

## AMENDMENTS TO HOUSE BILL NO. 1590

Sponsor: REPRESENTATIVE REICHLEY

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1 Amend Title, page 1, line 5, by removing the period after

2 "highways" and inserting

3 ; repealing provisions relating to public transportation  
4 assistance; providing for transportation issues and for  
5 sustainable mobility options; consolidating the Turnpike  
6 Organization, Extension and Toll Road Conversion Act and further  
7 providing for the Pennsylvania Turnpike Commission; in  
8 provisions on the Pennsylvania Turnpike, further providing for  
9 definitions, for authorizations and for conversion to toll roads  
10 and providing for conversion of Interstate 80 and Interstate 95,  
11 for application and for lease of Interstate 80 and other  
12 interstates; in taxes for highway maintenance and construction,  
13 providing for definitions; further providing for imposition and  
14 for allocation of proceeds; providing for special revenue bonds,  
15 for expenses, for application of proceeds of obligations, for  
16 trust indenture, for exemption, for pledged revenues, for  
17 special revenue refunding bonds, for remedies, for Motor License  
18 Fund proceeds, for construction and for funding; providing for  
19 regional intermodal transit authority study commissions; and  
20 making related repeals.

21 Amend Sec. 2, page 68, line 26, by striking out "a chapter"

22 and inserting

23 chapters

24 Amend Sec. 2 (Chapter Heading), page 68, line 28, by striking

25 out all of said line and inserting

26 TRANSPORTATION ISSUES

27 Amend Bill, page 69, by inserting between lines 9 and 10

28 CHAPTER 15

29 SUSTAINABLE MOBILITY OPTIONS

30 Sec.

31 1501. Scope of chapter.

32 1502. (Reserved).

33 1503. Definitions.

34 1504. Program authorization.

1 1505. Regulations.  
2 1506. Fund.  
3 1507. Application and approval process.  
4 1508. Federal funding.  
5 1509. Limitation on decisions, findings and regulations of  
6 department.  
7 1510. Program oversight and administration.  
8 1511. Report to Governor and General Assembly.  
9 1512. Coordination.  
10 1513. Operating programs.  
11 1514. Asset improvement program.  
12 1515. New initiatives program.  
13 1516. Programs of Statewide significance.  
14 1517. Program oversight and administration.  
15 1518. Retroactive authority.  
16 1519. Supplemental revenues to Public Transportation Trust  
17 Fund.  
18 § 1501. Scope of chapter.  
19 This chapter relates to sustainable mobility options.  
20 § 1502. (Reserved).  
21 § 1503. Definitions.  
22 The following words and phrases when used in this chapter  
23 shall have the meanings given to them in this section unless the  
24 context clearly indicates otherwise:  
25 "Access to jobs project." A project relating to the  
26 development and maintenance of transportation services designed  
27 to transport welfare recipients and eligible low-income  
28 individuals to and from jobs and activities related to their  
29 employment as defined under 49 U.S.C. § 5316 (relating to job  
30 access and reverse commute formula grants).  
31 "Americans with Disabilities Act." The Americans with  
32 Disabilities Act of 1990 (Public Law 101-336, 104 Stat. 327).  
33 "Asset maintenance costs." All vehicle maintenance expenses,  
34 nonvehicle maintenance and materials expenses and the cost of  
35 supplies used in the operation of local transportation  
36 organizations and transportation companies.  
37 "Award recipient." A recipient of financial assistance under  
38 this chapter.  
39 "Capital expenditures." All costs of capital projects,  
40 including, but not limited to, the costs of acquisition,  
41 construction, installation, start-up of operations, improvements  
42 and all work and materials incident thereto.  
43 "Capital project."  
44 (1) A system of public passenger transportation,  
45 including rail transportation facilities used for public  
46 passenger transportation, which facilities may include the  
47 following:  
48 (i) railway, street railway, subway, elevated and  
49 monorail passenger or passenger and rail rolling stock,  
50 including self-propelled and gallery cars, locomotives,  
51 passenger buses and wires, poles and equipment for the  
52 electrification of any of such rails, tracks and  
53 roadbeds, guideways, elevated structures, buildings,  
54 stations, terminals, docks, shelters and parking areas  
55 for use in connection with the rail transportation  
56 systems, interconnecting lines and tunnels to provide  
57 passenger or passenger and rail service connections  
58 between transportation systems, transportation routes,  
59 corridors and rights-of-way therefor, but not for public

1 highways;

2 (ii) signal and communication systems necessary or  
3 desirable for the construction, operation or improvement  
4 of a public passenger system; or

5 (iii) any improvement or overhaul of any vehicle  
6 equipment or furnishings of any of the items specified  
7 under subparagraphs (i) and (ii) or any part or  
8 fractional and undivided co-ownership or leasehold  
9 interest in any one or combination of any of the items  
10 specified under subparagraphs (i) and (ii) that may be  
11 designated as a capital project by the Secretary of  
12 Transportation award recipient.

13 (2) The term shall include the acquisition of land  
14 necessary for the construction of a new project and debt  
15 service and the cost of issuance of bond notes and other  
16 evidences of indebtedness which a local transportation  
17 organization or transportation company is permitted to issue  
18 under any law of this Commonwealth.

19 "Commonwealth capital bonds." Evidence of debt incurred by  
20 the Commonwealth under the act of February 9, 1999 (P.L.1,  
21 No.1), known as the Capital Facilities Debt Enabling Act.

22 "Community transportation service" or "shared ride service."  
23 Door-to-door demand transportation that is available to the  
24 general public on a nonexclusive basis, operates on a nonfixed  
25 route basis and charges a fare to all riders. The term does not  
26 include exclusive ride taxi service, charter and sightseeing  
27 service, nonpublic transportation, school bus and limousine  
28 service.

29 "Community transportation system." An entity that provides  
30 community transportation service and contracts with the  
31 Department of Transportation to an award recipient to receive  
32 revenue replacement funds.

33 "Department." The Department of Transportation of the  
34 Commonwealth.

35 "Financial assistance." Grants or other types of financial  
36 support provided by the Department of Transportation to an award  
37 recipient under this chapter.

38 "Fixed guideway system." A fixed-route public transportation  
39 service that uses and occupies a separate right-of-way or rail  
40 line for the exclusive use of public transportation and other  
41 high occupancy vehicles or uses a fixed catenary system and a  
42 right-of-way usable by other forms of transportation. The term  
43 includes paired rail, light rail, commuter rail, automated  
44 guideway transit, people movers, ferry boat service and fixed  
45 guideway facilities for buses such as bus rapid transit and high  
46 occupancy vehicles.

47 "Fixed-route public transportation service." Regularly  
48 scheduled general public transportation that is provided  
49 according to published schedules along designated routes, but  
50 that allows for route deviation within the published schedule,  
51 with specified stopping points for the taking on and discharging  
52 of passengers, including public bus and commuter rail systems  
53 and other department-approved service. The term does not include  
54 exclusive ride taxi service, charter or sightseeing service,  
55 nonpublic transportation, school bus and limousine service.

56 "Fund." The Public Transportation Trust Fund established  
57 under section 1506 (relating to Public Transportation Trust  
58 Fund).

59 "Inflation index." The percentage change in the Consumer

Price Index for All Urban Consumers (CPI-U) for the Pennsylvania, New Jersey, Delaware and Maryland area for the most recent ended calendar year for which figures have been officially reported by the United States Department of Labor, Bureau of Labor Statistics.

"Intercity bus service." Passenger bus service of 35 miles or more in length that is provided with an over the road bus and operated between two noncontiguous urbanized areas, between an urbanized area located in one county and rural communities located in another county or between rural communities located in different counties and contains all of the following elements:

(1) Service that is operated for a fare on a regularly scheduled fixed-route basis.

(2) Service that is offered to and utilized by the general public without preconditions of advance reservation or membership in a particular organization.

"Intercity passenger rail service." Passenger railroad service that connects two or more urbanized areas and is determined by the Department of Transportation to qualify as intercity service rather than commuter rail service.

"Jobs access/reverse commute project." A project funded by the Federal Transit Administration under Federal law.

"Local transportation organization." Any of the following:

(1) A political subdivision or a public transportation port or redevelopment authority organized under the laws of this Commonwealth or pursuant to an interstate compact or otherwise empowered to render, contract for the rendering or assist in the rendering of transportation service in a limited area in this Commonwealth, even though it may also render or assist in rendering transportation service in adjacent states.

(2) A nonprofit association that directly or indirectly provides public transportation service.

(3) A nonprofit association of public transportation providers operating within this Commonwealth.

"Materials and supplies." Those categories of expenses as specified in Uniform System of Accounts expense object class 504, National Transit Database operating expenses form F 30, National Transit Database, Final Rule, Federal Transit Administration, dated January 15, 1993, or any successor.

