

## **HOT INCENTIVES CUT TRAFFIC, BOOST EQUITY**

*By Michael Replogle*

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Traffic congestion isn't getting better. Though some states like Maryland are moving in the right direction by encouraging job and housing growth in walkable centers that are well served by improved public transportation, more needs to be done. For most people, cars will remain essential. So what can be done about congestion?

The state can no more build its way out of congestion than dieters can solve weight problems by buying larger pants. Stopping growth only locks in current unsustainable land use and transportation patterns. Mass transit alone won't solve it. We need new incentives to save people time and money and to expand travel choices.

One promising strategy is Commuter Choice, which expands commuter alternatives for workers. Federal tax changes adopted in 1998 make it attractive for employers to pay for transit or vanpool benefits for their employees. Maryland recently adopted a new 50% tax credit for employers who buy their employees transit passes or offer cash commuter benefits instead of a parking space. Since January 1st, even non-profit firms like hospitals and schools are eligible for this annual credit of \$360 per employee, which reduces corporate or withholding taxes. Washington, Minnesota, and other states have similar tax credits. At firms in California and Minnesota offering a \$2 a day incentive instead of free parking, one out of eight who used to drive are finding another way to get to work.

Another promising option for unclogging roads is time-of-day tolls and High Occupancy Toll (HOT) lanes, which allow solo drivers to pay to use High Occupancy Vehicle (HOV) lanes, while giving a free ride to carpools and buses. These have been popular in California and Texas. The Maryland Department of Transportation is studying this strategy for Interstates 270, 495, and 95, US 50, and other corridors. This could put to work unused capacity in HOV lanes and pay for new transportation choices.

A network of HOT lanes on existing highways could provide better and quicker congestion relief than building new roads like the Inter-County Connector, new Potomac River crossings, or Western Bypass proposed to ring metropolitan Washington, DC. New outer beltway toll roads would bring more sprawl and put more jobs out of reach for those without cars, hurting the poor and the environment. Why not instead give time-stressed travelers a way to buy relief from growing congestion delays in existing freeway corridors?

HOT lanes in existing road corridors can expand both travel choices and equity. HOT lane critics unfairly bash them as "Lexus Lanes," serving only the rich. Real-world studies show HOT lanes are more like "Lumina Lanes," used by people of widely varying incomes who occasionally need to bypass traffic delays that disrupt their social, family, or work life. When HOT lane revenues fund new transit service, as on San Diego's I-15

HOT lane, everyone wins. Lower income transit users and carpoolers get access to otherwise inaccessible suburban jobs. Drivers benefit from reduced road congestion and better services and choices. If HOT lane revenues help maintain roads, those who drive most are paying more of their fair share, helping all taxpayers win.

New non-stop electronic toll technology means motorists don't need to slow down to pay tolls. And HOT lane fees -- higher in rush hour and discounted at other times -- keep traffic flowing without wasting scarce road capacity like HOV lanes do. This makes it possible to contemplate future conversion of some existing general-purpose lanes to HOT lanes, particularly where new capacity is being added to existing roads.

HOT lane experience indicates this strategy can garner popular support. On California's Route 91, diversion of traffic onto HOT lanes has reduced congestion on the entire road and increased the number of passengers per car to 1.6, compared to the average of 1.2. Because of this success, similar incentives have been implemented or are being considered in Texas, Florida, Colorado, Georgia, New Jersey, New York, and other states.

Throwing more money into road building won't solve congestion. Maryland and other states need new strategies like HOT lanes and increased use of new transit and parking incentives to help untangle their traffic mess and boost transportation equity.

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