antee of the State's credit. *General obligation bonds* are backed by the full faith and credit of State, county, or municipality.

Revenue bonds usually carry a higher interest rate than either limited obligation or general obligation bonds because of the greater risk involved. In some cases, a combination of two or more of these financing methods is employed, notably in the financing of the New York Thruway, which is worthy of further comment.

The thruway is a 559-mile toll road running through the principal traffic corridors of New York State, the main trunk connecting New York City with Buffalo. It was begun as a free facility shortly after World War II, but it soon became obvious that it could not be completed for a generation or more from tax resources.

It was decided to make it a toll road and the New York State Thruway Authority was created to finance, build, and operate the facility. It obtained its first financing from short-term notes, comprising a $10 million loan in 1950 and a $60 million loan in 1952. In 1951, the New York electorate authorized the State guarantee of $500 million of thruway authority bonds, which was considered sufficient to cover the cost of the thruway as then contemplated. In 1953 the short-term notes were retired from proceeds of the authority's first issue of State guaranteed bonds.

It became apparent, meanwhile, that rising construction costs and additions to the thruway system would result in a final cost greatly in excess of the authorized $500 million of State guaranteed bonds. In 1954 the legislature granted the authority power to issue revenue bonds to finance completion of the project. The revenue bonds have first claim on thruway income, even over the State guaranteed issues, and this situation held the interest costs on the revenue bonds to a low level.

The Garden State Parkway in New Jersey also was financed largely by State guaranteed bonds. But these cases are the exceptions, rather than the rule. Another unusual feature in both cases is the fact that there are "free" sections on both toll roads where Federal aid was made available. Bond issues, of course, have financed many nontoll highway projects and are continuing to do so, but these are outside the scope of this report.

Total investment in toll facilities

It is difficult to arrive at figures reflecting the value of all toll facilities presently operating in the United States. A survey of the membership of the International Bridge, Tunnel & Turnpike Association, and data gathered from many different sources indicate that the original cost and improvements made for all toll facilities in existence are as tabulated below:

	Investment to date
38 toll roads	$5, 248, 203, 000
Toll bridges	2, 948, 845, 500
Toll tunnels	715, 517, 600
Total	8, 912, 566, 100

If the investment of $290,559,000 for the 20 special purpose toll roads is included, the original investment in all toll facilities is calculated as a little over $9.2 billion. This total does not reflect their present or "replacement" value.