"Municipality." A city, borough, incorporated town or township.

"New fixed guideway system." A newly constructed fixed guideway system in a corridor or alignment where no such system previously existed.

"New freedom program." A public transportation program designed to provide funds to recipients for new public transportation services and public transportation alternatives beyond those required by the Americans with Disabilities Act of 1990 (Public Law 101-336, 104 Stat. 327) that assist individuals with disabilities with transportation, including transportation to and from jobs and employment support services administered under the provisions of 49 U.S.C. § 5317 (relating to new freedom program.)

"New start." The term shall have the same meaning given it in 49 CFR § 611.5 (relating to definitions).

"Nonurbanized area." An area within this Commonwealth that does not fall within an area classified as "urbanized" by the

1 United States Bureau of the Census of the United States  
2 Department of Commerce in the most recent Census of Population.  
3 "Nonvehicle maintenance expenses." The categories of costs  
4 associated with the inspection, maintenance and repair of  
5 assets, other than vehicles, as specified in Uniform System of  
6 Accounts, expense function 042, National Transit Database  
7 operating expenses form, F 30, National Transit Database, Final  
8 Rule, Federal Transit Administration, dated January 15, 1993, or  
9 any successor.

10 "Operating expenses." Total expenses required to continue  
11 service to the public and to permit needed improvements in  
12 service which are not self-supporting and otherwise for any  
13 purpose in furtherance of public passenger transportation,  
14 including all State asset maintenance costs. The term does not  
15 include expenditures for capital projects unless specific  
16 approval is provided by the Department of Transportation award  
17 recipient.

18 "Operating revenue." The total revenue earned by a local  
19 transportation organization or a transportation company through  
20 its transit operations. The term includes all of the following:

21 (1) Passenger fares.

22 (2) Reimbursements provided in lieu of fares for senior  
23 passengers.

24 (3) Charter, school bus and advertising revenue.

25 (4) Other miscellaneous revenue such as public and  
26 private route guarantee funds.

27 "Paratransit service." Transit service operating on a  
28 nonfixed-route basis in order to provide complementary  
29 transportation service to persons who are functionally unable to  
30 use fixed-route transportation, as required by the Americans  
31 with Disabilities Act of 1990 (Public Law 101-336, 104 Stat.  
32 327).

33 "Passengers." The total of all originating passengers plus  
34 transfer passengers carried on fixed-route service and  
35 paratransit service.

36 "Public passenger transportation." Transportation within an  
37 area that includes a municipality or other built-up place that  
38 is appropriate in the judgment of the Department of  
39 Transportation award recipient for a common carrier  
40 transportation system to serve commuters or others in the  
41 locality, taking into consideration the local patterns and  
42 trends of growth by bus or rail or other conveyance, either  
43 publicly or privately owned, serving the general public. The  
44 term does not include school buses, charter or sightseeing  
45 services.

46 "Revenue replacement funds." Payments made to local  
47 transportation organizations and transportation companies to  
48 offset or partially offset discounted fares.

49 "Revenue vehicle hours." The total amount of time calculated  
50 in hours during which vehicles are in service and available for  
51 public use in fixed-route service or paratransit service. The  
52 term does not include revenue hours provided for fixed route  
53 service deadhead hours.

54 "Revenue vehicle miles." The total amount of distance  
55 calculated in miles during which vehicles are in service and  
56 available for public use in fixed-route service or paratransit  
57 service. The term does not include revenue vehicle miles  
58 provided for fixed-route service deadhead miles.

59 "Reverse commute project." A public transportation project

1 designed to transport residents of urbanized and nonurbanized  
2 areas to suburban employment opportunities as defined under 49  
3 U.S.C. § 5316 (relating to job access and reverse commute  
4 formula grants).

5 "Secretary." The Secretary of Transportation of the  
6 Commonwealth.

7 "Senior citizen." A person who is at least 65 years of age.

8 "Senior passenger." A senior citizen who rides on fixed  
9 route service.

10 "Tax Reform Code." The act of March 4, 1971 (P.L.6, No.2),  
11 known as the Tax Reform Code of 1971.

12 "Transportation company." A person that renders public  
13 passenger transportation service.

14 "Urbanized area." A portion of this Commonwealth classified  
15 as urbanized by the United States Bureau of the Census of the  
16 United States Department of Commerce in the most recent Census  
17 of Population.

18 "Vehicle maintenance expenses." The categories of costs  
19 associated with the inspection, maintenance and repair of  
20 vehicles as specified in Uniform System of Accounts, expense  
21 function 041, National Transit Database operating expenses form  
22 F 30, National Transit Database, Final Rule, Federal Transit  
23 Administration, dated January 15, 1993, or any successor.

24 "Welfare-to-work." Any Federal or State program designed to  
25 move individuals from dependency on public welfare programs to  
26 self-sufficiency through paid work. Programs may include those  
27 that provide support for transportation to work and those that  
28 provide funds to local transportation organizations to provide  
29 services.

30 § 1504. Program authorization.

31 (a) General.--The department may, within the limitations  
32 provided in this chapter, incur costs directly or otherwise  
33 provide financial assistance for the purposes and activities  
34 enumerated in this chapter.

35 (b) Supplementation of Federal and local funds.--The  
36 authority conferred on the department by this section includes,  
37 but is not limited to, providing financial assistance for public  
38 passenger transportation purposes and to supplement Federal  
39 funding, local funding, or both.

40 § 1505. Regulations.

41 (a) General rule.--To effectuate and enforce the provisions  
42 of this chapter, the department shall promulgate necessary rules  
43 and regulations and prescribe conditions and procedures in order  
44 to assure compliance in carrying out the purposes for which  
45 grants may be made under this chapter.

46 (b) Temporary regulations.--During the two-year period  
47 following the effective date of this section, the department  
48 shall promulgate temporary regulations, which regulations shall  
49 be exempt from the following:

50 (1) The act of October 15, 1980 (P.L.950, No.164), known  
51 as the Commonwealth Attorneys Act.

52 (2) Section 205 of the act of July 31, 1968 (P.L.769,  
53 No.240), referred to as the Commonwealth Documents Law.

54 (3) The act of June 25, 1982 (P.L.633, No.181), known as  
55 the Regulatory Review Act.

56 Temporary regulations promulgated by the department under this  
57 subsection shall expire four years following the effective date  
58 of this section.

59 § 1506. Fund.

1     (a) Establishment and deposits.--A special fund is  
2 established within the State Treasury to be known as the Public  
3 Transportation Trust Fund. The following shall be deposited into  
4 the fund annually:

5         (1) "Scheduled annual commission contribution" as  
6 defined in 75 Pa.C.S. § 8901 (relating to definitions).

7         (2) The amounts made available to the department as an  
8 executive authorization and an appropriation for the 2007-  
9 2008 fiscal year and each fiscal year thereafter from the  
10 State Lottery Fund for the Free Transit Program for Senior  
11 Citizens established under the act of August 26, 1971  
12 (P.L.351, No.91), known as the State Lottery Law. These  
13 revenues shall be used to provide free public transportation  
14 service to senior citizens when passage is on fixed-route  
15 public transportation services, as authorized by Chapter 9 of  
16 the State Lottery Law and the free service shall be available  
17 to senior citizens at any time during the service provider's  
18 regular hours of service. With regard to passage on commuter  
19 rail service provided to senior citizens, the fare shall  
20 continue to be limited to \$1 per trip as provided under  
21 Chapter 9 of the State Lottery Law, but the limitation shall  
22 be extended to all hours of commuter rail service.

23         (3) Commencing July 1, 2007, 1.22% of the money  
24 collected from the tax imposed under Article II of the Tax  
25 Reform Code, up to a maximum of \$75,000,000.

26         (4) Commencing July 1, 2007, revenues deposited into the  
27 Public Transportation Assistance Fund established under  
28 Article XXIII of the Tax Reform Code to be used in accordance  
29 with subsection (b).

30         (5) Any other appropriations to the fund.

31 (b) Use of revenues.--

32         (1) Money in the fund shall be used by the department to  
33 provide financial assistance to local transportation  
34 organizations, transportation companies and agencies and  
35 instrumentalities of the Commonwealth under this chapter, for  
36 costs incurred directly by the department in the  
37 administration of public passenger transportation programs,  
38 including under this chapter, and for all other purposes  
39 enumerated in this chapter.

40         (2) Money in the fund is appropriated on a continuing  
41 basis, upon approval of the Governor, to the department to be  
42 used as provided in this chapter. Money in the fund shall not  
43 lapse.

44 (c) Programs.--The fund is authorized to provide the  
45 following:

46         (1) Financial assistance related to operating expenses  
47 to be known as the "operating program." An amount not less  
48 than 61% of the fund shall be allocated to this program in  
49 the first fiscal year following the effective date of this  
50 section. Money in the fund allocated to the operating program  
51 shall not be increased by more than the inflation index in  
52 any year.

