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February 5, 2007

Bush Plays Traffic Cop in Budget Request

President Suggests 'Congestion' Tolls To Ease Rush Hour

By JOHN D. MCKINNON

February 5, 2007; Page A6

WASHINGTON -- With much of his domestic agenda stalled by Congress, President Bush is embracing a new cause he is hoping will cross party lines and leave him with an end-of-term accomplishment: easing rush-hour traffic.

In his annual budget blueprint to be unveiled today, Mr. Bush intends to showcase a highway "congestion initiative," according to White House documents, with grants for state and local governments to experiment with anti-jam strategies.

In a surprise that could foreshadow how Mr. Bush might reach out to Democrats -- and disappoint conservatives -- for the rest of his term, the centerpiece of the traffic plan involves an initiative that some critics say amounts to a tax, a plan depicted by administration officials as "congestion pricing." The administration will award \$130 million in grants starting this spring to help cities and states build electronic toll systems that would charge drivers fees for traveling in and out of big cities during peak traffic times. The money also could go to other congestion strategies such as expanded telecommuting, but administration officials make it clear they think congestion pricing is the most powerful tool they have. The White House will seek an additional \$175 million for congestion initiatives in next year's budget.


Beyond automobile traffic, the administration will also introduce legislation soon that could seek to impose a form of "congestion pricing" on airline travel, likely through user fees on airlines. The idea is to spread flights more evenly.

Travel congestion is "increasingly troubling," Transportation Secretary Mary Peters said in an interview. "It's a cost to business and probably affects our ability to be competitive on the global market. But it's also something that just drives people crazy."

The White House is also planning a high-level transportation summit this month that will bring together officials from around the country to discuss the congestion initiative.

The Bush traffic plan is likely to draw support from some Democrats. It is reminiscent of Vice President Al Gore's 2000 campaign proposal to relieve traffic and other effects of urban sprawl through "smart growth" initiatives. Back then, Mr. Bush questioned the federal government's role in local planning.

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Big-city mayors and urban business leaders may also embrace the administration initiative. Recently, many have been weighing politically dicey "congestion pricing," a strategy used to a limited extent today in Southern California, Denver and Minneapolis, among other places.

A New York business coalition that is pushing congestion pricing for lower Manhattan praised the new White House strategy. "Without some political cover ... it's a very hard thing to sell," says Kathryn Wylde, president of the Partnership for New York City. "We think the federal government stepping up to provide incentives for local government to take on what is a tough issue ... is very important."

But some conservative allies of the administration fear the initiative could mark a turn for the president, who has made cutting taxes the core of his domestic policy. Some critics are already upset that Mr. Bush's new health-insurance proposals include higher taxes on individuals with high-price employer-provided plans, and worry that the White House would accept higher Social Security taxes as a part of a deal to overhaul the retirement program.

Highway tolls "are increasingly a form of tax" to support other government spending, for instance on mass transit, says Ronald Utt, an expert on transportation at the Heritage Foundation, a conservative think tank. "Make it any more difficult or unattractive to get to downtown, and you'd reduce congestion -- but you'd do so largely by reducing jobs," he adds.

Anticipating such attacks, transportation officials have armed themselves with studies suggesting that traffic itself is becoming a big hidden tax on businesses across the country, as well as the No. 1 quality-of-life concern in many urban areas.

Congestion pricing "is a lot cheaper than the way we're paying now ... with time, unreliability, psychological hell," said Tyler Duvall, DOT's assistant secretary for policy.

The DOT estimates the total cost of U.S. congestion at about \$200 billion annually, or almost 2% of GDP, counting wasted fuel, delays, environmental costs and increased inventory needs.

The White House, under fire for failing to embrace a more aggressive global-warming policy, is portraying the plan as part of a climate change strategy. Administration documents estimate that "travel delay ... wasted 2.3 billion gallons of fuel" in 2003, a total that "accounts for more than 20 million metric tons of carbon dioxide emissions."

In cities and regions that have adopted congestion-related fees, the most common approach is to offer solo commuters the choice of paying during rush hour to travel in the high-occupancy lanes reserved for car-poolers. Some tolls on existing turnpikes also have been adjusted higher for rush-hour travel.

Now the Bush administration is encouraging city and state transportation officials around the country to go further where appropriate, and even impose "cordon" tolls on rush-hour commuters -- in which toll-collecting devices are installed all around a city's perimeter. The tolls could be collected without making drivers stop, through electronic tag readers.

The Bush administration is distributing \$130 million in grants to help cities build the electronic systems needed. Department of Transportation officials expect more than 10 major cities to apply before the April deadline.

Currently, only San Francisco is planning "cordon tolls" that would impose a charge on essentially all rush-hour commuters. Other cities, including New York, are taking a look.

Officials in northern Virginia plan to build four "High-Occupancy/Toll" lanes along 15 miles of the I-495 Beltway around Washington, according to DOT officials and documents. They are also studying converting High-Occupancy Vehicle, or HOV, lanes into HOT lanes along nearly 50 miles of the I-95/I-395 corridor in Virginia.

Even a 5% reduction in traffic jams can increase traffic speeds by as much as 50%, says Mr. Duvall. DOT officials figure a typical big-city traffic jam can be cleared with tolls of as little as \$2 to \$2.50 a day, if all lanes on a big highway are charged. But on some Southern California highways where fees are charged only for the former high-occupancy lanes, prices at the peak of rush hour have reached \$8.50.

Congestion pricing has already taken hold in Europe, and the success of a congestion pricing system for London's roads three years ago motivated U.S. officials and major businesses to consider the idea. Voters in Stockholm approved a similar plan in September, after a test run during the summer.

But tinkering with highway prices also means political perils. That became apparent in Indiana last year when Republican Gov. Mitch Daniels pushed through the sale of a big toll road to private investors, who announced plans to raise the tolls for the first time in years. State Republicans took a beating in the November elections.

Write to John D. McKinnon at john.mckinnon@wsj.com¹

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(1) <mailto:john.mckinnon@wsj.com>

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