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### **Pennsylvania Bus Association Responds to TROC Report**

“On behalf of the members of the Pennsylvania Bus Association (PBA), I’d like to thank Governor Tom Wolf and PennDOT Secretary Yassmin Gramian for appointing me to represent the PBA on the Transportation Revenue Option Commission (TROC),” Patricia Cowley, PBA Executive Director said. “However, the PBA is disappointed in the final TROC Report that seemingly endorses increases in almost all transportation related taxes and fees without any serious analysis of the cumulative impact that these taxes and fees would have on motorists, particularly commercial motor vehicles like motorcoaches.”

“Instead of proposing a comprehensive transportation funding plan that reflects our needs and balances its impact on Pennsylvanians and our industries, the TROC Report became a list of taxes and fees that will be punted to the General Assembly to consider,” Cowley said. “It was particularly disappointing that the TROC members did not get to vote on the report or any of its funding options.” Funding options include:

#### Road Use Charges

- **Mileage-Based User Fee (MBUF)** – 8.1-cents per-mile on all miles travelled in PA
- **Electric Vehicle (EV) MBUF Pilot**

#### Tolling

- **Corridor Tolling** – Toll Interstates/expressways based on distance traveled along that highway
- **Managed Lanes** (Limited Lane Tolling) – Toll additional lanes on a highway where the traffic is regulated by charging a toll or by encouraging carpooling

#### Redirection of Funding

- **PA State Police Funding** – Eliminate transfers from Motor License Fund to PSP

#### Fees

- **Vehicle Registration Fee** – Increase all vehicle registration fees 100%
- **Electric Vehicle Fee** – Introduce a \$250 fee for EVs and eliminate the Alternative Fuels Tax on EVs
- **Vehicle Lease Fee** – Increase current rate from 3% to 5%
- **Aircraft Registration Fee** – Introduce a \$50 registration fee for all aircraft in PA
- **Transportation Network Company Fee** – Establish a \$1.10 per-trip fee on all TNCs and taxis in PA
- **Vehicle Rental Fee** – Increase current fee per rental from \$2 to \$5
- **Goods Delivery Fee** – Establish a \$1 fee on all deliveries to an end point in PA

#### Taxes

- **Vehicle Sales Tax** – Increase tax from 6% to 8% (PGH and Phil rates would increase from 7% to 9% and from 8% to 10% respectively)
- **Gas Tax** – Index gas tax to inflation
- **Jet Fuel Tax** – Increase tax from 1.5 cents to 4 cents per gallon

Other

- **Ad Valorem (Value-Based) Vehicle Tax** – Tax passenger vehicles annually based on their current value
- **Reduction to Registration Fees with Ad Valorem** – Offset to vehicle registration increases on passenger vehicles with an Ad Valorem tax
- **Elimination of Gas Tax with full MBUF** – Replace most of gas tax proceeds with MBUF in Phase 3

The TROC Report proposes a phased approach with near-, medium-, and long-term proposals to address the most critical shortfalls in funding levels. Specifically, the Report calls for a Mileage Based User Fee (MBUF) in the long-term to fully align revenues with identified needs of \$17.95 billion – requiring an addition \$9.5 billion annually to close the projected gap between revenues and needs. “It raises the question as to whether the public and private sector even have the resources to manage that level of spending each year,” said Cowley.

Of greater concern to PBA is that the bridge tolling proposed under PennDOT’s “Major Bridge P3 Initiative” is separate from the TROC proposal and going forward regardless. “Unless the General Assembly adopts Senator Wayne Langerholc’s (R-Cambria) Senate Bill 382 to create checks and balances on the Public-Private Partnership Board, PennDOT is free to use the P3 process to adopt corridor tolling and managed lanes (limited lane tolling) in high-volume corridors which the TROC Report also identifies for the medium-term,” Cowley said. “Like bridge tolling, these tolling proposals would be done through the P3 board and not by our elected officials.”

PBA recognizes the need for additional transportation funding and will continue to work with the administration and the General Assembly on fair funding proposals that do not disproportionately impact commercial vehicles.

The Pennsylvania Bus Association (<http://pabus.org/>) was founded in 1923 and has functioned without interruption and with an unrelenting commitment to the safety of the traveling public and the economic well-being of its member companies. PBA boasts a well-rounded program of activities for both bus operator and supplier members. Governmental affairs, travel and tourism marketing, education, safety, and communication constitute the major areas of involvement for this, one of the oldest public passenger transportation associations in the United States.

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