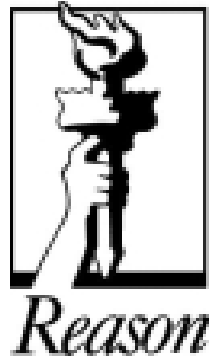


Frequently Asked Questions

*Toll Truckways:
A New Path Toward Safer and More Efficient
Freight Transportation*



Why would trucking companies pay to use Toll Truckways when they can use Interstate highways for free?

Truckers would only use the Toll Truckways if doing so gave them something worth more than the cost of the toll. Our proposal would permit them to use Longer Combination Vehicles (LCVs) in states where they are now prohibited. That would permit a single driver to haul a lot more payload, which means the productivity of long-haul trucking would be significantly increased.

How much productivity gains are you talking about with Toll Truckways?

A tractor/semi-trailer could carry double the payload on a Toll Truckway than what is permitted in most states today. And a long double (a single tractor pulling two 48-foot trailers) could carry nearly 500 percent more payload than it would be limited to if it were allowed to operate on existing lanes in eastern states. So we are talking about dramatic gains in long-distance trucking productivity.

What are the safety implications of greater use of Longer Combination Vehicles?

The major controversy over expanding the domain of LCVs is safety; some 5,000 deaths per year occur in car/truck accidents. Safety organizations therefore have fought hard against allowing LCVs to operate in states where they are not currently allowed. But our proposal would not add a single LCV to any highway lanes where they are currently prohibited. Rather, by creating new, barrier-separated lanes solely for trucks, and permitting heavier weights and multiple trailers on

those lanes, Toll Truckways would lead to fewer big-rigs sharing regular highway lanes with automobiles. The net effect should be a significant reduction in car/truck accidents.

What happens to the LCVs when they get off the Toll Truckways?

Near major cities and near interchanges with other highways, there would be staging yards where the individual trailers from doubles and triples could be disconnected and hauled by individual tractors, over regular roads, to their ultimate destinations. Those trailers would have to meet whatever weight and size requirements applied in the state in question.

What would be the environmental impact of adding Toll Truckways to Interstate highways?

The U.S. DOT's Truck Size & Weight Study in 2000 concluded that a shift of significant amounts of truck freight from conventional 18-wheel tractor/trailer rigs to Longer Combination Vehicles (like doubles and triples) would mean 6 to 12 percent less truck fuel usage. That would reduce both conventional emissions and CO2 emissions. In DOT's scenario modeling nationwide use of triples, truck vehicle miles traveled would be reduced by 8 billion miles per year, which would also reduce congestion.

Where would the money come from to build these new heavy-duty lanes?

Our analysis suggests that Toll Truckways would be self-supporting investments, in which the costs of construction and of operating and maintaining

the lanes could be recovered from tolls. A reliable toll revenue stream means that toll revenue bonds could be issued to cover construction costs, either by a private firm under a long-term franchise agreement or by a state toll-road authority. Building the Truckways would not require the use of state highway trust fund monies.

Aren't your proposed construction costs unrealistically low?

Our scenarios modeled costs of \$1 million, \$2 million, and \$3 million per lane-mile, including a continuous concrete Jersey barrier. The Federal Highway Administration's HPMS database shows new highway costs averaging \$1.5 to \$3.7 million per lane-mile—but that includes both rural and urban highways. Our proposal concerns only long-distance, rural, inter-city highways—not high-cost urban freeways. Variants of our Toll Truckways concept can make sense in urban areas, as well, but that is not what we have modeled.

What happens if not enough truckers use the Toll Truckways? Would taxpayers get stuck paying off the bonds?

Our proposal calls for the Truckways to be financed by toll revenue bonds, backed by the projected toll revenues, not by underlying recourse to the taxpayers. To be saleable in the first place, such bonds must be supported by "investment-grade" traffic and revenue studies, making it unlikely that such Truckways would be built in corridors with insufficient traffic. However, in the event that the studies get it seriously wrong, the worst-case outcome would be a financial reorganization, in which the bondholders take the hit—not taxpayers. This kind of financial structure provides strong incentives against Truckways being built where they aren't needed, as sometimes happens with conventional highway projects.

