

Subsection 7.7: Resolution G – Tolling

On November 9, 2016, the Governor’s Task Force on Transportation unanimously adopted the following resolution, recommending the use of tolling to supplement new sources of recurring revenue in fully funding infrastructure projects in Louisiana

WHEREAS, pursuant to JBE 2016-23, the Governor’s Task Force on Transportation Infrastructure Investment (Task Force) was created to identify and recommend community driven solutions to address multimodal transportation needs in Louisiana; and

WHEREAS, JBE 2016-23 charges the 18-member Task Force with completing its work and submitting a recommendation to Governor John Bel Edwards by January 1, 2017, for consideration in the 2017 Regular Legislative Session; and

WHEREAS, Task Force members attended meetings in each region of the State, where over 700 citizens representing business and other stakeholders attended, hosted by regional economic development organizations and metropolitan planning organizations to receive transportation investment ideas from communities across Louisiana; and

WHEREAS, the Task Force found that each region of the State acknowledged support for the use of tolling as a transportation policy and as means of financing transportation projects where applicable; and

WHEREAS, the DOTD has studied tolling, its use in other states, learned about its viability in Louisiana, and has extensive access to tolling best practices and resources; and

WHEREAS, the State of Louisiana does not possess the population and traffic levels to support the widespread use of tolling, and there are no projects in Louisiana that can be fully funded by tolling alone; and

WHEREAS, tolling can be utilized to fund a portion of a very limited number of projects in Louisiana, provided that new sources of revenue are available to fund the remaining project costs; and

WHEREAS, Act 1209 of the 2001 Regular Legislative Session specifically authorized tolling and granted such authority to the Louisiana Transportation Authority.

THEREFORE BE IT RESOLVED, that the Governor's Task Force on Transportation Infrastructure Investment does hereby recommend the use of tolling to supplement new sources of recurring revenue in fully funding certain transportation infrastructure projects in Louisiana based on industry standards and best practices; and

BE IT FURTHER RESOLVED, the Task Force understands that tolling may not be sufficiently successful in Louisiana without new recurring sources of revenue the Department of Transportation and Development can use to aid in fully funding total project costs, and

BE IT FURTHER RESOLVED, the Task Force will recommend how to provide sufficient new recurring revenue to fund multimodal transportation projects in Louisiana by January 1, 2017; and

BE IT FURTHER RESOLVED, the findings contained herein shall be included in the submission to the Governor by January 1, 2017.

According to the International Bridge, Tunnel, and Turnpike Association (IBTTA), 34 states have at least one tolled highway, bridge, or tunnel structure. Louisiana, along with neighboring states of Texas, Oklahoma, Alabama, Florida, and Georgia currently utilize tolling, while Mississippi, Arkansas, and Tennessee do not. Louisiana currently has two toll structures. The LA 1 toll bridge is operated by DOTD, and the Lake Pontchartrain Causeway toll bridge is operated by the Greater New Orleans Expressway Commission. Approximately \$13 billion was generated by toll facilities across the nation in 2013. In 2013, LA 1 and the Causeway facilities generated approximately \$21 million (\$5 million and \$16 million, respectively), equating to 0.17 percent of total national toll revenue generation.

While Louisiana's population and traffic volumes dictate where tolling is feasible, there are several important projects where traffic volumes are sufficient to generate a meaningful portion of the total project cost through tolls. The issue preventing use of tolling at this time is revenue to fund the portion of project cost that is not covered by tolls, along with local support for tolling a project. If enacted together with recurring revenue, the State could better leverage its resources to quickly deliver more large-scale projects.

Failure to expand the use of tolling to supplement new sources of recurring revenue will limit the State's ability to leverage its resources, reducing how quickly many large-scale projects can be constructed in Louisiana. As the Task Force traveled and heard from citizens, a recurring sentiment was that tolling could generate sufficient revenue to address the State's transportation infrastructure needs. Tolling alone cannot finance a single project in Louisiana, but it can be utilized as a supplement to recurring sources of revenue to fully finance projects. The Task Force studied these issues and determined that tolling should be expanded in Louisiana.