THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 953

Session of 2017

INTRODUCED BY GABLER, GILLEN, LONGIETTI, METCALFE, MILLARD, OBERLANDER, THOMAS, WHEELAND AND ZIMMERMAN, MARCH 27, 2017

REFERRED TO COMMITTEE ON TRANSPORTATION, MARCH 27, 2017

AN ACT

- 1 Amending Titles 74 (Transportation) and 75 (Vehicles) of the 2 Pennsylvania Consolidated Statutes, eliminating statutory
- authority to toll Interstate Route 80.
- 4 The General Assembly of the Commonwealth of Pennsylvania
- 5 hereby enacts as follows:
- 6 Section 1. Section 8116(a) introductory paragraph of Title
- 7 74 of the Pennsylvania Consolidated Statutes is amended to read:
- 8 § 8116. Collection and disposition of tolls and other revenue.
- 9 (a) Establishment and changes in toll amounts. -- Subject to
- 10 the terms of any trust indenture entered into by the commission
- 11 or any resolution authorizing the issuance of any bonds, notes
- 12 or other obligations of the commission, the commission is
- 13 authorized to fix and to revise tolls for the use of the
- 14 Pennsylvania Turnpike System and the different parts or sections
- 15 of the system, including the turnpike, the turnpike extensions
- 16 and improvements and the toll road conversions authorized by
- 17 this chapter. The commission is further authorized to charge and
- 18 collect tolls; to contract with any person, partnership,

- 1 association or corporation desiring the use of any part thereof,
- 2 including the right-of-way adjoining the paved portion, for
- 3 placing thereon telephone, telegraph, electric light or power
- 4 lines, gas stations, garages, stores, hotels, restaurants and
- 5 advertising signs or for any other purpose, except [for service
- 6 plazas in the right-of-way along Interstate 80 and] for tracks
- 7 for railroad or railway use; and to fix the terms, conditions,
- 8 rents and rates of charges for use. Tolls shall be fixed and
- 9 adjusted as to provide funds at least sufficient with other
- 10 revenues of the Pennsylvania Turnpike System, if any, to pay all
- 11 of the following:
- 12 * * *
- 13 Section 2. Section 8915 introductory paragraph of Title 75
- 14 is amended to read:
- 15 § 8915. Conversion to toll roads.
- 16 In order to facilitate vehicular traffic within and across
- 17 this Commonwealth, and to facilitate the completion of the
- 18 turnpike extensions and improvements authorized in section 8911
- 19 (relating to improvement and extension authorizations), and
- 20 subject to [prior legislative] State legislation enacted after
- 21 April 30, 2017, and approval by [the General Assembly and] the
- 22 United States Congress, the commission is hereby authorized and
- 23 empowered to convert to toll roads such portions of
- 24 Pennsylvania's interstate highway system as may facilitate the
- 25 completion of the turnpike extensions and improvements
- 26 authorized in sections 8912 (relating to subsequent extension
- 27 authorizations), 8913 (relating to additional subsequent
- 28 extension authorizations) and 8914 (relating to further
- 29 subsequent authorizations) and to operate and maintain such
- 30 converted interstates as toll roads upon the approval by the

- 1 Congress of the United States of America and the General
- 2 Assembly of this Commonwealth of legislation expressly
- 3 permitting the conversion of such interstates to toll roads.
- 4 Such conversions shall take place at a time and manner set forth
- 5 in the plan for the conversion prepared by the commission with
- 6 the cooperation of the department. The provisions authorizing
- 7 the commission to construct, operate and maintain the turnpike
- 8 routes in sections 8911, 8912 and 8913 shall be subject to:
- 9 * * *
- 10 Section 3. Sections 8915.1, 8915.2 and 8915.3 of Title 75
- 11 are repealed:
- 12 [§ 8915.1. Conversion of Interstate 80.
- 13 In order to facilitate vehicular traffic across this
- 14 Commonwealth, the commission is authorized and empowered to do
- 15 all of the following:
- 16 (1) Convert Interstate 80 to a toll road and maintain
- and operate it as a toll road.
- 18 (2) Construct, reconstruct, widen, expand, extend,
- maintain and operate Interstate 80 from a point at or near
- the Ohio border to a point at or near the New Jersey border,
- 21 together with connecting roads, interchanges, slip ramps,
- tunnels and bridges.
- 23 (3) Issue turnpike revenue bonds, notes or other
- obligations, payable solely from revenues of the commission,
- 25 including tolls, or from funds as may be available to the
- commission for that purpose, to pay the cost of constructing,
- 27 reconstructing, widening, expanding or extending Interstate
- 80 or any other costs of Interstate 80 and the Pennsylvania
- 29 Turnpike.
- 30 (4) Provide quarterly reports and periodic updates

