

# Ask the Rambler: Why Does The Interstate System Include Toll Facilities?

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## Ask the Rambler

### Why Does The Interstate System Include Toll Facilities?

*You're driving along an Interstate, perhaps I-95, minding your own business when suddenly, up ahead, there's a toll booth! And another one after that. And still more toll booths. Does the Federal Government know about this, you wonder. Is the State trying to balance its budget by "taxing" out-of-State motorists? Didn't you already pay for this road with your gas tax? And so, you go home and write a letter to the President asking how in the world these States can be charging you for use of an Interstate highway that you already paid for.*

*Fair enough. Whether you love tolls or hate them, think they are a relic of the past or the wave of the future, or are neutral to them, the Rambler may not change your views, but at least he can answer the "why?"*

In the 1939 report to Congress, *Toll Roads and Free Roads*, the U.S. Bureau of Public Roads (BPR) rejected the toll option for financing Interstate construction because most Interstate corridors would not generate enough toll revenue to retire the bonds that would be issued to finance them. In part, the report attributed this conclusion to "the traffic-repelling tendency of the proposed toll-road system." Although some corridors had enough traffic to support bond financing, the report predicted that motorists would stay on the parallel toll-free roads to a large extent.

That conclusion was called into question when the first segment of the Pennsylvania Turnpike, from Carlisle to Irwin, opened on October 1, 1940. It was an instant financial success. Following World War II, the turnpike's continued success prompted other States to use the same financing method. Each State established a toll authority to issue bonds. Revenue from the bonds provided the funds, up front, to pay for construction. Toll revenue allowed the toll authority to repay bond holders with interest and finance administration, maintenance, and operation of the highway.

Based on this model, turnpikes appeared or were planned in Connecticut, Florida, Illinois, Indiana, Kansas, Kentucky, Maine, New Hampshire, New Jersey, New York, Oklahoma, Virginia, and other States, often in corridors that had been designated as part of the Interstate System in 1947. These roads were built without any Federal-aid highway funds or other Federal tax dollars.

In 1955-1956, during consideration of financing options for the Interstate System, Congress debated how to handle the turnpikes in Interstate corridors. One option was to build toll-free Interstate highways parallel to the turnpikes, but that would jeopardize the legitimate rights of the bondholders by diverting traffic from the turnpikes built with their investments. Repaying the bondholders and removing the tolls was another option, but it would divert hundreds of millions of dollars from the construction program without adding a single mile of highway to the Interstate System. The same objection applied to an idea advanced by the turnpike States, namely leaving the turnpikes in place while providing equivalent amounts of tax revenue to the States that had shown the initiative in providing Interstate-type facilities before other States that chose to wait for the Federal Government to solve their financing problem.

After extensive debate, Congress decided in 1956 to authorize the BPR to incorporate toll facilities in the Interstate System to ensure connectivity without added expense. Section 113(a) of the Federal-Aid Highway Act of 1956 stated:

Upon a finding by the Secretary of Commerce that such action will promote the development of an integrated Interstate System, the Secretary is authorized to approve as part of the Interstate System any toll road, bridge, or tunnel, now or hereafter constructed, which meets the standards adopted for the

improvement of projects located on the Interstate System, whenever such toll road, bridge, or tunnel is located on a route heretofore or hereafter designated as a part of the Interstate System: *Provided*, That no Federal-aid highway funds shall be expended for the construction, reconstruction, or improvement of any such toll road except to the extent hereafter permitted by law: *Provided further*, That no Federal-aid highway funds shall be expended for the construction, reconstruction, or improvement of any such toll bridge or tunnel except to the extent now or hereafter permitted by law.

On August 21, 1957, the BPR announced that it had added 2,100 miles of toll roads in 15 States to the Interstate System. The inclusions had been recommended by the State highway departments and approved by the BPR. The additions included 1,837 miles in operation. A BPR press release explained:

Inclusion of the 2,102 miles of toll roads in the Interstate System will not affect their status as toll roads. The Federal-Aid Highway Act of 1956 permits this, although no Federal-aid funds may be used for their improvement.

The press release identified the facilities, with an asterisk indicating that the facility was in operation at the time:

**Connecticut Turnpike, 98 miles:** the section from the New York State line to Old Lyme, except the section at New Haven.

**\*Florida: Sunshine State Parkway, 41 miles:** the northern portion, from Fort Pierce to Palm Beach.

**Illinois: North Illinois Turnpike (Chicago-Rockford-Beloit), 47 miles:** The northern portion, from south of Barrington to near Beloit.

**Illinois: Tri-State Turnpike, 73 miles:** from Calumet Expressway west and north around Chicago to the Wisconsin State line near U.S. 41, including a 5-mile spur near Deerfield to Edens Expressway.

**\*Indiana Turnpike, 151 miles:** the entire route from the Ohio State line to the Illinois State line.

**\*Kansas Turnpike, 184 miles:** from Kansas City to Topeka and from Emporia to the Oklahoma State line (the entire route except the Topeka-Emporia section).

**\*Kentucky Turnpike, 40 miles:** the entire route from Louisville to Elizabethtown.

**\*Massachusetts Turnpike, 123 miles:** from Boston to East Lee (the entire route except a short section at the west end).

**\*New Hampshire Turnpike, 15 miles:** The entire route from Seabrook to Portsmouth.

**\*New Jersey Turnpike, 8 miles:** the section from Newark Airport to Holland Tunnel.

**\*New York Thruway, 506 miles:** the entire route from Yonkers to the Pennsylvania State line near Erie.

**New York: Niagara Thruway, 8 miles:** a section in Buffalo.

**New York: New England Thruway, 4 miles:** a section in New Rochelle.

**\*Ohio Turnpike, 173 miles:** from the Indiana State line to southwest of Cleveland and from west of Youngstown to the Pennsylvania State line (the entire route except the Cleveland-Youngstown section).

