

Memo: Toll Roads, Privatization and Public Opinion

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Strong Public Opposition to Road Privatization:

Respondents line up strongly against road privatization. An overwhelming **84 percent** of those polled by the National Association of Realtors Americans oppose the privatization of existing public highways.² Two-thirds oppose letting private companies build, own and toll new roads.²

Surveys from several states that have approved or proposed highway lease deals mirror these results. The data also follows a trend, identified by Rod Diridon Sr., executive director of the San Jose State University's Mineta Transportation institute, that people tend to become more skeptical about public-private partnerships in transportation the more they learn about the particular plans.³

Pennsylvania opposition to privatization grows over time

Several polls have shown widespread opposition to the proposed leasing of the Pennsylvania Turnpike to private investors. The Mid-Atlantic chapter of the AAA showed that 70 percent of its members in southeastern Pennsylvania opposed such a deal.⁴ Quinnipiac University conducted a series of polls that show growing public opposition to a privatization deal among Pennsylvanians over time. In March 2007 support for the proposed lease deal was 49 percent among Pennsylvanians;⁵ but this fell to 44 percent in May 2007⁶ and dropped precipitously to 29 percent by August 2008.⁷

New Jersey opposition strong among those familiar with proposed deal

In response to the state's budget problems Gov. Corzine considered leasing the state's turnpike. Citizens reacted negatively to the privatization plan, drawing opposition from 61 percent of voters.⁷ Such opposition was virtually consistent across all party lines. The more respondents were educated about the plan, the more likely they were to oppose it. Eighty-five percent of voters who had heard or read "a lot" about the lease proposal opposed the idea.⁸

Texas Okay With Tolls, Not Privatization

Texans would prefer to pay tolls rather than pay higher gas taxes (61 percent to 23 percent).⁹ And fifty-six percent of Texans thought that it was a good deal to complete Highway 121 through the use of tolls.¹⁰ Despite these preferences, the same poll found only 42 percent of respondents believed that it was a good idea for the Texas Department of Transportation to allow a private firm to build the road in return for the right to charge tolls. Another poll similarly found that whereas 48 percent of respondents believed it was a good idea to complete necessary construction of Interstate 635 through the use of tolls, just 34 percent believed that it was a good idea for TxDOT to allow a private firm build the road for the right to collect tolls.¹¹

California's tepid approval of private toll lanes reverses with experience

California's first experience with road privatization was State Road 91, with private tolls for drivers to buy their way into lower-congestion high occupancy lanes. Prior to the opening of these lanes, polls indicated that the idea of tolled express lanes being operated for profit by a private company was not popular, with a range of only 37-47 percent of Southern Californians approving.¹² After SR91 opened in 1996, approval for the for-profit operation of these lanes initially increased to 37-65 percent and one year later had increased to 41-75 percent.¹³ By the time a follow up study was done in 2007 problems with the concession became apparent. Non-compete clauses in the operating contract prevented state authorities from improving nearby roads causing enough public discontent that the county transportation authority was forced to repurchase the road from the private operator. Consequently, the idea of private for-profit operation of the express lanes became far less popular with approval dipping down between 30 - 45 percent.¹⁴

Generally, support for the variable toll express lanes came from those who used the toll lanes rather than those who did not.¹⁵ Commuters¹⁶ with higher incomes (over \$100,000) also showed higher levels of support for toll financing.¹⁷

Indiana governor's unpopular lease deal loses his party house control

Republican Gov. Mitch Daniels of Indiana made it a priority in his first term to push through a lease deal of the state's turnpike to private investors. His efforts were extremely unpopular. In March 2006,¹⁷ 30 percent of Hoosiers thought the lease was a good idea, with large numbers of undecideds.¹⁸ Almost a year later, displeasure crystallized with 52 percent of voters statewide disapproving of the deal.¹⁸ That disapproval number was 66 percent in northern Indiana among those most affected by the deal. In the November 2007 elections the unpopularity of lease was used by Democrats to gain control of the state house.

Less opposition to toll roads than gas taxes

Across the country Americans are aware that our transportation infrastructure is not adequately meeting the increasing demands placed upon it. Yet even as the majority of Americans recognize the need for increased transportation funding, very few are willing to pay more at the pump through higher gas taxes. Of the other options available to raise transportation funds, toll roads seem to be the most acceptable. But this support is limited to tolling of new highway lanes with the majority of toll supporters opposed to the tolling of existing lanes.

- **70 percent** of drivers¹⁹ say the US transportation system is **not meeting their community's needs**¹⁹
- Only **21 percent** of American drivers **support a gas tax increase**²⁰
- **52 percent** of drivers **favor toll roads** to raise needed transportation funds, though most limit their support to tolling of new highway lanes, not existing lanes.²¹

Little support for congestion tolling

Even though drivers prefer to pay tolls instead of increased gas taxes, there is general discomfort with the idea of congestion pricing that would charge variable toll rates during peak rush hours. This resistance to congestion pricing also includes high-occupancy tolling (HOT) lanes where support is also particularly low.