- 1 regarding significant developments with respect to the
- 2 conversion of Interstate 80 to the chairman and minority
- 3 chairman of the Transportation Committee of the Senate and
- 4 the chairman and minority chairman of the Transportation
- 5 Committee of the House of Representatives. These reports
- 6 shall include, at a minimum, the status of outstanding
- discussions with the United States Department of
- 8 Transportation regarding Interstate 80, the location and
- 9 construction of tolling-related equipment for Interstate 80,
- 10 planned capital improvements for Interstate 80 and other
- 11 information important to implementation of this section.
- 12 § 8915.2. Application to United States Department of
- 13 Transportation.
- 14 (a) Application. -- The commission, in consultation with the
- 15 department and at its own expense, is authorized to prepare and
- 16 submit an application to the United States Department of
- 17 Transportation for the conversion of Interstate 80 to a toll
- 18 road. The secretary shall ensure that all information required
- 19 for the application is made available to the commission as soon
- 20 as practicable after the effective date of this section.
- 21 (b) Open system.--A toll system shall consist of what is
- 22 commonly referred to as an open system with no more than ten
- 23 toll collection points.
- 24 (c) Other agreements. -- The commission and the department may
- 25 enter into any other agreements as may be necessary to
- 26 effectuate the execution of the application filed under this
- 27 section.
- 28 § 8915.3. Lease of Interstate 80; related agreements.
- 29 The department and the commission shall enter into a lease
- 30 agreement relating to Interstate 80 prior to October 15, 2007.

- 1 The lease agreement shall include provisions setting forth the
- 2 terms and conditions of the conversion of Interstate 80 to a
- 3 toll road. The lease agreement and any related agreement, at a
- 4 minimum, shall include the following:
- 5 (1) A provision that the term of the lease agreement
- 6 shall be 50 years, unless extended upon mutual agreement of
- 7 the parties to the lease agreement and upon approval of the
- 8 General Assembly.
- 9 (2) A provision establishing the conversion period and
- 10 authorizing extension of the conversion period at the sole
- option of the commission for three one-year extension periods
- 12 after consultation with the secretary. The commission shall
- notify the secretary of its intent to extend the conversion
- 14 period not less than 90 days before the scheduled expiration
- of the conversion period. During the conversion period, all
- legal, financial and operational responsibility for
- 17 Interstate 80 shall remain with the department. All
- 18 operations and programmed rehabilitation shall be maintained
- 19 at levels no less favorable than those set forth in the
- department's 12-year plan at the time of the execution of the
- 21 lease, with modifications as are approved in writing by the
- 22 chairman of the commission.
- 23 (3) A provision permitting the commission to exercise
- 24 its option to convert Interstate 80 to a toll road prior to
- 25 the expiration of the conversion period by providing the
- 26 conversion notice to the secretary. Beginning on the
- 27 conversion date, all legal, financial and operational
- responsibility for Interstate 80, as well as all toll
- 29 revenues subsequently collected with respect to its use,
- 30 shall automatically transfer to the commission. The

- secretary, within five business days after receiving the conversion notice, shall forward notice of the conversion date to the Legislative Reference Bureau for publication in the Pennsylvania Bulletin. Any revenues collected prior to the conversion date shall be retained by the department. The commission may contract with the department for any portion of the maintenance of Interstate 80 at cost levels agreed to by the department and the commission.
 - (4) A provision requiring the commission to pay annual base payments to the department during the term of the lease agreement.
 - (5) A provision requiring the commission to pay annual additional payments to the department. The annual additional payments shall be payable in four equal installments on the last business day of each July, October, January and April of each year during the term of the lease agreement.
 - (6) A provision requiring the commission to pay, commencing in the fiscal year including the conversion date, annual surplus payments to the department. The annual surplus payments shall be payable by the commission within 30 days of receipt by the commission of the Auditor General's certificate.
 - (7) A provision stating that the obligation of the commission to pay the annual base payments, the annual additional payments and annual surplus payments shall be a subordinate obligation of the commission payable from amounts in the general reserve fund of the commission only as permitted by any financing documents, financial covenants, liquidity policies or agreements in effect at the commission.

- 1 Section 4. Section 8915.5(2) of Title 75 is amended to read:
- 2 § 8915.5. Other interstate highways.
- 3 In order to facilitate vehicular traffic across this
- 4 Commonwealth and pursuant to the authority granted under this
- 5 chapter, the commission is hereby authorized and empowered to:
- 6 * * *
- 7 (2) <u>upon enactment of State legislation after April 30,</u>
- 8 2017_{r} at its own expense and in consultation with the
- 9 department [and with approval of the General Assembly],
- 10 prepare and submit an application to the United States
- 11 Department of Transportation for the conversion of any
- interstate or interstate segment determined to be eligible
- for conversion to a toll road under any applicable Federal
- 14 program.
- 15 Section 5. Section 8915.7 of Title 75 is repealed:
- 16 [§ 8915.7. Impact on associated highways and local roads.
- 17 Prior to the conversion date and within one year following
- 18 the conversion date, the commission, in collaboration with the
- 19 department, shall conduct traffic studies to determine the
- 20 average daily traffic on associated roads and highways. The
- 21 purpose of these studies will be to quantify any diversion of
- 22 traffic from Interstate 80 to other roadways as a result of the
- 23 conversion. This section shall not require duplication of
- 24 traffic studies undertaken by the commission as a part of the
- 25 conversion process or undertaken by the department as a normal
- 26 course of the department's operations.]
- 27 Section 6. This act shall take effect immediately.