



February 16, 2022

The Honorable Peter A. DeFazio  
Chair  
Committee on Transportation and Infrastructure  
U.S. House of Representatives  
Washington, DC 20515

Dear Chair DeFazio:

This letter constitutes the Fiscal Year (FY) 2020 Report to Congress on the Value Pricing Pilot Program (VPPP) in accordance with the requirements of Section 1012(b) of the Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA).

Value pricing includes a variety of strategies to manage congestion on highways and surface streets, including strategies not involving tolls. The following five broad types of pricing strategies have been studied or implemented in the United States:

- Priced Lanes – partial facility pricing involving one or more lanes on a freeway facility
- Priced Highways – full facility pricing of all lanes on a roadway or bridge facility
- Priced Road Networks – network pricing of some or all lanes of a roadway network in an area or region
- Priced Zones – area or cordon pricing
- Road Usage Pricing Without Tolls – usage-based vehicle charges and market-based pricing of employer-provided parking spaces

While the program has continued, and its tolling authority is still being used in multiple jurisdictions, the Fixing America's Surface Transportation Act did not authorize additional discretionary grants funding. All but one VPPP project had been completed as of the submission of the 2018 Report to Congress. Nevertheless, formula Federal-aid highway funds, such as those through the Surface Transportation Block Grant Program, may and sometimes are being used to deploy pricing strategies subject to the eligibility requirements for these funds.

The one ongoing VPPP project noted above represents a rural, resort-destination market-pricing parking project serving the popular SR-28 corridor in Lake Tahoe. The VPPP funding was provided to the Nevada Department of Transportation (DOT), which oversaw the Tahoe Transportation District Project implementation. The project impetus was the parking shortage most acutely felt during peak summer weekends (14 of 24 million visitors to the Tahoe Basin come in July). Many visitors and tourists used to park on the shoulder of SR-28 and walk along the busy roadway to their destination (typically hiking trailhead or picnic), presenting a safety hazard and causing congestion. The project added free remote parking that connects to destinations through complimentary shuttles, re-tooling multi-hour or all-day parking that is

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demand priced (by season, day of week, and time of day), and strict enforcement including increased fine amounts (some had been as low as \$5) of other parking rules (e.g., an SR-28 shoulder parking prohibition and very short time limits for overlook parking). In April 2020, hardware for demand-based parking pricing (i.e., 4 linked payment kiosks across 90 spaces in a linear parking facility) was installed at one important parking location, which launched during the summer 2020 tourist season.

Since the submission of the 2018 VPPP Report to Congress, the Illinois, New York, Oregon, and Pennsylvania DOTs had submitted expressions of interest (EoI) seeking tolling authority under the program—however, Illinois, Oregon, and Pennsylvania continue to consider alternatives. The New York EoI application, seeking authority to implement a zone-based pricing scheme in central Manhattan, is currently under review. In March 2021, FHWA determined that under the National Environmental Policy Act, the class of action for New York City's Congestion Pricing Plan is an Environmental Assessment, which allowed New York to move forward with its project development process.

The U.S. Department of Transportation has focused extensively on addressing traffic congestion problems throughout the Nation through various strategies. Relatedly, the Department continues to provide information, and coordinates comprehensive technical assistance to the States and other stakeholders.

A similar letter has been sent to the Ranking Member of the House Committee on Transportation and Infrastructure and to the Chairman and Ranking Member of the Senate Committee on Environment and Public Works.

Sincerely,



Stephanie Pollack  
Deputy Administrator

Enclosure





U.S. Department  
of Transportation  
**Federal Highway  
Administration**

Office of the Administrator

1200 New Jersey Ave., SE  
Washington, D.C. 20590

February 16, 2022

The Honorable Sam Graves  
Ranking Member  
Committee on Transportation and Infrastructure  
U.S. House of Representatives  
Washington, DC 20515

Dear Ranking Member Graves:

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Stephanie Pollack  
Deputy Administrator

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1200 New Jersey Ave., SE  
Washington, D.C. 20590

February 16, 2022

The Honorable Tom Carper  
Chairman  
Committee on Environment and Public Works  
United States Senate  
Washington, DC 20510

Dear Chairman Carper:

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Stephanie Pollack  
Deputy Administrator

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February 16, 2022

1200 New Jersey Ave., SE  
Washington, D.C. 20590

The Honorable Shelley Moore Capito  
Ranking Member  
Committee on Environment and Public Works  
United States Senate  
Washington, DC 20510

Dear Ranking Member Capito:

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Stephanie Pollack  
Deputy Administrator

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### Value Pricing Pilot Program Toll Agreements as of May 2020

STATE / AGENCY	PROJECT	TOLL AGREEMENT SIGNED
California/ San Diego Association of Governments	I-15 Express Lanes (San Diego County)	March 1995
California/ Riverside County Transportation Commission	I-15 Express Lanes (Riverside County)	July 2009
California/ Riverside County Transportation Commission	State Route 91 (Riverside County)	August 2009
California/ Alameda County Transportation Commission	I-680 SMART Carpool Lanes	October 2010
California/ Santa Clara Valley Transportation Authority	SR 237 Express Connector	March 2011
Florida / Florida Dept. of Transportation	I-95 Managed Lanes	April 2009
Florida / Florida Dept. of Transportation	State Route 826 Palmetto Expressway	September 2014
Maryland/ Maryland State Highway Administration	I-95 Express Toll Lanes	July 2005
Minnesota/Minnesota Dept. of Transportation	I-394 MnPass Express Lane	April 2005
Minnesota/Minnesota Dept. of Transportation	I-35W Managed Lanes	July 2009
Texas/Texas Dept. of Transportation/Harris County Toll Road Authority	I-10 (Katy Freeway)	November 2002
Virginia/Virginia Dept. of Transportation	Elizabeth River Tunnels	September 2009
Washington/ Washington State Dept. of Transportation	State Route 520 Bridge	January 2011