

TOLLROADSnews

on toll roads, turnpikes, toll bridges, toll tunnels & road pricing

US sec transport LaHood: 'No' gas tax hike, more tolls, private, ex-box think

Posted Wed, 2009-03-04 07:32

LAHOOD | **TOLLS VS TAXES** | **US POLICY**



US Secretary of Transportation Ray LaHood in interviews with journalists is saying that a raise in the federal gasoline tax "won't fly" politically, rejecting the transportation finance commission's recommendation of an interim 10c/gallon gas tax, 15c diesel fuel tax increase pending implementation of road use charges (RUCs).

LaHood noted that the so-called US Government's "highway trust fund" - a pure accounting fiction since there is no real fund - is a diminishing source of revenue and there is a need to "think outside the box."

Any tax increase in this economy is out of the question, "impossible," LaHood said.

There's a "lot of ideas out there" LaHood said, mentioning tolling and P3s, but also saying "out of the box stuff" is what is needed.

This is an indication LaHood is not accepting as final President Obama's "No" to road use charges as expressed by his press secretary, Feb 20.



see <http://www.tollroadsnews.com/node/4017>

OUR PROPOSAL: Corridor upgrades with all main lanes priced with variable pricing to beat congestion, the proceeds dedicated to financing bottleneck removal and improvements to free or lower priced parallel arterials. The most urgent in the nation is MD/I-270 Capital Beltway through Frederick, the revenue stream being used for extra lanes, restriping and shoulder use and upgrades to parallel MD355 to carry more of the local trips, also priced but at a lower toll.

NEEDED: enabling legislation suspending restrictions on tolling interstates to be sponsored by USDOT allowing either investor groups or public toll authorities to participate in a corridor by corridor decongestion program - to be called "Free Flow for America's Arterials." [That's our best first shot at a title - let's have your suggestions. editor]

EXCERPTS: Wall Street Journal interview 2009-03-04 excerpts follow:

WSJ: The National Surface Transportation Infrastructure Financing Commission last week said the U.S. faces a growing gap between its transportation needs and the revenue available to address them. What's your assessment of the situation and the commission's call for raising the federal gas tax?

LaHood: If you talk to the people who served on this commission, they will tell you rightly so there is not enough money in the Highway Trust Fund to do what we want to do. We need to have an open mind about this. We need to think outside of the box. I met with two senators before you guys came by. I told them that if [Congress doesn't act], the Highway Trust Fund will be in the same position it was a year ago in September. They're going to have to plus it up. The stimulus money is really, it's extra.

I saw the recommendations. I actually met with the commission. With the economy the way it is right now, trying to propose a 10-cent a gallon increase in the gasoline tax is not going to fly anywhere in America, including Washington, DC.

Ten cents a gallon increase is not modest, it's impossible...We are in one of the worst economies we've been in since 1982. I was a staffer on Capitol Hill in 1982 and I know how bad it was because I was working for a guy who was representing Caterpillar and things were bad. We've got to be talking differently than raising taxes.

WSJ: So what's the answer?

LaHood: There are a lot of ideas out there. We need to be open minded and think outside the box on this. We need to take everybody's ideas, whether it's tolling a new road, tolling a new bridge...

WSJ: Should there be a greater role for public-private partnerships?

LaHood: That's the kind of out-of-the-box stuff we need to be thinking about...It's going to be up to Congress to decide these things. I want to get some principles together that we believe in...and give them to the Congress. END EXCERPTS

NOTE: AP quoted LaHood along similar lines.

TOLLROADSnews 2009-03-04

TOLLROADSnews is a journalistic venture of Peter Samuel, 102 West Third Street Unit 1, Frederick MD 21701 USA tel 301 631 1148 email editor@tollroadsnews.com.