ALEC Statement of Principles on Toll Roads

Preamble: The Department of Transportation projects traffic congestion is costing the U.S. economy as much as $200 billion a year. Because of future deficits in the Federal Transportation Trust Fund, the federal government will be unable to adequately fund needed improvements for our roads. In fact, beginning in 2009 the Transportation Trust Fund is facing a $4-5 billion deficit. Hence, innovative financing methods, such as public-private partnerships, have a vital role to play in solving our current transportation problems. Government policy should encourage a market-driven highway system, one that responds to needs of users, on a user-pays basis. Private investment in highway projects generates new sources of money, ideas, and efficiency.

1. ALEC supports tolling of single passenger vehicles in High Occupancy Vehicle (HOV) lanes. Across the country, states are implementing High Occupancy Toll (HOT) lanes. These lanes give consumers greater choice in transportation and generate additional revenues.

2. ALEC supports the restoration of the integrity of state and federal highway trust funds, by ending the diversion of fuel-tax revenue for non-highway purposes. Each successive federal surface transportation bill has further expanded the fraction of the federal highway trust fund that can be diverted to non-highway purposes. A number of states no longer restrict highway user tax revenues to highway purposes, as was once nearly standard practice. ALEC believes the highway system should be funded on a fully user-pays basis. Other forms of transportation, for which users are not willing or able to pay the full cost, should be subsidized (if at all) out of general state or federal revenues.

3. ALEC supports the use of tolling for the addition of new highway capacity. ALEC believes tolls are an important mechanism for funding the construction and operation of highway facilities. As fuel economy continues to improve and alternative propulsion sources become practical and economical, traditional fuel taxes will play a gradually smaller role as a funding source. Direct user payments via tolls will be increasingly critical to the rebuilding and expansion and modernization of this country’s highway system, especially investments to ease traffic congestion on urban expressways and to rebuild and modernize major inner-city highways.

4. ALEC supports increasing or eliminating the federal limit on tax-exempt bonds for private investment on highways. Currently there is a total limit of $15 billion for Private Activity Bonds. This limit should either be increased or eliminated.

5. ALEC supports the use of pricing and advanced technologies on toll roads to reduce highway congestion.

6. ALEC believes proceeds from tollways should be dedicated to transportation projects.

7. ALEC supports the principle of federalism; Congress and USDOT should avoid regulations that would restrict state flexibility in determining the role of tolling and public-private partnerships.


Approved by the ALEC Board of Directors on September 11, 2008.

About Us and ALEC EXPOSED. The Center for Media and Democracy reports on corporate spin and government propaganda. We are located in Madison, Wisconsin, and publish www.PRWatch.org, www.SourceWatch.org, and now www.ALECExposed.org. For more information contact: editor@prwatch.org or 608-260-9713.