**\*Oklahoma, Turner Turnpike, 177 miles:** the entire route from Oklahoma City to the Missouri State line near Joplin.

**\*Pennsylvania Turnpike, 359 miles:** from the Ohio State line to Bristol (the entire route except a short section at the eastern end).

**Virginia: the Richmond-Petersburg toll road, 35 miles:** the entire route from Richmond to Petersburg.

The inclusion of this mileage meant that Interstate construction funds that would have been used for construction of toll-free Interstate highways in these corridors could be used elsewhere to build Interstate highways sooner than would otherwise have been possible.

Today, the 46,730-mile Interstate System includes approximately 2,900 miles of turnpikes.

The Rambler envies his predecessors who answered inquiries about toll charges on the Interstate System. They could simply explain that in general, no Federal funds had been used for the turnpikes or other toll facilities. In some cases, Federal funds were used to build interchanges between toll-free Interstates and Interstate turnpikes. However, under Section 113 (c) of the Federal-Aid Highway Act of 1956, the State highway agency and toll authority had to first enter into an agreement to use all toll revenue to pay for debt retirement, maintenance, and operation, after which toll collection would end.

Ahhh, the good old days!

Over the years, Federal law has changed, allowing the States to request cancellation of those agreements. Further, Federal law has become far more flexible about the use of Federal-aid funds for new toll facilities and even existing toll-free roads. So it's a little more complicated. But the basics remain the same.

### **Okay, Smarty Pants, What About Breezewood, Pennsylvania?**

Anyone who has ever traveled I-70 in the vicinity of Breezewood knows the problem. The connection you imagine must exist between the toll-free I-70 and the Pennsylvania Turnpike, which carries the I-70/76 designation between Breezewood and New Stanton-doesn't exist! The motorist must leave one or the other and make the connection via U.S. 30 through a bewildering array of roadside businesses.

The lack of an interchange becomes even more of a problem during peak periods, such as the Sunday after Thanksgiving, when traffic becomes backed up at the toll booths on the turnpike and on U.S. 30 and I-70. Many a motorist, trapped in gridlock after giving thanks to a higher authority for their blessings, has asked a lower authority to ensure a very warm spot in the afterlife for the highway engineers who conceived this design.

Actually, Breezewood is the unintended consequence of decisions having nothing to do with it.

When the first segment of the Pennsylvania Turnpike opened in October 1940, it included an interchange with U.S. 30 at Breezewood, turning the small town into a crossroads. In 1957, the Pennsylvania Turnpike was incorporated into the Interstate System, with the segment in the vicinity of Breezewood included in I-70. Then toll-free I-70 was built from the Maryland line to the turnpike at Breezewood-without a direct connection between the two.

This peculiar arrangement occurred because of Section 113 of the Federal-Aid Highway Act of 1956. Under Section 113(b), Federal-aid funds could be used for approaches to any toll road, bridge, or tunnel "to a point where such project will have some use irrespective of its use for such toll road, bridge, or tunnel." In other words, a motorist could use the toll facility or not. Under Section 113 (c), the State highway agency and toll authority could use Federal-aid highway funds to build an interchange between a toll-free Interstate and an Interstate turnpike (i.e., the motorist would have no choice but to use the toll road). However, the State highway agency, the toll authority, and the BPR would have to enter into an agreement to stop collecting tolls when the bonds were retired.

The Pennsylvania Turnpike Commission (PTC), which had no desire to stop collecting tolls, decided not to use the State's Federal-aid funds for the I-70 connection. The PTC also decided against using its own revenue for the

interchanges.

The lack of an interchange in Breezewood and other intersections along the turnpike was one of the topics considered in 1966 when the Special Subcommittee on the Federal-Aid Highway Program held hearings on the relationship of toll facilities to the Federal-aid highway program. Franklin V. Summers, the PTC's Director of Operations, testified on May 10, 1966. Referring to the statutory restrictions, he explained:

We are willing to share whatever we legally can, of course, in making such direct connections; and we are doing so on some of them. However, where new interchanges would not afford an increase, great increase in revenue, we do not feel that these matters should be thrust upon the turnpike commission.

The PTC, he pointed out, was concerned that it would face declining revenues when the toll-free Keystone Shortway (I-80) was completed on a parallel alignment across the State to the north. It would, he said, divert a considerable amount of traffic, and potential revenue, from the turnpike.

Because the PTC was unwilling to use its own revenues for an interchange at Breezewood, State highway officials used Federal-aid highway funds to extend I-70 north beyond the turnpike to a terminus with U.S. 30. Consistent with Section 113(b), this configuration allowed motorists to use a toll-free route (U.S. 30) or the turnpike to travel east or west of Breezewood.

Breezewood was not the only place where the Pennsylvania Turnpike and a toll-free Interstate intersected without a direct connection. However, as *Business Week* stated in 1991, Breezewood is "perhaps the purest example yet devised of the great American tourist trap":

Motorists must drive through the self-proclaimed Town of Motels, a half-mile stretch of blacktop and buildings sandwiched between the two roads. Breezewood, population 180, is the Las Vegas of roadside strips, a blaze of neon in the middle of nowhere, a polyp on the nation's interstate highway system.

UPDATE: For information on current Federal-aid legislation on toll facilities, see:

[http://www.ops.fhwa.dot.gov/tolling\\_pricing/index.htm](http://www.ops.fhwa.dot.gov/tolling_pricing/index.htm).

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