Case 3: HOT Lanes

Civil engineers have devised a solution to traffic problems on crowded highways, converting High Occupancy Vehicle (HOV or carpool) lanes into High Occupancy/Toll Lane, or HOT lanes. HOT lanes provide a designated lane in which motorists driving alone can use if they pay a toll, allowing them to avoid traffic delays in the adjacent regular lanes. HOT lanes usually are combined with HOV lanes that have enough capacity to handle more vehicles. Toll-paying drivers and toll-free carpools/vanpools share the lane, increasing the number of total vehicles using the HOV/HOT lane.

The appeal of the HOT lane concept is three-fold. HOT lanes expand mobility options in congested urban areas by providing an opportunity for reliable travel times for HOT lane users; HOT lanes generate a new source of revenue which can be used to pay for transportation improvements, including enhanced transit service; and HOT lanes improve the efficiency of HOV resources.

States such as California, Texas, Minnesota, Colorado and Washington have converted under-utilized HOV lanes to HOT lanes.² A typical model for HOT lanes uses variable pricing, whereby toll prices increase as the available space during peak times decreases. The less space that is available in the HOV lane, the higher the toll for a single occupant vehicle. In this way, the optimum number of vehicles can be allowed in the lane.

Proponents of HOT lanes cite studies showing traffic flow is improved not only in the carpool lane, but in all general purpose lanes. These studies suggest that even those who choose not to pay to use the HOT lanes feel the benefit. According to a recent Minnesota Department of Transportation User Panel Survey Report, support for HOT lanes was consistent across all income groups. When asked a more specific question, "Do HOT lanes only benefit the rich?" more high-income drivers said yes (13%) than low-income drivers (11%).³

Additionally, a number of expert groups support the concept of HOT lanes. Civil engineers believe HOT lanes provide a more efficient way to allocate a limited resource. Economists believe HOT lanes are clearly an example of supply and demand. Environmentalists believe high tolls will discourage driving and that revenues from tolls can be used for more environmentally friendly public transportation options.

Critics of HOT lanes have dubbed them "Lexus Lanes." They cite the unfairness of these Lexus Lanes to low and middle income commuters who can't afford the cost of

¹ Gilroy, Leonard, and Amy Pelletier, "HOT Lanes: Frequently Asked Questions," *Reason Foundation*, http://www.reason.org/pb59_hotlanes.pdf.

² Ungemah, David H. and Myron Swisher, "So You Want to Make it a Hot Lane? The Project Manager's Guide for an HOV-to-HOT Lane Conversion," *Transportation Research Board of the National Academies*, March 21, 2006. http://www.trb-pricing.org/docs/06-1857.pdf.

³ "Learning from Other HOT Lanes," *Washington State Department of Transportation*. http://www.wsdot.wa.gov/Operations/Tolling/OtherHOT.htm.

tolls. They also argue that highways are paid for through public funding and therefore all tax payers have equal rights to use highways. As Don Guliford, an attorney from Mercer Island who opposes HOT lanes, stated about the recent opening of a HOT lane in Washington State, "Article I, Section 12 of our state constitution clearly states: No law shall be passed granting to any citizen, class of citizens, or corporations other than municipal, privileges or immunities which upon the same terms shall not equally belong to all citizens."5

⁴ Fisher, Marc, "Exalted HOT Lanes Leave the Average Joe in the Dust," March 25, 2007. http://www.washingtonpost.com/wp-

dyn/content/article/2007/03/24/AR2007032400966_pf.html.

⁵ Guliford, Don, "One-way Ticket: Exclusive Resort to Privilege of the Purse," Letter to the Editor, *The* Seattle Times, May 12, 2008. http://seattletimes.nwsource.com/html/opinion/2004404179 monlets12.html.