

# Put Mobility First in Surface Transportation

Surface transportation policy has become less rational and more ideological in recent decades. Environmentalists, urban planners, and their allies have succeeded in diverting resources from expanding highway capacity to mass transit, even as road congestion has dramatically increased. Highway user-generated tax revenues are being diverted to fund mass transit, while transportation planners are choking off needed highway infrastructure upgrades by supporting politically favored but economically inefficient programs at the state and local levels.

When the Highway Trust Fund's Highway Account was depleted in 2008, William W. Millar of the American Public Transportation Association ironically claimed a proposal from the Bush administration to loan the Highway Account funds from the Mass Transit Account was akin to "robbing Peter to pay Paul." He got this backwards. In fact, mass transit subsidies largely rely on robbing Peter the driver to pay for Paul's train ticket. Congress should seek to enhance mobility by doing the following:

- **Eliminate the Highway Trust Fund's Mass Transit Account.** The Highway Trust Fund was established to fund highway maintenance and expansion. It captures revenue from excise taxes on products such as gasoline and diesel—in other words, from users of the highway system. The Mass Transit

Account receives more than 15 percent of gasoline tax revenue (some in Congress propose increasing this to 20 percent), which subsidizes mass transit capital investment and users in the form of artificially low fares. If there is to be a Highway Trust Fund, revenue should be dedicated to projects that benefit those who pay the excise taxes to fund it.

- **Allow "free" highways to be converted to turnpikes.** Currently, 23 USC 129 prohibits the federal funding of turnpikes on the Interstate system, both construction and conversion. Striking subparagraph (a)(1)(D) would permit Interstate "free-road" conversion to toll roads, allow for fairer and more efficient user-generated revenue, and permit more innovative private-sector involvement in financing and management. Congress should consider a longer-term phase-in period of tolled Interstate highway segments and the phase-out of "free" roads and the Highway Trust Fund. In addition, Congress should encourage the development of high-occupancy toll (HOT) lanes, rather than unpriced high-occupancy vehicle (HOV) lanes.
- **Promote highway concessions and divestitures.** As states across the country continue to struggle with meeting their balanced-budget requirements, easing their trans-

portation expenditure burdens through private-sector involvement should be welcomed and promoted. Congress should allow the Federal Highway Administration to greatly expand the SEP-15 program, which permits the FHWA administrator to waive project compliance obligations under Title 23 on a case-by-case basis, as well as vigor-

ously promote the potential benefits to state transportation authorities. Several states have already implemented innovative public-private partnerships through the SEP-15 process, which has saved taxpayers billions of dollars.

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