53         (2) Financial assistance for improvements to capital  
54 assets, replacement of capital assets and expansion of  
55 capital assets to be known as the "asset improvement  
56 program." An amount not less than 31% of the fund shall be  
57 allocated to this program in the first fiscal year following  
58 the effective date of this section. Money in the fund for  
59 this program may include proceeds of Commonwealth capital

1 bonds.

2 (3) Financial assistance to fund the local matching  
3 requirements on federally approved capital new start projects  
4 funded by the United States Department of Transportation  
5 pursuant to 49 U.S.C. § 5309 (relating to capital investment  
6 grants and loans), to be known as the "new initiatives  
7 program." An amount not greater than 4% of the fund shall be  
8 allocated to this program in the first fiscal year following  
9 the effective date of this section.

10 (4) Financial assistance related to programs of  
11 Statewide significance as described in section 1516 (relating  
12 to programs of Statewide significance) to be known as  
13 "programs of Statewide significance program." An amount not  
14 less than 4% of the fund shall be allocated to this program  
15 in the first fiscal year following the effective date of this  
16 section.

17 § 1507. Application and approval process.

18 (a) Application.--An eligible applicant that wishes to  
19 receive financial assistance under this chapter shall submit a  
20 written application to the department, on a form developed by  
21 the department, which shall include the following:

22 (1) The name and address of the applicant.

23 (2) The name and telephone number of a contact person  
24 for the applicant.

25 (3) The amount and type of financial assistance  
26 requested and the proposed use of the funds.

27 (4) A statement as to the particular need for the  
28 financial assistance.

29 (5) A certified copy of a current resolution authorizing  
30 submission of the application if the applicant is a governing  
31 body.

32 (6) Evidence satisfactory to the department of the  
33 commitment for matching funds required under this chapter  
34 sufficient to match the projected financial assistance  
35 payments at the same times that the financial assistance  
36 payments are to be provided.

37 (7) Any other information the department deems necessary  
38 or desirable.

39 (b) Approval and award.--Upon determining that an applicant  
40 has complied with this chapter, applicable rules and regulations  
41 and any other requirement with respect to the financial  
42 assistance requested, the department may award financial  
43 assistance to the applicant, in which case the department and  
44 the applicant shall enter into a financial assistance agreement  
45 setting forth the terms and conditions upon which the financial  
46 assistance shall be used and the timing of payment of the funds.

47 (c) Restriction on use of funds.--Financial assistance under  
48 this chapter shall be used only for activities authorized  
49 originally unless the department grants a waiver to the grantee  
50 for a different use of the funds. The department's regulations  
51 shall describe circumstances under which it will consider the  
52 waivers and information to be included in a request for a  
53 waiver. The maximum duration of a waiver shall be one year, and  
54 a request for a waiver shall include a plan of corrective action  
55 to demonstrate that the award recipient does not have an ongoing  
56 need to use financial assistance funds for activities other than  
57 those for which funds were originally awarded.

58 § 1508. Federal funding.

59 (a) General rule.--The department shall administer the



1 program in this chapter with such flexibility as to permit full  
2 cooperation between Federal, State and local governments,  
3 agencies and instrumentalities, local transportation  
4 organizations and private interests, so as to result in as  
5 effective and economical a program as possible.

6 (b) Agreements.--The department may enter into agreements  
7 for mutual cooperation between or among the department and a  
8 Federal agency, local transportation organization or  
9 transportation company concerning a project to be funded with  
10 financial assistance under this chapter, including joint  
11 applications for Federal grants.

12 (c) General authority of department.--The department may do  
13 anything necessary or desirable to secure financial aid or  
14 cooperation of a Federal agency in a project funded with  
15 financial assistance under this chapter and to comply with a  
16 Federal statute or lawful requirement of a Federal agency  
17 authorized to administer a program of Federal aid to  
18 transportation. The department may enter into a protective  
19 agreement with organized labor to the extent required under 49  
20 U.S.C. § 5333 (relating to labor standards) in order to obtain  
21 Federal grant money for transportation assistance. Protective  
22 agreements shall be narrowly drawn and strictly construed to  
23 provide no more than the minimum protections required by the  
24 United States Department of Labor for the agreements.

25 (d) Direct recipients.--Local transportation organizations  
26 that are direct recipients of Federal funding shall be under no  
27 obligation to enter into contracts with the department for  
28 expenditure of those funds, except that the department may  
29 require a contract for expenditure of the State portion of the  
30 project assisted by those Federal funds.

31 § 1509. Limitation on decisions, findings and regulations of  
32 department.

33 All decisions, findings and regulations made by the  
34 department pursuant to this chapter shall be for the purposes of  
35 this chapter only and shall not constitute evidence before a  
36 regulatory body of this Commonwealth or any other jurisdiction.  
37 § 1510. Program oversight and administration.

38 (a) Review and oversight.--The department shall initiate and  
39 maintain a program of financial and performance review and  
40 oversight for all public transportation programs receiving  
41 financial assistance under this chapter. The department may  
42 perform independent financial audits of each award recipient.  
43 Audits shall be conducted in accordance with generally accepted  
44 auditing standards and shall ensure compliance by award  
45 recipients with this chapter, department regulations and  
46 policies and financial assistance agreements.

47 (b) State Rail Transit Safety Inspection Program.--The  
48 department may conduct a State Rail Transit Safety Inspection  
49 Program, as may be defined from time to time by the Federal  
50 Transit Administration, to meet oversight requirements of the  
51 Federal Transit Administration. The public transportation modes  
52 covered shall include heavy rail, light rail, trackless trolley  
53 bus and inclined plane services and related facilities.

54 § 1511. Report to Governor and General Assembly.

55 The department shall file a public passenger transportation  
56 performance report with the Governor and the General Assembly by  
57 April 30 of each year, covering the prior fiscal year.

58 § 1512. Coordination.

59 Coordination is required in regions where two or more award

recipients have services or activities for which financial assistance is being provided under this chapter to assure that the services or activities are provided efficiently and effectively.

§ 1513. Operating programs.

(a) Eligible applicants.--The governing body of a municipality, county or instrumentality of either, a Commonwealth agency or instrumentality or a local transportation organization may apply for financial assistance under the operating program.

(b) Applications.--In addition to information required under section 1507 (relating to application and approval process), an application for financial assistance under this section shall include the applicant's reasonable estimates of operating revenue and government subsidies sufficient to cover all projected operating expenses.

(c) Distribution formula.--The following distribution formula shall be applied by the department with respect to the award of an operating grant:

(1) Twenty-five percent of the grant amount shall be based on passengers;

(2) Ten percent of the grant amount shall be based on senior passengers to offset free fares for senior passengers;

(3) Thirty-five percent of the grant amount shall be based on revenue vehicle hours;

(4) Thirty percent of the grant amount shall be based on revenue vehicle miles.

(d) Local match requirements.--

(1) Financial assistance provided under this section shall be matched by local or private cash funding in an amount equal to 20% of the amount of the financial assistance being provided.

(2) For financial assistance to a local transportation organization, eligible local matching funds shall consist only of cash contributions provided by one or more municipalities or counties that are members of the local transportation organization. The amount of the match and the time period during which the match must continue to be available shall be specified in the financial assistance agreement. Funding provided by local and private entities, including advertising or naming rights, may be eligible for the match to the extent they provide for the cost of transit service that is open to the public. The following shall not be eligible for a local match:

(i) Any form of transit operating revenue or other forms of transit income provided by the local transportation organization.

(ii) Funds used to replace fares.

(3) A county or municipality in a metropolitan area which is a member of a local transportation organization is authorized to provide annual financial assistance from current revenues to the local transportation organization of which it is a member or enter into a long-term agreement for payment of money to assist in defraying the costs of operation, maintenance and debt service of the local transportation organization or of a particular public transportation project of a local transportation organization. The obligation of a municipality or county under an agreement pursuant to this paragraph shall not be

1 considered to be a part of the indebtedness of the county or  
2 municipality, nor shall the obligation be deemed to impair  
3 the status of any indebtedness of the county or municipality  
4 which would otherwise be considered self sustaining.

5 (4) For the first fiscal year in which this section  
6 takes effect, the department may waive matching requirements  
7 provided that local matching funds are at least 105% of the  
8 amount contributed for fiscal year 2006-2007.

9 (5) If a transportation system operates in multiple  
10 jurisdictions and each of those jurisdictions provides funds  
11 to match State operating subsidies, the local match provided  
12 by each jurisdiction shall be calculated by multiplying the  
13 total match required for State funding by the total of route  
14 miles provided in that jurisdiction as a percentage of the  
15 total route miles operated in all jurisdictions. Where  
16 appropriate, a transportation system may calculate the local  
17 match by mode or division, or both.

