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Editorial: Privatizing roads may boost infrastructure

Letting private companies set up toll roads could be answer to Michigan's crumbling infrastructure

Deep-pocketed toll road companies might provide Michigan a portion of the billions of dollars it needs -- and doesn't have -- to fix its aging highway system. A House committee is crafting legislation that would pave the way for more private involvement in road building, including toll roads.

It's a hopeful sign lawmakers at last are taking up road-funding reforms for which the need is growing urgent. A new formula that funnels more state and federal transportation dollars to congested urban roads and a gradual gasoline tax increase are other steps policymakers need to take.

The House measure would authorize an array of partnerships between the state and private firms for planning, financing, building, maintaining and operating highways in Michigan. Some public-private road pacts are possible under current laws, but not the type with the greatest cash-producing potential for the state -- privately run toll roads.

Indiana has led the way, so we can learn from our neighbor. It leased its 157-mile Indiana Toll Road to a private consortium in 2006 and collected \$3.8 billion to spend on road fixes elsewhere in the state. The private group is in charge of maintaining the whole route and clearing snow, all of which frees up additional Indiana taxpayer dollars for use elsewhere on the state's road system. Texas is looking to private firms to build and run new highways there.

Granted, toll roads haven't been embraced here in the past. Some fear private operators would scrimp on maintenance or overcharge to boost their profits. But the state could police that under the contracts it would draft. Such practices also would work against the business interests of the companies -- by driving away customers.

Michigan is no longer in a position to spurn any proposal that has the potential to give the state what our roads agencies most urgently need: billions of dollars in cash for very costly freeway repairs, in Detroit and elsewhere, that we otherwise won't be able to afford for many years.

Michigan needs at least \$1 billion for the long-overdue reconstruction and modernization of I-94 in Metro Detroit, for example. More than \$1 billion in improvements also are needed locally on I-75. We don't have that kind of money, nor does the federal government.

Furthermore, Michigan quickly must find a way to come up with hundreds of millions dollars more in state money for road repairs and to meet federal matching funds requirements. If it doesn't, the state will lose as much as \$2 billion in badly needed federal transportation money in 2011-13 while watching our road system deteriorate even more.

State transportation officials say the partnerships wouldn't be used to turn existing freeways into toll roads, but could enhance them with new high-speed lanes. Then, drivers would have the option of paying a toll to avoid congestion and delays when the other lanes were jammed up.

Public-private partnerships also could be used to build new routes such as a four-lane extension of U.S. 131 from south of Kalamazoo to the Indiana Toll Road -- bolstering interstate commercial traffic while yielding millions of dollars for other road work. Another candidate for toll-road treatment might be the 18-mile stretch of U.S. 27 between Ithaca and St. Johns, where motorists now have to slow from 70 miles per hour to 55 mph.

Until we jump in, Michigan won't know precisely how much funding these arrangements can yield toward road repairs. But public-private partnerships definitely should be part of a new and broader strategy for improving Michigan's state and local roads.

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