

Five Fatal Flaws in the Newest Toll Lane Plan

Lack of transparency

The agreement between Governor Hogan and Virginia Governor Northam will be part of the project approval. But no one has yet seen this “Accord” in writing. How can the Board of Public Works vote on a document its members haven’t seen?

An MDOT computer model calculated the expected toll rates and profit-&-loss for each toll lane segment. This has not been made public. The Governor wants taxpayers to sign on to a 50-year business venture worth billions of dollars, yet won’t tell us how much Marylanders will wind up paying in taxes and tolls.

Beltway traffic jams will get worse

Adding lanes to I-270 and the American Legion Bridge will dump even more traffic into the already-jammed 270/Beltway merge at Wisconsin Avenue. MDOT itself says that the resulting bottleneck will add **even more delay** to Beltway trips within Maryland



Source: MDOT presentation to NCPC, Nov. 7, 2019

Jobs will leave Maryland for Virginia

The plan will shift jobs from Maryland into Virginia and help turn Montgomery County into a suburb of northern Virginia. A half century of research shows that the driving force in office location is convenient travel to the boss's home and golf course. This plan makes it much easier for CEOs who live in Bethesda and Potomac to drive to Tysons and sends them through heavy traffic when they travel to most of Maryland.

No real competition for P3 contract

Under the two-state “Accord,” Virginia will build the toll lanes on the Beltway Inner Loop from the state line to River Road. Virginia has already selected Transurban, the Australian company that runs the rest of its P3 toll lanes, as the contractor that will extend its toll lanes to Maryland. And Maryland’s contract for the rest of the toll lanes will be awarded on a tight schedule that leaves no room for real competition.

Transurban, as the only serious bidder, will be able to set the terms of any contract. The BPW members who approve this procurement will be compelled to accept the terms dictated by Transurban, or suffer the political fallout of killing a project that they made the heart of the state’s transportation program.

Taxpayers will be on the hook

The procurement plan will be amended to provide for “sharing of risks... to provide an offeror confidence that their solution may be implemented.” This opens the door wide to promises of taxpayer money. We were told that the purpose of the P3 is to shift financial risk away from the state. It now turns out that this rushed process creates new financial risks for the state, defeating the purpose of the P3 approach..