



March 3, 2020

John M. Kane

Testifying on behalf of Citizens 4 Traffic Relief

Against HB 1220 -- Public-Private Partnerships – Highway and Bridge Toll Facilities – Rates (No Lexus Lane Act)

Thank you for the opportunity to testify on HB 1220.

My name is John Kane and I represent Citizens 4 Traffic Relief which opposes this bill.

This bill runs counter to global best practices regarding managed lanes, which typically use a RANGE of toll rates that are dependent on levels of congestion, using what is called “congestion pricing,” to maximize throughput and the most efficient use of all available lane capacity. These rates must be allowed to vary with actual conditions. Most of the time they might fall well under the arbitrary limit set in this bill, but not necessarily during peak periods when congestion levels are very high.

As we know, financing a P3 project requires institutional investment and the one requirement that investors look at when pricing risk into their equation is certainty. Even the possibility that the BPW could theoretically override this arbitrary \$0.10 limit does not help, as it is not something investors could count on.

Pricing is best left to public agencies like the MD Transportation Authority, who are currently charged with setting the toll rates on all MD toll facilities, and has the expertise to do so.

Finally, I would respectfully ask that we stop referring to the TRP as “Lexus Lanes”. The average driver on VA’s toll lanes earns less than \$100K and the most common car is a Toyota followed by Honda.

Furthermore, the average toll in VA is \$5.95. Just as the average toll on the.

Cite Rates on the ICC:

For two-axle vehicles:

- **Peak Period**
 - **(\$0.22/mile** - \$0.35/mile);
- **Off-Peak Period**
 - **(\$0.17/mile** - \$0.30/mile);
- **Overnight Period**
 - **(\$0.07/mile** - \$0.30/mile)