding conversation.

"We recognize this is a process," Jones said. "There is more discussion that will happen in the Senate. The House still needs to act on its bill. We've been pleased with the thoughtful discussion and dialogue that has come out of it thus far and intend to continue to be engaged in the process."

Jones sounded a much happier note when Obama sent Congress his \$302 billion transportation bill that included the elimination of the existing-lane tolling ban.

"In releasing their proposal today, [DOT] Secretary [Anthony] Foxx and the administration recognize the importance of giving states the maximum amount of flexibility to use all appropriate funding and financing tools to meet their 21st century funding challenges," Jones said in a statement on April 29. "We applaud the administration for taking the bold step of proposing to lift the ban on interstate tolling."

Foxx said during an appearance at the White House press briefing this week that Obama's apparent embrace of tolling was being overplayed.

"There's been a lot of interest in the toll issue, but it's actually not how we pay for our bill," Foxx said Monday. "The way we pay for our bill is the way I said we pay for it, which is pro-growth business tax reform. And we think that we have to have a multi-tiered approach going forward to tackle the larger infrastructure deficit the country faces."

Foxx said Obama's proposal would allow states to apply to the Transportation Department for approval to install additional tolls on existing roads.

"The tolling piece, which is a smaller piece of our bill, but what it basically does is it enables a given governor — if they decide they want to pursue tolling — to apply to the federal government and to have a decision made based on whether they're using that toll revenue to improve the facility that they're using or to relieve congestion," he said. "And then at that point, if it's acceptable at USDOT, they would have more capability to do it. But it's not a free-for-all and it's not a way we pay for our bill."

Present law requires most states to construct new lanes on highways if they want to add tolls, with the exception of pilot programs in states such as Virginia, North Carolina, and Missouri.

IBTTA's Jones said he recognizes the difficulties that are facing lawmakers as they are trying to craft a transportation funding bill in the face of a shortfall in the DOT's Highway Trust Fund that has been projected to soon reach about \$20 billion.

"We recognize the challenge of developing a bipartisan transportation bill that balances infrastructure investment needs with the task of raising needed revenues," Jones said. "We commend the committee for their efforts to meet this challenge."

The traditional funding source for congressional transportation bills has been revenue that is collected from the 18.4 cents per gallon federal gas tax.

The gas tax has not been increased since 1993, however, and it was not adjusted for inflation when last hiked. As a result, the gas tax only brings in \$34 billion per year.

Obama has suggested that lawmakers use approximately \$150 billion from a corporate tax reform package, but it is unlikely that lawmakers will back using that measure to pay for transportation funding.

Some Democrats have pushed to increase the gas tax to approximately 33 cents per gallon, arguing that the fuel levy would be near that amount now if it had been indexed to inflation.

Republicans and the Obama administration, though, have both refused to raise taxes at the pump in an election year.

Jones has pushed tolling as way to maintain the system where drivers who are using the roads help pay for their construction, which has been in place since the Highway Trust Fund was first created in the 1930's.

The IBTTA chief said the Senate's requirement that additional funding sources like tolling be studied is at least a start to that conversation.

**TAGS: Obama transportation bill, Senate transportation, Highway Trust Fund shortfall, Gas Tax, MAP-21 Reauthorization, Tolling expansion**

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