

Public Corresp ondence

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School of Management
University of Alaska Fairbanks
201 Bunnell Building • P.O. Box 756080
Fairbanks, Alaska 99775-6080
907 474-7461 • FAX 907 474-5219
www.uaf.edu/som



The Honorable Bert Stedman
Senate Transportation Committee Chair
Alaska State Senate
State Capitol Room 30
Juneau AK, 99801

Dear Chairman Stedman,

I am writing to you because I wrote an editorial for the Fairbanks Daily News-Miner in which I explained some ideas for reducing traffic congestion within Alaskan cities, and the article received some interest from the general public. The idea of reducing traffic congestion is not to gain more government revenue, nor to expand government bureaucracy, rather it is only to simulate Alaska's economy in order to create more jobs which is important seeing as Alaska is currently experiencing a recession.

Stimulating job formation is possible by creating more efficient transportation networks within Alaska's cities. Normally, the more efficient a metropolitan area's transportation network is, the easier it is for businesses to start up and get going and the easier it is for workers to get to businesses giving each business a wider range of potential workers. Since Alaska has to compete with such localities as Seattle, Houston and Edmonton, then the better our transportation system is, the better we can compete with these other cities and regions to attract business and economic growth opportunities. This is not about big government, but about big economies.

The problem with congestion in cities is that it makes workers frustrated over not being able to find reasonably priced housing in close (time) proximity to their work. This causes commuting costs and indirectly business costs to increase. Then businesses react by moving to other less crowded or more efficient cities or cities with better infrastructure. Therefore, cities and states that have the best transportation networks can outcompete the ones with poorer networks and induce greater economic growth.

One idea along these lines is to allow private busses and buss systems to compete with metro and government run bus systems, assuming federal rules allow it. This was done in Poland and the private busses are allowed to post signs at bus stop locations along any road showing their pickup times as an alternative transport option to the metro bus and transport systems. This created greater transportation options and quicker more reliable commuting.

Another option is to have a toll on congested highways and roads during rush hour and other times of congestion, such as during road construction.

The cost of the toll will induce cars to find alternative routes and times to



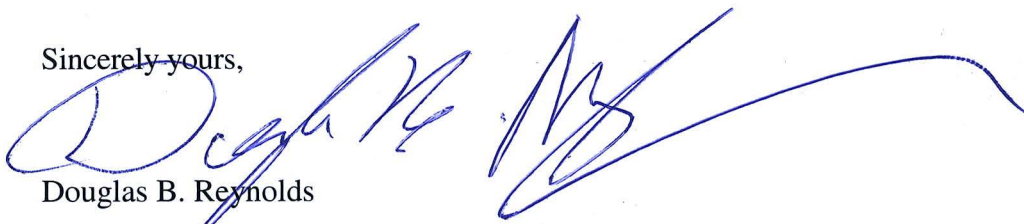
drive. The way to pay for this toll can be by way of a camera system to identify car license plates as Indiana and Kentucky use for paying for a bridge or as London uses to charge a toll to drive in its downtown area. Alternatively, Alaska can set up a toll system with an EZ-pass like toll payment technology. Naturally the information would be kept confidential by Alaska's Department of Transportation & Public Facilities (DOT) so as to reduce the public apprehensions of such a system.

The point of the toll would not be to gain new revenue but to induce less traffic in certain roads at peak usage times. As such the tolls would be as low as 5 cents or 20 cents per time of use, causing drivers to realize that they can save money by finding alternative routes and times or by using alternative transportation options such as busses. The revenue from the tolls would be used to pay for the toll systems, but if extra revenue were to be had it could pay for more roads on congestion points or more transportation options through metropolitan organized busses and other transport technologies. DOT can set this up for all regions in Alaska that are experiencing congestion.

One idea that has not been well vetted to make this work would be to give the Alaska Department of Transportation & Public Facilities Commissioner a bonus above his normal pay where the bonus would be in relation to how much he reduces driving times and how much he reduces bus or other transport option riders' times in Alaskan metro areas. He could be given the bonus based on the estimated value of the reduction in congestion over a five year time span. Since time commuting or other traveling is money and time saved during such travel is money saved by the general public, then the bonus would be a percentage of the estimated time value of money saved in commuting or saved by reducing other congestion bottlenecks. For example the commissioner might receive 20% of the value saved, kind of like how CEOs of major corporations receive stock option bonuses if they make the value of their company's stock go up after about 5 years. Such estimations would be easy to accomplish.

If you need a better explanation of how such a system would work and why it would help Alaska's economy, I can certainly do that. Please do not hesitate to contact me.

Sincerely yours,



Douglas B. Reynolds

Professor of Petroleum and Energy Economics
University of Alaska Fairbanks
Department of Economics
PO Box 756080
Fairbanks, Alaska 99775-6080
Email: DBReynolds@Alaska.Edu
Phone: (907) 474-6531

cc Senate Transportation Committee,
House Transportation Committee,
Governor William Walker,
Alaska DOT Commissioner
Anchorage Chamber of Comm.,
Fairbanks Chamber of Comm.,
Juneau Chamber of Comm., etc.