

# **Road Pricing: Is It Along America's Road to the Future?**

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**by**

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## **ABSTRACT**

In recent years, many cities around the world, including several in the United States, have implemented road pricing schemes as a way to reduce congestion, raise revenue for transportation projects, or a combination of these goals. Road pricing schemes take a variety of forms. The form most commonly found in the United States is high occupancy toll lanes. The federal government is starting to promote road pricing as sound and reliable transportation policy, but road pricing proposals often elicit the concern of many stakeholders, and case studies that would allow decision makers to draw upon previous experiences are limited.

This paper begins by outlining the history of road pricing, including Columbia University economics professor William Vickrey's initial proposals on the concept. It then discusses both the arguments in favor of and against road pricing and established best practices with regards to issues such as financing, revenue uses, and equity concerns to provide recommendations on what should be done to further improve road pricing policy and adequately address the concerns that frequently come up when road pricing is proposed. The paper's ultimate finding is that the established best practices are proving to be sound policy and equity concerns are not as large an issue as many initially fear when a project is proposed. However, additional pilot programs, including a cordon, need to be run before road pricing becomes accepted transportation policy in the United States.

# TABLE OF CONTENTS

ABSTRACT .....	iii
ACKNOWLEDGEMENTS.....	iv
TABLE OF FIGURES .....	viii
GLOSSARY .....	ix
CHAPTER 1: SETTING AN ITINERARY TO EVALUATE ROAD PRICING IN THE UNITED STATES .....	1
1.1 Understanding this (Not so) New Phenomenon.....	2
1.2 Definitions and Other Important Terminology .....	3
1.3 Mapping Out Our Itinerary .....	3
CHAPTER 2: HISTORY OF AMERICAN ROAD CONSTRUCTION, ROAD FINANCING, AND TOLLING PRIOR TO 1956 .....	7
2.1 Road Financing in the Northeast United States Prior to 1900.....	7
2.1.1 Prior to the Turnpike Era .....	7
2.1.2 The American Turnpike Era.....	8
2.1.3 Lessons Learned from American Road Financing Prior to 1900.....	9
2.2 Road Financing in California Prior to 1900.....	9
2.3 American Road Financing from 1900 to 1956.....	10
2.3.1 Before the Interstate Highway System .....	10
2.3.2 The United States Builds a National Road Network .....	11
2.4 Conclusion .....	13
CHAPTER 3: WILLIAM VICKREY’S CONGESTION PRICING THEORY .....	14
3.1 Who Was William Vickrey.....	14
3.2 Extending Efficient Pricing Principles to Transportation.....	14
3.2.1 Vickrey’s Initial Proposal: Efficient Pricing on the New York City Subway .	15
3.2.1.1 Aspects of the Fare Collection Problem.....	15
3.2.1.2 Pricing the Subway to Meet Demand .....	16
3.2.1.3 Implementation Hurdles.....	17
3.2.1.4 Acknowledgement of Negative Impacts .....	18
3.2.2 Vickrey’s Theories Applied to Roads.....	19
3.2.2.1 Benefits of Road Pricing .....	19
3.2.2.2 Implementation .....	20
3.3 Vickrey’s Principles of Efficient Congestion Pricing .....	21
3.3.1 Establishing the Schedule of Charges.....	22
3.3.2 No Exceptions to the Rules.....	23
3.4 The Initial Impact of Vickrey’s Theories .....	24
CHAPTER 4: THE ARGUMENTS FOR CONGESTION PRICING .....	26
4.1 Early Academic Discussions of Road Pricing .....	26
4.1.1 The Smead Report .....	26
4.1.2 Response to the Smead Report.....	28
4.1.3 Vickrey on Defense .....	29
4.1.4 Continuing the Discussion .....	30
4.2 What Makes Road Pricing Attractive in the First Place? .....	31
4.2.1 The Rising Costs of Congestion.....	31

4.2.2 Increasing Capacity to Meet Demand.....	32
4.2.3 HOV Lanes.....	32
4.2.3.1 A History of HOV Lanes in the United States .....	32
4.2.3.2 HOV Lane Underutilization .....	33
4.2.3.3 Explanations for HOV Lane Congestion & Underutilization .....	35
4.2.3.4 Solutions are Hard to Come By .....	36
4.2.4 Public-Private Partnerships .....	37
4.2.4.1 Transportation Financing Options .....	37
4.2.4.2 Public versus Private Financing.....	38
4.2.4.3 Public-Private Partnerships: Combining Elements of Both Financing Options.....	38
4.2.5 Benefits for Non-Users .....	41
4.2.5.1 Benefits for Business .....	41
4.2.5.2 Benefits for Public Transportation.....	42
CHAPTER 5: IMPLEMENTING A ROAD PRICING SCHEME .....	43
5.1 Methods of Road Pricing Implementation.....	43
5.1.1 Types of Road Pricing .....	43
5.1.2 Picking the Proper Option.....	43
5.1.2.1 HOV Lanes versus HOT Lanes: Where to Implement Each Type.....	43
5.1.2.2 Cordons and Congestion Pricing Zones.....	47
5.1.2.3 An Alternative Form of Road Pricing.....	48
5.2 Changes in American Road Financing Policy .....	50
5.3 The Key Elements of a Road Pricing Proposal.....	52
5.3.1 Financing.....	53
5.3.1.1 Expenses to Cover.....	53
5.3.1.2 Potential Funding Sources.....	54
5.3.2 Setting Toll Rates .....	54
5.3.2.1 Priorities in Setting Toll Rates.....	55
5.3.2.2 Variable Tolls .....	55
5.3.2.3 Electronic Toll Collection .....	56
5.3.3 Using Toll Revenues.....	58
5.3.3.1 Transportation Improvements.....	58
5.3.3.2 Reducing Taxes.....	59
5.3.3.3 Other Potential Uses.....	60
5.3.3.4 Arguments for not Designating Specific Revenue Uses .....	60
5.3.4 Public Involvement.....	61
5.3.4.1 Identifying Winners and Losers.....	61
5.3.4.2 Identifying Stakeholders .....	63
5.3.4.3 Preconceived Notions can be Challenged .....	64
5.3.4.4 Case Study: Interstate 394 HOT Lanes.....	66
5.3.5 Equity Concerns .....	69
5.3.5.1 Defining Inequity in Transportation .....	70
5.3.5.2 The Truth about Inequity and Road Pricing.....	71
5.3.5.3 Allaying Equity Concerns .....	75
5.4 Recapping the Implementation Strategies .....	78
CHAPTER 6: ROAD PRICING IN THE FUTURE: NEXT STEPS .....	79

6.1 Things to Test.....	79
6.2 Maintaining Standards.....	82
6.3 Final Thoughts .....	84
APPENDIX: ESTABLISHED BEST PRACTICES FOR FUTURE ROAD PRICING SCHEMES IN THE UNITED STATES.....	86
REFERENCE LIST .....	92

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