

Bills Implementing Transportation Task Force Report Recommendations

House Bill 2060- Accelerate Turnpike Debt Relief - (Rep. Mizgorski/ Rep. Delozier)

This would help curb the debt obligations of the Pennsylvania Turnpike Commission (PTC). Currently the PTC is debt-financing required payments to PennDOT of \$450 million. These payments are scheduled to transition to a general fund motor vehicle sales and use tax obligation in July 2022.

This legislation would provide relief to the PTC prior to 2022, gradually at a \$150 million per year over a three-year period starting this year and ending in 2022. Currently the legislature is unrestricted in its appropriation of vehicle sales tax revenues. By passing this legislation the General Assembly can assist in curtailing the debt obligations of the PTC by providing money for transportation needs while also creating a spending control measure on the General Fund.

House Bill 2061- End the Diversion from Motor License Fund - (Rep. Culver/ Rep. Gabler)

This would help to incrementally shift funding for the Pennsylvania State Police's operating budget, at the time \$533 million per year, from the Motor License Fund over 10 years, shifting those appropriations to the General Fund in increments of roughly \$50 million per year. These funds are currently being rolled back gradually to a \$500 million cap by 2028 through an amendment to the state's Fiscal Code. This legislation doubles the rate of transfer from 4% to 8% per year allowing the Motor License Fund to be restored faster and more infrastructure projects funded.

House Bill 2062- Study on asphalt vs concrete - (Rep. Delozier)

This would make update old PennDOT contract standards to account for new technological advancements in the concrete industry could yield big savings by driving competition between asphalt and concrete companies.

Massachusetts Institute of Technology state DOT's bid pricing study showed evidence that increasing competition between paving material industries lowers paving costs for both asphalt and concrete jobs and is likely to result in significant savings for state DOT's and taxpayers. Wisconsin had the lowest unit costs for concrete and asphalt pavement thanks to the state's healthy balance of using both industries to improve the quality of the projects.

Reducing material costs is possible through competition; however, there must also be metrics to evaluate the performance of the roads so as not to jeopardize safety or quality. This legislation would serve to conduct a study to see which of the following two options for encouraging competition, Alternate Design/Alternate Bidding or Programmed Selection, would be most suitable for Pennsylvania.

House Bill 2063- Design Build to reduce costs - (Rep. Fritz)

This would authorize PennDOT to increase its use of “design-build” as a construction project delivery system. Design-build is a construction project delivery system where the design and construction aspects are contracted for with a single entity known as the design-builder or design-build contractor. The design-build system minimizes the project risk for the Commonwealth and improves the project delivery time by overlapping the design phase and construction phase of a project. This legislation would allow PennDOT to contract with a private firm to design and build a project based on requirements established by PennDOT. After the project is completed, PennDOT would operate and maintain the facility. The bill also would permit municipalities to create design-build pavement management systems in order to manage a city’s or borough’s entire road system. Such a contract would be adjusted annually for available revenues.

House Bill 2064- County Infrastructure Banks - (Rep. Warner)

This would allow the PA Infrastructure Bank to incentivize and assist counties in creating their own county infrastructure bank. This legislation would allow the PA Infrastructure Bank to offer even better loan terms and rates to counties that have a county infrastructure bank in place. The idea behind having more counties create their own infrastructure bank is to encourage them to leverage their own taxpayer dollars to offer better loan terms to local governments. A county infrastructure bank uses an annual investment to subsidize loans from the PA Infrastructure Bank to local governments and private companies.

The county infrastructure banks would be required to maintain a 30-year infrastructure plan so that the loans offered are invested in projects that help to accomplish the long-term objectives of the infrastructure needs in the county. Many local governments may not have the funds they need to match the dollars provided by other infrastructure improvement funding programs.

Also, they may not have the experience with state and federal funding to be able to navigate their grants or funding programs. The Dauphin County Infrastructure Bank (DCIB) has already proven itself to be successful. Through this approach DCIB was able to leverage nearly \$1 million into \$11 million worth of improvements into the local transportation infrastructure in the first three years of the program.

House Bill 2065 - Expand Public Private Partnership Opportunities - (Rep. White)

Public Private Partnerships leverage private investment, but create innovative ways to complete projects, improving efficiency. They allow private sector managers to handle more projects for PennDOT and local government entities.

An example of this is the Rapid Bridge Replacement project where PennDOT focused on bridges of similar size and design so components could be mass produced resulting in time and cost

savings to taxpayers. The costs and workload were lower so that PennDOT could focus on other important projects.

House Bill 2066 - Ticket revenue allocated toward transportation safety - (Rep. Lawrence)

This legislation would mandate the current allocation of ticket revenue generated from tickets issued by the Pennsylvania State Police would go toward paying for the Pennsylvania State Police.

House Bill 2067 - Philadelphia Casino Revenue - (Rep. White)

This legislation would dedicate any revenue generated from new Philadelphia casinos to mass transit in cities of the first class in order to pay for capital projects.

House Bill 2068 - County Referendums for Transportation Funding - (Rep. Hennessey)

This legislation would enable counties and municipalities to raise revenues needed for public transit and specific infrastructure projects through voter referendum. The bill would provide for local revenue options such as sales tax, earned income tax or local realty transfer tax. Act 89 previously authorized local counties to impose a \$5 additional vehicle registration fee to fund local transportation projects. Many counties have implemented this fee and are seeking additional options to raise funds locally and this legislation would assist them in affording their own infrastructure needs.

House Bill 2069 - Consolidated Permitting for Highway / Large Projects - (Rep. Ecker)

This legislation would allow for a consolidated permitting process for a series of large projects. This would improve efficiencies. For instance, repairing hundreds of roads and/or bridges at once would improve project developments and consolidation would allow PennDOT to manage programs rather than various projects. Expedited permit approval would speed up recommended infrastructure replacement projects.

Resolution for Congress to Request Investment in Transportation Infrastructure - (Rep. Topper)

Without action by U.S. Congress, the Federal Highway Trust Fund, which is used to finance most federal government spending for highways and mass transit, is going to be insolvent in 2023. Fund revenues come from transportation-related excise taxes, primarily federal taxes on gasoline and diesel fuel. In recent years, however, the trust fund has needed significant transfers of general revenues to remain solvent. A resolution formally requesting transportation infrastructure investment is necessary to bring attention to the need for federal dollars.

Resolution to encourage PennDOT to develop a 100-year transportation plan - (Rep. Cutler)

Many large-scale infrastructure projects take years of planning and preparation before they can become viable. A long-term plan will help plan for future growth and allow for additional time to fund long-term goals.