18 (e) Performance reviews.--

19 (1) The department may conduct performance reviews of an  
20 award recipient that receives financial assistance under this  
21 section to determine the efficiency and effectiveness of the  
22 financial assistance. Reviews shall be conducted at regular  
23 intervals as established by the department in consultation  
24 with the management of the award recipient. After completion  
25 of a review, the department shall issue a report that:

26 (i) highlights exceptional performance and  
27 identifies any problems that need to be resolved;

28 (ii) assesses performance, efficiency and  
29 effectiveness of the use of the funds;

30 (iii) makes recommendations on what follow-up  
31 actions are required to remedy each problem; and

32 (iv) provides an action plan documenting who should  
33 perform the recommended actions and a time frame within  
34 which they should be performed.

35 (2) The department shall deliver the report to the  
36 Governor, to the Transportation Committee of the Senate and  
37 to the Transportation Committee of the House of  
38 Representatives. The department's regulations shall contain a  
39 description of the impact on both the amount of, and future  
40 eligibility for, receipt of financial assistance under this  
41 chapter based upon the degree to which the local  
42 transportation organization complies with the recommendations  
43 in the report. The department shall develop a list of best  
44 practices revealed by the reports issued under this  
45 subsection and shall post them on the department's Internet  
46 website.

47 (f) Performance criteria.--Criteria used for the reviews  
48 conducted under subsection (e) shall consist of passengers per  
49 revenue vehicle hour, operating costs per revenue vehicle hour,  
50 operating revenue per revenue vehicle hour, operating costs per  
51 passenger and other items as the department may establish. The  
52 department's regulations shall set forth the minimum system  
53 performance criteria that an award recipient must satisfy.

54 (g) Failure to satisfy minimum performance criteria.--If a  
55 performance review conducted under subsection (e) reveals that  
56 the performance of an award recipient's transportation system  
57 has decreased compared to performance determined through a prior  
58 review, the department may, upon the written request of an award  
59 recipient, waive any requirement for a reduction in the amount

1 of financial assistance to be awarded under this section for a  
2 reasonable time period to allow the award recipient to bring the  
3 system back to the required performance level. The award  
4 recipient shall provide written justification for providing a  
5 time period longer than two years. In order to obtain the waiver  
6 for the period requested, the award recipient must do all of the  
7 following:

8 (1) Develop an action plan to improve system performance  
9 that contains key measurable milestones. The action plan must  
10 be acceptable to the department and must be approved by the  
11 department in writing.

12 (2) Submit quarterly progress reports on the action plan  
13 to the department. The department shall review and evaluate  
14 the system's progress to determine if the system has  
15 improved. If the system has improved, funding will be  
16 determined by the formula under subsection (c), and the  
17 system will be eligible for full formula funding. If the  
18 system has not improved at the end of the time period  
19 established for improvement, the waiver will be withdrawn.  
20 Expenses incurred by the award recipient as a result of the  
21 failure of the award recipient's system to meet the minimum  
22 performance criteria shall be borne by the award recipient.

23 (h) Adjustments to minimum performance criteria.--Upon  
24 written request of a recipient of financial assistance under  
25 this section, the department may approve adjustments to the  
26 minimum performance criteria described in subsection (g) in a  
27 given year if situations arise that affect performance of the  
28 award recipient's system and are out of the award recipient's  
29 control. Examples are labor strikes, infrastructure failures and  
30 natural disasters. The request must include the award  
31 recipient's justification for the adjustment.

32 (i) (Reserved).

33 (j) Needs-based adjustment.--In order to allow an award  
34 recipient that was receiving financial assistance under former  
35 Chapter 13 (relating to public transportation assistance) prior  
36 to the effective date of this section to transition into the  
37 funding formula established under subsection (c), the department  
38 shall provide the award recipient, as part of the award under  
39 this section, with a needs-based adjustment. The needs-based  
40 adjustment shall be calculated by increasing the amount that the  
41 award recipient received under Chapter 13 for operating expenses  
42 and asset maintenance costs in the 2005-2006 fiscal year and  
43 increasing the resulting amount by an adjustment factor to  
44 assure a funding level consistent with the operating funding  
45 needs as identified by the department. Funds remaining after the  
46 needs-based adjustment is applied shall be set aside in an  
47 operating reserve account to be used at the department's  
48 discretion for short-term public passenger transportation needs.  
49 The department's regulations shall establish the manner in which  
50 the funds in the reserve account may be used.

51 (k) Growth caps.--Each fiscal year after the fiscal year in  
52 which the department provides a needs-based adjustment under  
53 subsection (i), the department shall determine the maximum  
54 percentage increase that an award recipient shall be eligible to  
55 receive for operating expenses in addition to an increase tied  
56 to the inflation index amount. The maximum percentage increase  
57 shall be capped at the inflation index rate if the passengers of  
58 the award recipient's transportation system per revenue hour, or  
59 revenue per revenue vehicle hour performance, falls below peer

1 system average or if the operating cost per revenue hour or  
2 operating cost per passenger exceeds the peer system average.  
3 Notwithstanding the provisions of this subsection, money  
4 available for financial assistance under this section shall at  
5 all times be capped by the amount of money in the fund allocated  
6 for the operating program.

7 (1) Operating reserve.--The department may establish a  
8 limitation on the amount of financial assistance awarded under  
9 this section that may be carried over for use in subsequent  
10 fiscal years.

11 § 1514. Asset improvement program.

12 (a) Eligible applicants.--A local transportation  
13 organization, an agency or instrumentality of the Commonwealth,  
14 an entity responsible for coordinating community transportation  
15 program services, or any other person the department deems to be  
16 eligible may apply to the department for financial assistance  
17 under the asset improvement program. The department shall  
18 develop and maintain four-year and twelve-year plans that  
19 summarize the capital projects and financial assistance for  
20 capital projects based upon cash flow and revenue projections  
21 for the fund.

22 (b) Applications.--In addition to information required under  
23 section 1507 (relating to application and approval process), an  
24 application for financial assistance under this section shall  
25 include the following:

26 (1) Evidence satisfactory to the department that the  
27 proposed capital project is included in the first year of the  
28 applicant's four-year capital program and its federally  
29 approved Transportation Improvement Program.

30 (2) If an applicant is requesting financial assistance  
31 for replacement of capital assets, evidence satisfactory to  
32 the department that the capital assets to be replaced have  
33 exceeded the useful life criteria as defined by the  
34 department. At its discretion, the department may approve  
35 funding to replace capital assets that do not exceed the  
36 useful life criteria if the applicant provides documentation  
37 acceptable to the department to justify the early replacement  
38 of the capital assets.

39 (3) If the applicant is requesting financial assistance  
40 for expansion of capital assets, evidence satisfactory to the  
41 department that the applicant will have sufficient future  
42 annual operating funds to support the proposed expansion of  
43 the assets.

44 (4) Any other information required by the department,  
45 including a return on investment analysis or a life cycle  
46 cost analysis, or both.

47 (c) Local match requirements.--Financial assistance under  
48 this section shall be matched by local or private cash funding  
49 in an amount not less than 22% of the amount of the grant. The  
50 source of funds for the local match shall be subject to the  
51 requirements of section 1513(d) (relating to operating  
52 programs). Each capital project shall be based on the plan  
53 approved by the department.

54 (d) Conditions for receipt of bond funding.--An applicant  
55 may receive proceeds of Commonwealth capital bonds from the fund  
56 for financial assistance under this section if all of the  
57 following conditions are met:

58 (1) The applicant's project has been authorized by a  
59 capital budget itemization act.

1       (2) The applicant's project shall have been included in  
2 the department's approved annual release request approving  
3 the use of the funds for the proposed capital project in the  
4 fiscal year in which the funds are expected to be expended.

5       (3) The department shall have approved the underlying  
6 application for the capital project.

7       (4) The project has a 20-year or longer useful life.

8       (e) Priorities.--The award of financial assistance under  
9 this section shall be subject to the following set of priorities  
10 in descending order of significance unless a compelling return  
11 on investment analysis for a project in a lower significant  
12 category is provided to and approved by the department:

13       (1) Funds required to support existing local bond issues  
14 currently supported with State revenue sources, such as debt  
15 service and asset leases. The Commonwealth pledges to and  
16 agrees with any person, firm or corporation holding any bonds  
17 previously issued by, or any other debt incurred by, a local  
18 transportation organization, and secured in whole or part by  
19 a pledge of the funds provided to the local transportation  
20 organization from the Public Transportation Assistance Fund  
21 established under Article XXIII of the Tax Reform Code, that  
22 the Commonwealth will not limit or alter rights vested in a  
23 local transportation organization in any manner inconsistent  
24 with obligations of the local transportation organization to  
25 the obligees of the local transportation organization until  
26 all bonds previously issued or other debt incurred, together  
27 with the interest thereon, is fully paid or provided for.