What kind of toll levels would be charged on the Truckways?

Our starting premise was that since the productivity gains are huge, Toll Truckways could be a win-win proposition. If creating these lanes will give huge cost savings to truckers, they ought to be willing to use some of those savings to pay for the cost of the new lanes. Our simulation modeling assumed that trucking companies would pay up to one-half the cost savings as a toll. We found that Toll Truckways could be self-supporting with tolls ranging from 40 to 80 cents per mile. That compares with about 38 cents per mile tolls being paid today by doubles on the Ohio Turnpike. When you add to that the 16 cents/mile in diesel fuel taxes, that Ohio truck is paying 54 cents per mile. So our proposed tolls are in the same ballpark.

Why are you proposing to give fuel-tax rebates to trucks using the Toll Truckways?

We approached the subject from a commercial frame of reference. So the first thing we did was listen to the customers. Truckers are not opposed to tolls, per se. What they do object to is paying twice—taxes and tolls—on the same highway. Politically speaking, no proposal for large-scale use of tolls is going to fly if it ignores the double-taxation argument. But by taking it seriously, we think we've come up with a politically viable proposition.

Won't giving truckers on the Truckways fuel taxes rebates reduce the funds available for other badly needed highway projects?

The Truckways would only be built on inter-city routes where there is strong and growing truck traffic—routes where additional lanes need to be added over the next 10-20 years. Our proposal would pay for these needed new lanes (as Truckways) entirely out of toll revenues, thereby avoiding the need for a state DOT to use limited highway trust fund monies to build and maintain these new lanes. Also, shifting much existing heavy truck traffic off the existing lanes and onto

the Truckway would greatly reduce the state's maintenance costs on the existing lanes. Overall, these savings are several times larger than the amount of fuel-tax money spent on rebates.

What about diversion of truck traffic onto local highways, to avoid the toll?

There is no issue of diversion here, because our proposal is entirely voluntary. All trucks that currently use the existing Interstate would be free to continue using it, as long as they comply with existing size and weight limits. But if their companies want to use higher-capacity, more-productive rigs, they will now have the option of doing so, by using the Toll Truckway.

Would heavy trucks be required to use these Toll Truckways?

No truck that can legally use existing highways in a particular state would be forced to use a Toll Truckway, if one were built in that state. But heavy LCVs like doubles and triples that are not permitted in most states would be allowed to use the new Toll Truckway in that state—and those LCVs could *only* operate on the Truckway, in such states.

What are some likely candidates for Toll Truckways?

The most likely early candidates are Interstate highways with heavy truck traffic that need additional capacity to cope with projected growth. This is especially true in states where LCVs are not currently allowed to operate—which include California, Texas, and all states east of the Mississippi (except on their turnpikes). Especially good candidates would be routes that bridge gaps between states where LCVs can already operate—such as the short stretch of I-90 in Pennsylvania between the New York Thruway and the Ohio Turnpike.

What policy changes would be needed to make Toll Truckways a reality?

Because inter-city Toll Truckways can be self-funding from tolls, no highway trust fund money would be needed. What is required is permission from the federal government, and cooperation from individual state DOTs. Federal policy needs to provide four specific things:

- The provision of right of way for Toll Truckways, within the existing right of way of Interstate routes;
- Liberalized size and weight limits on the Toll Truckways, to permit LCVs up to the size and capacity of long doubles and triples;
- Removal of the federal ban on charging tolls on Interstates, for the Toll Truckway lanes; and
- Exemption from federal and state fuel taxes, for all miles driven on Toll Truckways.

Contact:

Chris Mitchell
Media Relations
(310) 391-2245 ext. 3037
Chris.Mitchell@reason.org