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Pennsylvania's Transportation Infrastructure – Will We All Pay?

By Barbara A. Darkes

For the most part, we all want to drive on well-maintained roads that get us to our destination as efficiently and safely as possible. Take me, for example. Every Monday through Friday I drive from my home in Lebanon to work in Harrisburg. I certainly want to complete that drive safely, but I also like to do so in the shortest time possible. I have many alternative routes available, but I realized about seven years ago that the quickest route to work for me is using the Pennsylvania Turnpike from the Lebanon/Lancaster interchange to the Harrisburg East interchange. Generally, this cuts my trip down by about fifteen minutes each way. That may not seem like a lot per day, but over the course of one year, that saves me 130 hours. It also costs me. As you know, our regular vehicle registration fee does not cover us on the Turnpike. When I first began using the Turnpike daily in 2003, it cost me \$.90 each way. Today, it costs me \$1.65 each way. Yes, if I use the Turnpike five days per week both ways to work, that's an extra \$858 per year in highway fees. When I was paying \$.90 per use, the cost did not seem like that much. As it has continued to increase, I have gotten a bit more conservative, typically using the Turnpike only one way per day, thus keeping my costs for this at about the same level it was in 2003.

Like me, many people and companies have found ways to save on, or at least stabilize, transportation costs. Examples include telecommuting, working four ten-hour days instead of five eight-hour days, car pooling, taking public transportation, using vehicles with higher fuel efficiency, practicing more fuel efficient driving habits, etc. All of these individual cost savings effect the money available to improve our transportation infrastructure.

In what was called an effort to assist in funding transportation infrastructure efforts, in 2007, Act 44, which would allow the tolling of other interstate

highways (if approved by the United States Department of Transportation), was passed and signed into law. Act 44 required the Pennsylvania Turnpike Commission and PennDOT to enter into a lease agreement prior to October 15, 2007, in which the Pennsylvania Turnpike Commission would lease Interstate 80 ("I-80") from PennDOT. That lease was entered into October 14, 2007, and required the Pennsylvania Turnpike Commission to make annual base payments and annual additional payments to PennDOT even though the United States Department of Transportation had not approved the conversion of I-80 to a toll road. Since the enactment of Act 44, two applications for the conversion of I-80 to a toll road were sent to the United States Department of Transportation for approval. Both were rejected.

On the heels of receiving notice in April 2010 from the United States Department of Transportation that Pennsylvania's second application to toll I-80 had been rejected, Governor Rendell called for a Special Session of the Legislature. A 1967 amendment to the Pennsylvania Constitution permits the Governor to call a Special Session of the Legislature "whenever in his opinion the public interest requires" or "on petition of a majority of the members elected to each house." Pennsylvania Constitution, Article II, §4. This Special Session focusing on transportation needs for the Commonwealth of Pennsylvania is the 40th Special Session since 1967 and the third during Governor Rendell's time in office.

When addressing the General Assembly on May 4, 2010, Governor Rendell noted that the rejection of the application to toll I-80 created a deficit of \$472 million in the Commonwealth's 2010-2011 budget and a \$60 billion deficit over the 46 year life of Act 44 of 2007. He also outlined four options for the General Assembly to consider during the Special Session:

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- Identify alternatives to make up the \$472 million deficit for the next two fiscal years and delay dealing with the longer term effects.
- Identify alternatives to make up the entire deficit of Act 44 of 2007.
- Collaborate to find sufficient revenue to fully repair and improve the transportation system.
- Take no action.

Since the start of the Special Session, three bills have been introduced in the House. Special Session House Bill 1 would allow video gaming at restaurants, bars, taverns, hotels and clubs that have valid liquor licenses. So you might ask what that has to do with transportation infrastructure, which is to be the only focus of this Special Session? Well, the bill provides that 38% of net profits from video gaming must go into an account in the State Treasury and that any amount in excess of \$2,000,000 at the end of each fiscal year is to be distributed to PennDOT for highway maintenance and projects. Special Session House Bill 2 would provide for gateway tolls, meaning that vehicles being operated on interstate highways would pay a toll when exiting and entering Pennsylvania. The initial toll would be set at \$1 per noncommercial vehicle and \$5 per commercial vehicle. The revenue raised would be used to administer the tolling, for maintenance of interstate highways and for mass transit funding. Special Session House Bill 3 would expand sales tax charges to many other items. This bill anticipates that five hundred billion dollars per year would be transferred to the Highway and Bridge Enhancement Fund. All of these bills are currently being considered in the Appropriations and/or Transportation Committees. To keep track of the status of these bills as well as all legislation introduced during the Special Session, go to www.legis.state.pa.us/cfdocs/legis/home/session.cfm.

A 118 page Transportation Funding Study Final Report was issued by the Pennsylvania State Transportation Advisory Committee in May 2010. This comprehensive report considers the future of Pennsylvania's highways and bridges as well as transit needs, pavement conditions, congestion and safety, with a goal to consider current funding and realistic alternatives for the future. Existing and additional sources for funding are discussed, including state sales tax on fuel and vehicles, tolling, real estate transfer tax, vehicle lease and vehicle rental tax, tire tax, Marcellus Shale extraction fee, increasing or indexing the motor fuel tax, oil company franchise tax, increasing or expanding vehicle registration fees, increasing driver license and title fees, imposing vehicle miles traveled fees and terminating funding of the PA State Police from the motor license fund. The ultimate recommendations in the report include stabilizing the transportation system by generating new revenue and creating a funding framework to sustain the transportation system. The full report can be found at <ftp://ftp.dot.state.pa.us/public/bureaus/Press/TACFullReport.pdf>

How Pennsylvania's transportation infrastructure expenses will be resolved in the short or long term remains a question. Undeniably, however, these matters are at the forefront of many minds and need attention in immediate and distant future. I suspect that in the end, whether directly or indirectly, we will all be contributing to this ongoing and ever-developing effort. ■



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