28       (2) Funds required to match federally approved capital  
29 projects funded under 49 U.S.C. §§ 5307 (relating to  
30 urbanized area formula grants) and 5309 (relating to capital  
31 investment grants and loans) and other federally approved  
32 capital projects.

33       (3) Other non-Federal capital projects as determined by  
34 the department, which shall be further subject to the  
35 following set of priorities in descending order of  
36 significance:

37           (i) Essential emergency asset improvement projects.

38           (ii) Standard replacement of existing assets that  
39 have exceeded their useful life.

40           (iii) Asset improvement projects to extend the  
41 useful life of the affected assets.

42           (iv) Acquisition of new assets and other acceptable  
43 purposes, other than projects to be funded under the new  
44 initiatives program, as determined by the department.

45       (f) Bonding by award recipients.--With the approval of the  
46 department, an award recipient that is allowed by its enabling  
47 statute to issue bonds may do so for the purpose of financing a  
48 multiyear capital project. The bonds shall be issued in  
49 accordance with the provisions of the award recipient's enabling  
50 statute. The department shall enter into an agreement with the  
51 award recipient providing that payments of the capital funds  
52 sufficient to satisfy requirements of the bonds issued be made  
53 directly to the trustee and bond holders until such time as the  
54 bonds are retired.

55 § 1515. New initiatives program.

56       (a) Eligible applicants.--Persons eligible to apply for  
57 financial assistance under the asset improvement program shall  
58 also be eligible to apply for financial assistance under the new  
59 initiatives program.

1     (b) Applications.--In addition to the information required  
2 under section 1507 (relating to application and approval  
3 process), an application for financial assistance under this  
4 section shall include all of the information required in an  
5 application for financial assistance under section 1514  
6 (relating to asset improvement program). If the application is  
7 for a proposed expansion of a capital asset, the application  
8 shall also contain evidence satisfactory to the department that  
9 the applicant will have sufficient future annual operating funds  
10 to support the proposed expansion.

11     (c) Limitation.--In making awards of financial assistance  
12 under this section, the department shall give priority to  
13 applicants that intend to use the funds in satisfaction of the  
14 local matching portion of federally approved projects funded  
15 pursuant to 49 U.S.C. § 5309 (relating to capital investment  
16 grants and loans). The department may fund projects that do not  
17 receive funding from the Federal New Starts Program if the  
18 applicant can provide sufficient justification that the project  
19 can meet all of the following requirements:

20         (1) Investments in existing service areas have been  
21 optimized.

22         (2) An analysis reveals a reasonable return on  
23 investment.

24         (3) Identification of the public benefit of the project.

25         (4) Required local funds are available to pay any  
26 required local match for the project and ongoing operating  
27 costs.

28         (5) There exists local technical ability and capacity to  
29 manage, construct and operate the project.

30         (6) The project is supported by the adoption of an  
31 integrated land use plan by local municipalities.

32     (d) Local match requirements.--Financial assistance under  
33 this section shall be matched by local or private cash funding  
34 in an amount not less than 100% of the amount of the grant. The  
35 source of funds for the local match shall be subject to the  
36 requirements of section 1513(d) (relating to operating  
37 programs).

38     § 1516. Programs of Statewide significance.

39     (a) General rule.--Money in the fund allocated for programs  
40 of Statewide significance shall be used by the department to  
41 support public transportation programs, activities and services  
42 not otherwise fully funded through the operating program,  
43 capital program or asset improvement program. These include the  
44 following:

45         (1) The Persons with Disabilities Program.

46         (2) Intercity rail and bus services.

47         (3) Community transportation capital and service  
48 stabilization.

49         (4) The Welfare to Work Program and matching funds for  
50 Federal programs with similar intent.

51         (5) Demonstration and research projects.

52         (6) Technical assistance.

53         (7) Commuter rail.

54         (8) (Reserved).

55         (9) (Reserved).

56         (10) (Reserved).

57         (11) Other public passenger transportation programs  
58 initiated by the department.

59     (b) Persons with disabilities.--The department shall

1 establish and administer a program providing reduced fares to  
2 persons with disabilities on community transportation services  
3 and to provide financial assistance for start-up, administrative  
4 and capital expenses related to reduced fares for persons with  
5 disabilities. All of the following shall apply:

6 (1) A community transportation system operating in the  
7 Commonwealth other than in counties of the first and second  
8 class may apply for financial assistance under this  
9 subsection.

10 (2) The department may award financial assistance under  
11 this subsection for program start-up and for continuing  
12 capital expenses to offset administrative and capital  
13 expenses. For community transportation trips made by eligible  
14 persons with disabilities, financial assistance may be  
15 awarded to an eligible community transportation system to  
16 reimburse the system for up to 85% of the fare established  
17 for the general public for each trip which is outside of a  
18 fixed-route and paratransit service areas and not eligible  
19 for funding from any other program or funding source. The  
20 person making the trip or an approved third-party sponsor  
21 shall contribute the greater of 15% of the fare established  
22 for the general public or the Americans with Disabilities Act  
23 complementary paratransit fare.

24 (c) Intercity transportation.--The department is authorized  
25 to provide financial support for an efficient and coordinated  
26 intercity common carrier surface transportation program,  
27 consisting of both intercity rail and intercity bus  
28 transportation, with the intent of sustaining strong intercity  
29 connections. All of the following shall apply:

30 (1) An intercity passenger rail service provider, a  
31 local transportation organization, an agency or  
32 instrumentality of the Commonwealth and a transportation  
33 company that provides intercity public transportation service  
34 may apply for financial assistance under this subsection. The  
35 department is authorized to enter into joint service  
36 agreements with a railroad company, any other agency or  
37 instrumentality of the Commonwealth, a Federal agency or an  
38 agency or instrumentality of any other jurisdiction relating  
39 to property, buildings, structures, facilities, services,  
40 rates, fares, classifications, dividends, allowances or  
41 charges, including charges between intercity rail passenger  
42 service facilities, or rules or regulations pertaining  
43 thereto, for or in connection with or incidental to  
44 transportation in whole or in part upon intercity rail  
45 passenger service facilities.

46 (2) Operating assistance and capital assistance may be  
47 provided for intercity rail as determined by the department.

48 (3) For financial assistance to a transportation  
49 company, eligible matching funds shall consist only of cash  
50 income generated by the transportation company from its  
51 activities, other than the provision of public passenger  
52 transportation service, and contributed by the transportation  
53 company in the amount and for the time period specified in  
54 the financial assistance agreement.

55 (4) Local match requirements are as follows:

56 (i) For intercity bus operating and capital  
57 assistance, the department shall require a local match by  
58 local or private cash funding in an amount equal to 100%  
59 of the amount of the financial assistance being provided.



1           (ii) For intercity rail operating and capital  
2 assistance, the department shall require a local match on  
3 a case-by-case basis, taking into account the best  
4 interests of the Commonwealth.

5           (5) For purposes of this subsection, "local match" is  
6 defined as local revenue obtained from other nonsubsidized  
7 services, such as charter, school bus or profits realized  
8 from other intercity bus services. Local match shall not  
9 include any funds received from Federal or State sources.

10 (d) Community transportation.--

11           (1) The department is authorized to provide financial  
12 assistance under this section for all of the following:

13           (i) Capital expenditures for the provision of  
14 community transportation service.

15           (ii) To stabilize current service and fares.

16           (iii) To provide advice or technical assistance to  
17 analyze and enhance community transportation system  
18 resources and services.

19           (iv) To maximize available funding including Federal  
20 dollars.

21           (v) To ensure equitable cost sharing.

22           (2) The governing body of a county, other than a county  
23 of the first or second class, or a transportation company  
24 designated by the governing body of the county as the  
25 coordinator of community transportation service, and an  
26 agency or instrumentality of the Commonwealth may apply for  
27 financial assistance under this subsection subject to all of  
28 the following:

29           (i) An applicant for financial assistance for  
30 capital expenditures for the provision of public  
31 community transportation service shall certify to the  
32 department that it has taken all reasonable steps to  
33 coordinate local service for the elderly and persons with  
34 disabilities and that the services to be offered with the  
35 capital assets do not duplicate existing fixed-route  
36 services.

37           (ii) The governing body of a county or the  
38 coordinator described under this paragraph shall not be  
39 eligible for financial assistance for service  
40 stabilization if any of the following apply:

41           (A) The coordinator receives financial  
42 assistance under the capital program established  
43 under this chapter.

44           (B) The coordinator is a private for-profit  
45 provider.

46           (3) Financial assistance for service stabilization may  
47 only be provided for the following purposes:

48           (i) Short-term, long-term and strategic planning.

