



**Testimony to the House Committee on Transportation
Monday, February 6, 2012
9:00 a.m.
State Capitol - Conference Room 309**

RE: HOUSE BILL NO. 2153 RELATING TO TOLL ROADS

Chair Souki, Vice Chair Ichiyama, and members of the committee:

The Chamber of Commerce of Hawaii opposes H.B. No. 2153 as presently drafted. The Bill proposes to authorize the director of transportation to impose toll charges on existing highways or construct new toll roads. Provides for agreement with private entities to construct, operate, and maintain toll roads. The bill requires prior feasibility study.

The Chamber is the largest business organization in Hawaii, representing more than 1,000 businesses. Approximately 80% of our members are small businesses with less than 20 employees. As the “Voice of Business” in Hawaii, the organization works on behalf of its members, which employ more than 200,000 individuals, to improve the state’s economic climate and to foster positive action on issues of common concern.

As drafted it is unclear what the specific purpose or purposes are for passage of this legislation. The bill mentions that the operation of toll roads has:

- Contributed to controlling the amount of motor vehicle traffic, thus reducing traffic congestion in various venues worldwide; and,
- Offer a dedicated source of revenue for the maintenance of heavily used highways and roads, thus freeing up public revenues for other uses.

With respect to the first perceived benefit, given the limited transportation options we have in the entire State of Hawaii, it is difficult to image how imposing tolls on selected roads in Hawaii will reduce congestion. It would be a rational argument if there were other alternatives available to commuters in Hawaii aside from driving a car; however, in most areas in Hawaii, the motor vehicle is your only option. Imposing tolls would essentially create more congestion on and grid lock on our heavily used roads right now.

Although we understand this is one option for a revenue enhancement programs, new programs need to be balanced considering that in many cases, the tax payers, either locally or nationally (i.e. Federal Highway funds) have paid for much of the public roadway infrastructure in the state. Moreover, the funding for the repair, maintenance and expansion of the State

Highways program is generally provided thru appropriations from the general fund which derives its revenue from all of the tax payers in the State of Hawaii, and from a portion of the gasoline tax that everyone pays when they purchase gas.

We believe a clearly specific purpose needs to be established, with a detailed explanation on how tax payer's funds were or are going to be used on the toll road, and how the new funds generated from the toll road will be used. Until these issues are clearly defined, we believe that it is too early for this type of legislation.

Thank you for this opportunity to express our views.