

Public Policy Changes Making Things Worse, Not Better

(I-90 bridge tolls to pay for SR 520 Montlake Extension)

For years the State of Washington has been able to build new bridges and pay for them by charging users of the new bridge a toll to pay off the bonds used to finance the new roadway. Now we seem to no longer be able to do this with the replacement of the SR 520 Bridge. Why are we suddenly having this problem? What has changed?

The basic problem is a result of a series of bad decisions by the Legislature and WSDOT. Many of these decisions change public policy without debate or public input and an understanding of the unintended consequences.

First, WA State policy was changed to collect tolls on an existing roadway to pay for an expansion that would occur later. This is like paying mortgage payments on a home for 5 years before it would be built. How many new homes do you think would be sold with this policy? In America we are accustomed to getting the expansion or new home before we start making payments so that we enjoy the benefits as we are making increased payments, not making increased payments for 5 years without any benefits. With the recent pontoon problems, 5 years will now stretch out several more years.

Second, the Legislature set the tolls on SR 520 too high in order to try to maximize income. This results in a 35% under utilized facility (the 520 bridge) to the detriment of traffic on I-5, I-405 and I-90. This allows 70,000 cars per day to zip across SR 520 at 70mph while thousands of other drivers are stuck in increased congestion on I-5, I-405 and I-90. For every minute saved by SR520 drivers, 3 or more minutes are lost by other drivers on nearby highways. Some others just stay home which isn't good for our local economy or jobs. Making WSDOT/WSTC responsible for maximizing income from an existing facility rather than providing additional capacity to reduce congestion is bad public policy. It is equivalent to pricing people off of our "freeways." It is not good for our local economy or jobs. There is a reason they were called "freeways", not "tollways", and they have already been paid for by gas taxes.

Third, WSDOT is building an uneconomical undersized facility on SR520 adding only one transit/HOV lane in each direction with no increase in general purpose (GP) lanes. To make matters worse, people travelling in the new lanes will not pay tolls while people travelling in the existing 2 GP lanes will pay all the costs for the new bridge with no increase in capacity for them. This also is a change in WA State Policy in which everybody using the new bridge except emergency vehicles pay. If a GP lane in each direction had been added, tolls would have been at least \$1 per trip less.

Fourth, the Legislature & WSDOT are again changing WA State policy in trying to make tolls pay for the total 7 mile corridor instead of just the bridge. When all the other bridges in the State of WA were built, tolls only paid for the bridge. The Tacoma Narrows bridge expansion was the latest and tolls were not used to pay

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for SR 516 expansion from I-5 to the bridge.

Fifth, WSDOT underestimated the problems and administrative costs in collecting tolls via cameras. It has been one mistake after another delaying the start of tolling on SR 520 and the problems are still not solved and administrative costs are still high. Overall electronic toll collection costs in the US ranges from 15% to 30% of gross revenue. Gas taxes are collected at the rack resulting in low collection costs of less than 1% of gross revenue. Would you rather pay \$1.30 in tolls or a \$1.01 in gas tax to raise a \$1 for roads?

Sixth, the WA State Legislature has failed to adjust gas taxes to keep revenues in line with inflation. Gas taxes are based on volume and do not adjust for inflation. All other taxes adjust automatically for inflation. For instance, as the price of a product increases, sales taxes increase automatically. Gas taxes need to be adjusted annually or by formula to keep them on par with all other taxes.

The Legislature is short of revenue for new roads but has failed to make adjustments to keep gas taxes on par with all other taxes. Instead they prefer to find a new way to tax drivers with much higher collection costs. Thus more taxes have to be collected to provide the same net revenue available for transportation purposes.

Seventh, WSDOT has failed to deposit tolls into the motor vehicle fund which allow these funds to be diverted to pay for general fund needs rather than protected constitutionally by the 18th Amendment to be used only for highway purposes.

Now with an underutilized SR 520, lower than projected net revenue from tolls on SR 520, diverted traffic in adjacent corridors causing intolerable congestion, and higher costs from bad decisions, technical problems and poor management, the Legislature and WSDOT find themselves short of money. As a result they want to put tolls on the already paid for I-90 forcing I-90 users to pay an unfair share of costs for the completion of an uneconomical undersized SR 520 bridge that most I-90 users will never use while users of the SR 520 Montlake extension will pay nothing. What is fair about this?



SENATOR JIM HORN

Washington State Senate
(Served 1988-2004)