49           (ii) Technology investment.

50           (iii) Training programs designed to enhance  
51 transportation management and staff expertise.

52           (iv) Offsetting operating expenses that cannot be  
53 covered by fare revenue due to emergencies.

54           (v) Marketing activities.

55           (vi) Other stabilization purposes approved by the  
56 department.

57           (4) The department shall give high priority to providing  
58 financial assistance under this subsection as match for  
59 Federal funding to support capital projects for community

1 transportation systems.

2 (5) The department shall conduct a study to evaluate the  
3 effectiveness and efficiency of community transportation  
4 service delivery as it relates to human service programs. The  
5 Secretary of Public Welfare, the Secretary of the Budget and  
6 the Secretary of Aging and other appropriate Commonwealth  
7 agencies identified by the department shall participate and  
8 fully support the study to achieve the intended purposes.  
9 Within two years following the effective date of this  
10 section, these agencies shall make recommendations to the  
11 Governor and the Majority and Minority chairpersons of the  
12 Transportation Committee of the Senate and the Majority and  
13 Minority chairpersons of the Transportation Committee of the  
14 House of Representatives for improving coordination and  
15 efficiency of human services and community transportation.

16 (d) Welfare-to-work and Federal programs match.--The  
17 department is authorized to provide financial assistance under  
18 this section to design and implement projects and services and  
19 to reimburse award recipients for the expenses associated with  
20 the projects and services that identify and address public  
21 passenger transportation and related barriers preventing  
22 individuals eligible for participation in the Federal welfare-  
23 to-work program from securing and maintaining employment and  
24 from accessing community services and facilities. All of the  
25 following shall apply:

26 (1) A local transportation organization and a  
27 transportation company designated by a county as the  
28 coordinator of community transportation services may apply to  
29 the department for financial assistance under this  
30 subsection.

31 (2) Financial assistance awarded under this subsection  
32 shall be used for any of the following purposes:

33 (i) Fixed-route service subsidy.

34 (ii) Contracted transportation services.

35 (iii) Fixed-route fare discounts.

36 (iv) Community transportation fare discounts.

37 (v) Taxi fare discounts.

38 (vi) Mileage reimbursement.

39 (vii) Vehicle purchase, insurance, maintenance and  
40 repair.

41 (viii) Driver education classes.

42 (ix) Administrative expenses.

43 (x) Case management expenses.

44 (xi) Any other activities consistent with the  
45 transportation related elements of the welfare-to-work  
46 program.

47 (3) The department shall give high priority to providing  
48 financial assistance under this subsection as match for  
49 Federal funding to support projects with similar purposes and  
50 eligible uses, including the Federal Job Access Reverse  
51 Commute and New Freedoms programs.

52 (e) Technical assistance and demonstration.--The department  
53 is authorized to provide financial assistance under this section  
54 for technical assistance, research and short-term demonstration  
55 projects. All of the following shall apply:

56 (1) A local transportation organization and an agency or  
57 instrumentality of the Commonwealth may apply to the  
58 department for financial assistance under this subsection.

59 (2) Financial assistance provided under this subsection

1 may be used for reimbursement for any approved operating or  
2 capital costs related to technical assistance and  
3 demonstration program projects. Financial assistance for  
4 short-term demonstration projects may be provided at the  
5 department's discretion on an annual basis based on the level  
6 of financial commitment provided by the award recipient to  
7 provide ongoing future funding for the project as soon as the  
8 project meets the criteria established by the department and  
9 the award recipient. Financial assistance for this purpose  
10 shall not be provided for more than three fiscal years.  
11 Financial assistance may be provided to meet any short-term  
12 emergency need that requires immediate attention and cannot  
13 be funded through other sources.

14 (3) Financial assistance under this subsection provided  
15 to a local transportation organization shall be matched by  
16 local or private cash funding in an amount not less than 3  
17 1/3% of the amount of the financial assistance being  
18 provided. The sources of funds for the local match shall be  
19 subject to the requirements of section 1513(d) (relating to  
20 operating programs).

21 § 1516.1. Minority and women-owned business participation.

22 In administering the provisions of this chapter, the  
23 department and any local transportation organization shall:

24 (1) Be responsible for ensuring that all competitive  
25 contract opportunities issued by the department or local  
26 transportation organization seek to maximize participation by  
27 minority and women-owned businesses and other disadvantaged  
28 businesses.

29 (2) Give consideration, when possible and cost  
30 effective, to contractors offering to utilize minority and  
31 women-owned businesses and disadvantaged businesses in the  
32 selection and award of contracts.

33 (3) Ensure that the department's and local  
34 transportation organizations's commitment to the minority and  
35 women-owned business program is clearly understood and  
36 appropriately implemented and enforced by all department and  
37 local transportation organization employees.

38 (4) Designate a responsible official to supervise the  
39 department and local transportation organization minority and  
40 women-owned business program and ensure compliance within the  
41 department or local transportation organization.

42 (5) Furnish the Department of General Services, upon  
43 request, all requested information or assistance.

44 (6) Recommend sanctions to the Secretary of General  
45 Services, as may be appropriate, against businesses that fail  
46 to comply with the policies of the Commonwealth minority and  
47 women-owned business program.

48 (b) Definitions.--As used in this section, the following  
49 words and phrases shall have the meanings given to them in this  
50 subsection:

51 "Disadvantaged business." A business that is owned or  
52 controlled by a majority of persons, not limited to members of  
53 minority groups, who are subject to racial or ethnic prejudice  
54 or cultural bias.

55 "Minority-owned business." A business owned and controlled  
56 by a majority of persons who are African Americans, Hispanic  
57 Americans, Native Americans, Asian Americans, Alaskans and  
58 Pacific Islanders.

59 "Women-owned business." A business owned and controlled by a

majority of persons who are women.

§ 1517. Program oversight and administration.

The department is authorized to use available money in the fund to cover the costs incurred by the department in administering all of its public passenger transportation funding programs, including those established under this chapter, and incurred in the carrying out of its responsibilities with respect to the programs.

§ 1518. Retroactive authority.

(a) Date of project.--Financial assistance may be awarded under this chapter by the department with reference to an appropriate project irrespective of when it was first commenced or considered and regardless of whether costs with respect to the project were incurred prior to the time the financial assistance is applied for or provided.

(b) Operating program.--For financial assistance for the operating program, the department shall reimburse expenses only through the financial assistance provided for the fiscal year during which the expenses were incurred.

(c) Capital projects.--

(1) For capital projects, the applicant must obtain approval in writing from the department prior to incurring any expenses for which the applicant may later seek reimbursement.

(2) Notwithstanding paragraph (1), approval by the department shall not constitute an approval of the applicant's underlying request for financial assistance.

(3) By providing preapproval under this subsection, the department may recognize any local funds already expended as satisfying the local match requirement if and when the applicant's application is approved.

## CHAPTER 81

### TURNPIKE

Sec.

8101. Scope of chapter.

8102. Definitions.

8103. Authorization for turnpike extensions, turnpike improvements and conversion of toll-free roads to toll roads.

8104. Status of turnpike revenue bonds, notes or other obligations.

8105. Commission.

8106. Exercise of commission powers.

8107. Commission powers and duties.

8108. Expenses and bonding of commission members.

8109. Acquisition of property rights by commission.

8110. Procedural requirements of acquisition.

8111. Entry and possession of property condemned.

8112. Issuance of turnpike revenue bonds or other obligations.

8113. Obligation proceeds restricted and lien created.

8114. Trust indenture authorized.

8115. Commission and obligations tax exempt.

8116. Collection and disposition of tolls and other revenue.

8116.1. Electronic toll collection.

8117. Refunding bonds.

8118. Rights of obligation holders and trustees.

8119. Authority granted to secretary.

8120. Construction of chapter.

1 § 8101. Scope of chapter.

2 This chapter relates to turnpike organization, extension and  
3 toll road conversion.

4 § 8102. Definitions.

5 The following words and phrases when used in this chapter  
6 shall have the meanings given to them in this section unless the  
7 context clearly indicates otherwise:

8 "Commission." The Pennsylvania Turnpike Commission.

9 "Cost of the turnpikes." The term includes the cost of:

10 (1) Constructing turnpikes, connecting roads, storm  
11 water management systems, tunnels and bridges.

12 (2) Lands, property rights, rights-of-way, easements and  
13 franchises acquired by purchase or other means deemed  
14 necessary or convenient for construction.

15 (3) Machinery and equipment, financing charges and  
16 interest.

17 (4) Traffic estimates, engineering and legal expenses,  
18 plans, specifications, surveys, cost and revenue estimates,  
19 other expenses necessary or incident to determining the  
20 feasibility or practicability of the enterprise,  
21 administrative and legal expense and other expenses as may be  
22 necessary or incident to financing authorized in this  
23 chapter.

