

AMERICAN TRUCKING ASSOCIATIONS (ATA)

Issue: Tolls on the Interstate System

SUMMARY: The American Trucking Associations (ATA) opposes the imposition of tolls on existing lanes of Interstate highways, other than HOV lanes.

BACKGROUND: Since its creation, the Interstate System has been financed under the philosophy that tax-supported roads are preferable to toll roads, and tolling (other than on Interstate segments that pre-date the establishment of the Interstate System in 1956) is limited to the reconstruction or replacement of Interstate bridges and tunnels. In 1991, Congress created a pilot program which allows tolling on existing Interstates in urban areas for the purpose of reducing congestion through time-of-day pricing. So far, no existing Interstate lane – other than HOV lanes – has been tolled under this program. In 1998, Congress authorized three toll pilot projects, one in each of three states, on the Interstate System. To date, none of the three projects has been implemented.

Imposing tolls on existing lanes of the Interstate System would have a devastating effect on the trucking industry. Virginia, for example, considered a truck-only toll on I-81 of \$0.37 per mile. The trucking industry is highly competitive and taxes of this magnitude simply cannot be fully passed along to shippers.

Tolls also represent double taxation. Truckers currently pay a federal diesel fuel tax of 24.4 cents per gallon, a 12% excise tax on new tractors and trailers, an annual vehicle use tax of up to \$550, and a tax on tires. In 2006 **commercial vehicles paid a total of \$17.8 billion in federal highway user taxes, or approximately 45% of all federal highway user fees. In addition, trucks paid \$19.6 billion in state user fees.** Imposing an even greater tax burden through tolls would be both unfair and inequitable.

In addition, toll collection requires a large and extremely expensive bureaucracy. On major toll roads, toll collection costs are as high as one-quarter to one-third of revenue versus 1-2 percent of revenue for collecting a state fuel tax.

Mandatory tolls have other detrimental effects. They create two classes of drivers, those who can afford to pay a toll and those who cannot. And they cause diversion of traffic to other, often less safe roads. The state of Ohio significantly reduced tolls on the Ohio Turnpike in 2005 after finding that large numbers of trucks were using parallel non-tolled routes that were less safe than the Turnpike.

The public, by a wide margin, opposes tolls on the existing Interstate system. In a national survey commissioned by ABC/Time/Washington Post, 88% of responders opposed a toll to drive into city centers, and 68% opposed using tolls to control congestion.

ATA recommends that Congress should eliminate state authority to impose tolls on existing Interstate highway lanes, other than HOV lanes.