- **60 percent** of drivers **oppose congestion pricing** on freeways during rush hour to reduce traffic²²—
- Only **36 percent** of respondents **support** policies to allow drivers to pay tolls that would allow them to use high-occupancy tolling (**HOT**) lanes.²³—

¹ *Survey shows Americans prefer to spend more on mass transit and highway maintenance, less on new roads.* Smart Growth America. Oct. 25, 2007. [Online] Available: <http://www.smartgrowthamerica.org/narsgareport2007.html> [accessed Oct. 16, 2008].

² *ibid*

³ Worth, Katie. *Road privatization finds favor*, The Examiner. Apr. 11, 2008 [Online]. Available:

http://www.examiner.com/a-1333587~Road_privatization_finds_favor.html [accessed Oct. 16, 2008]

⁴ Rossomando, John., *Polls: Turnpike privatization unpopular*, The Phoenix. April 4, 2007 [Online]. Available:

http://www.phoenixvillenews.com/site/news.cfm?newsid=18166502&BRD=1673&PAG=461&dept_id=17915&rfti=6 [accessed Oct. 16, 2008]

⁵ *Pennsylvania Voters Back Rendell Plan to Hike Sales Tax, Quinnipiac University Poll Finds; Support to Reduce*

Lawmakers and Set Term Limits, Quinnipiac University. May 30, 2007 [Online]. Available:

<http://www.quinnipiac.edu/x1327.xml?ReleaseID=1069> [accessed Oct. 16, 2008].

⁶ *Voters Don't Think Lawmakers Will Stop Corruption, Quinnipiac University Poll Finds; Chris Matthews Plays*

Hardball with Specter, Quinnipiac University Poll. Aug. 5, 2008 [Online]. Available: <http://www.post-gazette.com/downloads/20080805poll.pdf> [accessed Oct. 16, 2008].

⁷ *Corzine faces Uphill Climb to Sell Toll Road Idea*. Rutgers Eagleton poll. Aug. 14, 2007 [Online]. Available:

http://eagletonpoll.rutgers.edu/polls/release_08-14-07.pdf [accessed Oct. 16, 2008].

⁸ *Ibid.*

⁹ The Center for Transportation Research at the University of Texas: Podgorski, K. and K. Kockelman, *Public*

Perceptions of Toll Roads: A Survey of the Texas Perspective, Presented at the 85th Annual Meeting of the

Transportation Research Board, Washington, D.C., Jan 22-26, 2006

¹⁰ NuStats, Austin, Tex., *Technical Report of Methods*, Nov. 2005

¹¹ NuStates, Austin Tex., *Technical Report of Methods*, June 2007

¹² Sullivan, E., *Evaluating the Impacts of the SR 91 Variable-Toll Express Lane Facility Final Report*, May 1998

[Online]. Available: www.ceenve3civeng.calpoly.edu/Sullivan/SR91/final_rpt/FinalRep2000.pdf [accessed Aug. 22, 2007].

¹³ *Ibid.*

¹⁴ Sullivan, E., *Continuation Study to Evaluating the Impacts of the SR 91 Variable-Toll Express Lane Facility*

Final Report, Dec. 2000 [Online]. Available: ceenve.calpoly.edu/Sullivan/SR91/final_rpt/FinalRep2000.pdf

[accessed Aug. 22, 2007].

¹⁵ *Ibid.*

¹⁶ *Ibid.*

[17](#) “Daniels Approval Down to 37 Percent; 30 Percent Against Lease,” *Associated Press State and Local Wire*, Mar. 5, 2006.

[18](#) Jones, Jami. *New coalition calls privatization ‘pawn-shop mentality,’* Land Line Magazine. Feb. 9, 2007 [Online] Available: http://www.landlinemag.com/Special_Reports/2007/Feb07/SR_percent2002-09-07_percent20coalition_percent20by_percent20JJ.htm [accessed Oct. 16, 2008].

[19](#) <http://sanantonio.bizjournals.com/sanantonio/stories/2006/12/04/daily15.html> (AAA Pocket of Pain survey – 2006)

[20](#) Ibid.

[21](#) Ibid.

[22](#) *Survey shows Americans prefer to spend more on mass transit and highway maintenance, less on new roads.* Smart Growth America. Oct. 25, 2007. [Online] Available: <http://www.smartgrowthamerica.org/narsgareport2007.html> [accessed Oct. 16, 2008].

[23](#) Dill, Jennifer. *How to Pay for Transportation? A survey of Public Preferences.* July 2006. [Online] Available: http://www.uofaweb.ualberta.ca/ipe/pdfs/TransportPaper-Dill_Weinstein.pdf [accessed Oct. 16, 2008]