24 (5) Condemnation or other means of acquisition of  
25 property necessary for the construction and operation.

26 (6) An obligation or expense contracted for by the  
27 Pennsylvania Turnpike Commission for traffic surveys,  
28 preparation of plans and specifications, supervision of  
29 construction and other engineering and administrative and  
30 legal services and expenses in connection with the  
31 construction of the turnpike or any of the connecting roads,  
32 storm water management systems, tunnels and bridges.

33 "Department." The Department of Transportation of the  
34 Commonwealth.

35 "Electronic toll collection." A system of collecting tolls  
36 or charges that is capable of charging an account holder for the  
37 prescribed toll by electronic transmission of information  
38 between a device on a vehicle and a device in a toll lane at a  
39 toll collection facility.

40 "Interstate 80." An interstate highway designated by the  
41 United States Department of Transportation on the Dwight D.  
42 Eisenhower System of Interstate and Defense Highways.

43 "Interstate 95." An interstate highway designated by the  
44 United States Department of Transportation on the Dwight D.  
45 Eisenhower System of Interstate and Defense Highways.

46 "Lessee." A person, corporation, firm, partnership, agency,  
47 association or organization that rents, leases or contracts for  
48 the use of a vehicle and has exclusive use of the vehicle for  
49 any period of time.

50 "Lessor." A person, corporation, firm, partnership, agency,  
51 association or organization engaged in the business of renting  
52 or leasing vehicles to any lessee under a rental agreement,  
53 lease or other agreement under which the lessee has the  
54 exclusive use of the vehicle for any period of time.

55 "Operator." An individual that uses or operates a vehicle  
56 with or without permission of the owner.

57 "Owner." Except as provided under section 8116.1(e)  
58 (relating to electronic toll collection), an individual,  
59 copartnership, association or corporation having title or

1 interest in a property right, easement or franchise authorized  
2 to be acquired under this chapter.

3 "Secretary." The Secretary of Transportation of the  
4 Commonwealth.

5 "Toll road conversion." The inclusion within the turnpike  
6 system and the imposition of tolls on the system of a highway  
7 that is presently toll free.

8 "Turnpikes." Any of the following:

9 (1) The turnpike, turnpike extensions and turnpike  
10 improvements.

11 (2) Toll-free roads to be converted to toll roads under  
12 this chapter.

13 (3) Related storm water management systems, tunnels and  
14 bridges, property rights, easements and franchises deemed  
15 necessary or convenient for the construction or the operation  
16 of the turnpike, turnpike extension, turnpike improvement and  
17 toll-free roads.

18 "Vehicle." The term as it is defined under 75 Pa.C.S. § 102  
19 (relating to definitions).

20 "Violation enforcement system." A vehicle sensor, placed in  
21 a location to work in conjunction with a toll collection  
22 facility, which automatically produces a videotape or  
23 photograph, microphotograph or other recorded image of the rear  
24 portion of each vehicle at the time the vehicle is used or  
25 operated in violation of the toll collection regulations. The  
26 term includes any other technology which identifies a vehicle by  
27 photographic, electronic or other method.

28 § 8103. Authorization for turnpike extensions, turnpike  
29 improvements and the conversion of toll-free roads to  
30 toll roads.

31 (a) Improvement and extension authorizations.-- In order to  
32 facilitate vehicular traffic within and across this  
33 Commonwealth, the commission is authorized and empowered to  
34 construct, operate and maintain turnpike extensions and turnpike  
35 improvements at specific locations and according to a schedule  
36 as shall be deemed feasible and approved by the commission,  
37 together with connecting roads, storm water management systems,  
38 tunnels and bridges, subject to the waiver of the Federal toll  
39 prohibition provisions where applicable, as follows:

40 (1) Widen turnpike to six lanes between the Northeast  
41 Extension and the Delaware River Interchange.

42 (2) Construct turnpike interchange with Interstate Route  
43 95 in Bucks County.

44 (3) Construct turnpike interchange with Interstate Route  
45 476 in Montgomery County.

46 (4) Construct turnpike interchange with Keyser Avenue in  
47 Lackawanna County.

48 (5) Construct extensions to the existing turnpike from a  
49 point westerly of existing Interchange 2 extending northerly  
50 to a connection with the existing interchange between U.S.  
51 Route 422 and proposed State Route 60 in Lawrence County and  
52 extending southerly to a connection with existing State Route  
53 60 in Beaver County at or near State Route 51.

54 (6) Construct an extension to the turnpike from a point  
55 at or near Interchange 8 in Westmoreland County extending  
56 northerly to an interchange with State Route 66 northwest of  
57 Greensburg and continuing northerly to an interchange with  
58 U.S. Route 22 south of Delmont.

59 (7) Construct an additional Lehigh Tunnel on the

1 Northeast Extension of the turnpike.

2 (8) Construct a private turnpike interchange directly  
3 connected to the New Cumberland Army Depot. The commission  
4 may commence construction of the private turnpike interchange  
5 notwithstanding the construction schedule established under  
6 this section.

7 (9) Construct an interchange on the Northeast Extension  
8 with State Route 903 in Carbon County. The commission may  
9 commence construction of this interchange notwithstanding the  
10 construction schedule established by this section.

11 (b) Subsequent extension authorization.--The commission is  
12 authorized and empowered to construct, operate and maintain  
13 further extensions and improvements of the turnpike at specific  
14 locations and according to schedules as shall be deemed feasible  
15 and which shall be approved by the commission, subject to the  
16 waiver of the Federal toll prohibition provisions where  
17 applicable, as follows:

18 (1) From an interchange with Interstate Route 70 between  
19 existing interchanges at Lover and Speers extending northerly  
20 to an interchange with Interstate Route 376 in Pittsburgh and  
21 also extending southerly connecting with the existing  
22 interchange between U.S. Route 40 and the Mon Valley  
23 Expressway (L.R.1125).

24 (2) From an interchange with the turnpike at or near  
25 Interchange 10 extending northerly generally following and  
26 coincident where feasible with existing U.S. Route 219 to an  
27 interchange with Interstate 80 at or near Interchange 16.

28 (3) Construction of an interchange for access to the  
29 International Distribution Center at the Wilkes Barre  
30 Scranton International Airport in Luzerne County on the  
31 Northeastern Extension of the Pennsylvania Turnpike System.

32 (4) From a point at or near the existing interchange  
33 between U.S. Route 40 and the Mon Valley Expressway  
34 (L.R.1125) in Fayette County southeasterly along U.S. Route  
35 40 to Uniontown and continuing southerly along State Route  
36 857 to the West Virginia border.

37 (5) From a point at or near Turnpike Interchange 10  
38 southerly generally along U.S. Route 219 to the Maryland  
39 border.

40 (6) From a point at or near Interstate 80 Interchange 16  
41 northerly generally along U.S. Route 219 to a connection with  
42 the existing U.S. Route 219 Expressway south of Bradford in  
43 McKean County.

44 (c) (Reserved).

45 (d) Further subsequent authorizations.--Upon completion of  
46 the turnpike extensions and improvements under subsections (a)  
47 and (b), the commission is authorized and empowered to  
48 construct, operate and maintain further extensions and  
49 improvements of the turnpike at specific locations and according  
50 to schedules as shall be deemed feasible and which shall be  
51 approved by the commission, subject to the waiver of the Federal  
52 toll prohibition provisions where applicable, as follows:

53 (1) From a point at or near the intersection of State  
54 Route 65 and Crows Run Road in Beaver County, in a  
55 southeasterly direction to a point at or near the Perry  
56 Highway Interchange of the Pennsylvania Turnpike.

57 (2) From a point at or near Exit 5 of the turnpike  
58 northerly to Brookville, Jefferson County, to a point at the  
59 intersection with Interstate 80.

1       (3) From a point at or near the Pennsylvania Turnpike  
2 System into various areas of Berks County in order to  
3 complete the construction of the inner loop system and outer  
4 loop system of highways surrounding the City of Reading and  
5 to complete the missing links on Routes 222 to Route 422 to  
6 1035.

7       (4) From a point at or near the intersections of  
8 Interstate Route 70, Interstate Route 76 and T.R.119 in the  
9 Borough of Youngwood, Westmoreland County, in a northerly  
10 direction along T.R.119 and T.R.66 to the intersection of  
11 T.R.22 with a bypass around the City of Greensburg,  
12 Westmoreland County; thence north on T.R.66 to T.R.356;  
13 thence north on T.R.356 to the intersection with T.R.28.

14       (5) From a point at or near the intersection of T.R.66  
15 and T.R.22 in Salem Township, Westmoreland County; thence in  
16 a westerly direction paralleling T.R.22 to Exit 6 of  
17 Interstate 76.

18       (e) Conversion to toll roads.--In order to facilitate  
19 vehicular traffic within and across this Commonwealth, after  
20 completion of the turnpike extensions and improvements  
21 authorized under subsection (a) and subject to prior legislative  
22 approval by the Congress of the United States and the General  
23 Assembly, the commission is authorized and empowered to convert  
24 to toll road portions of Pennsylvania's interstate highway  
25 system as may be required in order to facilitate the completion  
26 of the turnpike extensions and improvements authorized under  
27 subsections (b) and (d) and to operate and maintain converted  
28 interstates as toll roads upon the approval by the Congress of  
29 the United States and the General Assembly of legislation  
30 expressly permitting the conversion of interstates to toll  
31 roads. Conversions shall take place at a time and manner set  
32 forth in the plan for the conversion prepared by the department.  
33 The provisions authorizing the commission to construct, operate  
34 and maintain the turnpike routes under subsections (b) and (d)  
35 shall be subject to one of the following:

36       (1) The prior passage by the Congress of the United  
37 States and the General Assembly of legislation permitting the  
38 conversion of certain interstates to toll roads.

39       (2) The availability of other funds as might become  
40 available in amounts that would be sufficient to fund to  
41 completion any of the individual turnpike extensions and  
42 improvements under subsections (b) and (d) so long as no  
43 turnpike extension or improvement authorized under subsection  
44 (d) is undertaken until after all the turnpike extensions  
45 authorized by subsection (b) are completed. The commission is  
46 authorized to use Federal funds which may be available for  
47 toll roads only pursuant to the approval of the Secretary of  
48 Transportation and only pursuant to the authority granted  
49 under section 8119 (relating to authority granted to  
50 secretary).

51       (f) Turnpike system.--The turnpikes and future toll road  
52 conversions authorized under this chapter are or shall be made  
53 part of the Pennsylvania Turnpike System, as provided in the act  
54 of August 14, 1951 (P.L.1232, No.282), referred to as the  
55 Pennsylvania Turnpike System Financing Act.

56 § 8104. Status of turnpike revenue bonds, notes or other  
57 obligations.

58       (a) General rule.--The turnpike revenue bonds, notes or  
59 other obligations issued under the provisions of this chapter



1 shall not be deemed to be a debt of the Commonwealth or a pledge  
2 of the faith and credit of the Commonwealth, but bonds, notes or  
3 other obligations shall be payable solely from the revenues of  
4 the commission, including tolls, or from funds as may be  
5 available to the commission for that purpose.

6 (b) Statement required.--All bonds, notes or other  
7 obligations shall contain a statement on their face that the  
8 Commonwealth is not obligated to pay the same or the interest  
9 thereon except from revenues of the commission, including tolls,  
10 or from funds as may be available to the commission for that  
11 purpose and that the faith and credit of the Commonwealth is not  
12 pledged to the payment of the principal or interest of the  
13 bonds, notes or other obligations.

14 (c) Pledge of Commonwealth prohibited.--The issuance of  
15 turnpike revenue bonds, notes or other obligations under the  
16 provisions of this chapter shall not directly or indirectly or  
17 contingently obligate the Commonwealth to levy or to pledge any  
18 form of taxation or to make any appropriation for their payment.  
19 § 8105. Commission.

20 (a) Members.--

21 (1) Notwithstanding any other law to the contrary,  
22 vacancies in the membership of the commission on or after the  
23 effective date of this subsection shall be filled as follows:

24 (i) The first vacancy shall be filled by a member to  
25 be appointed by the Majority Leader of the Senate.

26 (ii) The second vacancy shall be filled by a member  
27 to be appointed by the Minority Leader of the Senate.

28 (iii) The succeeding three vacancies shall be filled  
29 by members to be appointed by the Governor.

30 (2) Notwithstanding any other law to the contrary, the  
31 Majority Leader of the House of Representatives and the  
32 Minority Leader of the House of Representatives shall each  
33 appoint one additional member to serve on the commission.

34 (3) Paragraph (1) shall apply to a vacancy on the  
35 commission which has occurred for any reason, but only as to  
36 a member serving on the effective date of this subsection.  
37 All other vacancies shall be filled by the appointing  
38 authority who made the appointment for the vacant position.

39 (4) A vacancy occurring during the term of a member  
40 appointed in accordance with this subsection shall be filled  
41 in a like manner only for the unexpired appointive term of  
42 the member whose office has become vacant.

43 (5) Members appointed under the provisions of this  
44 subsection shall serve for a term of four years. Upon the  
45 expiration of this term, an appointed member may continue to  
46 hold office for 90 days or until a successor shall be duly  
47 appointed and qualified, whichever period is shorter, but  
48 shall not continue to hold office thereafter unless  
49 reappointed in accordance with law.

50 (6) Vacancies filled under paragraph (1) and subsequent  
51 appointments made to the commission shall be without the  
52 advice and consent of the Senate.

53 (a.1) Advisory committee.--

54 (1) There is hereby established a Pennsylvania Turnpike  
55 Advisory Committee, which shall be composed of the following  
56 members:

57 (i) The Secretary of Community and Economic  
58 Development.

59 (ii) The Secretary of Revenue.

1           (iii) The State Treasurer.  
2           (iv) The chairman and minority chairman of the  
3 Transportation Committee of the Senate.  
4           (v) The chairman and minority chairman of the  
5 Transportation Committee of the House of Representatives.  
6           (vi) Eight members of the public representing the  
7 area of concern specified who shall have extensive  
8 experience and knowledge of transportation activities  
9 throughout this Commonwealth to be appointed by the  
10 Governor as follows:

11           (A) Two representatives of the engineering  
12 community who are licensed and registered pursuant to  
13 the act of May 23, 1945 (P.L.913, No.367), known as  
14 the Engineer, Land Surveyor and Geologist  
15 Registration Law.

16           (B) Two representatives from the highway  
17 construction industry who have at least five years of  
18 highway construction and planning experience.

19           (C) Two representatives from organized labor  
20 unions.

21           (D) One member who shall be a certified public  
22 accountant.

23           (E) One member from the general public with at  
24 least five years of experience in transportation  
25 finance and infrastructure.

26           (2) Each of the members of the committee may designate a  
27 representative to serve in his stead. A member who designates  
28 a representative shall notify the chairman in writing of the  
29 designation.

30           (3) The term of all members of the committee appointed  
31 by the Governor shall be for three years. Any member of the  
32 committee may be reappointed for no more than two full  
33 successive terms. Any person appointed to fill a vacancy  
34 occurring prior to the expiration of the term to which his  
35 predecessor was appointed shall serve only for the unexpired  
36 term. Each member shall serve until the appointment of a  
37 successor.

38           (4) (i) The committee shall meet at least four times  
39 every 12 months, but may hold such additional meetings as  
40 are called by the chairman. The chairman shall provide  
41 notice at least 14 days in advance for regular meetings  
42 and provide a minimum of three days' notice for special  
43 meetings. A majority of the appointed members shall  
44 constitute a quorum for the conduct of business.

45           (ii) Minutes of meetings shall be prepared by the  
46 secretary and filed with the committee and distributed to  
47 all members. All records shall be a matter of public  
48 record.

49           (iii) The public members of the committee shall be  
50 allowed reasonable per diem expenses. The commission  
51 shall provide appropriate staff support to enable the  
52 committee to properly carry out its functions.

53           (5) The committee shall have the power and duty to  
54 consult and advise the Pennsylvania Turnpike Commission in  
55 assisting in developing, operating and financing tolled  
56 interstate systems within this Commonwealth in a timely,  
57 efficient and cost-effective manner. Specifically, the  
58 committee shall have the authority to conduct a study on the  
59 feasibility of instituting toll collections on major

1 interstates that pass through the State.

2 (6) The committee shall submit an annual report of its  
3 deliberations and conclusions to the Governor and members of  
4 the General Assembly by November 30 of each year.

5 (7) The Governor shall appoint one member of the  
6 committee as chairperson. The members of the committee shall  
7 annually elect a vice chairperson, a secretary and a  
8 treasurer from among the members appointed to the committee.

9 (d) Secretary of Transportation.--The provisions of  
10 subsection (a.1) shall not apply to the appointment of the  
11 secretary who shall continue to be appointed and to serve as a  
12 member of the commission ex officio in accordance with law.

13 (e) Chairman.--A majority of the members of the commission  
14 shall elect a member of the commission to serve as chairman.  
15 Upon the appointment and qualification of any new member to  
16 serve on the commission, the office of chairman, and the  
17 positions of all other officers created by law, shall be deemed  
18 vacant and a new chairman and other officers shall be elected by  
19 a majority of the members of the commission.

20 (f) Actions by the commission.--Notwithstanding any other  
21 law, court decision, precedent or practice to the contrary, any  
22 and all actions by or on behalf of the commission shall be taken  
23 solely upon the approval of a majority of the members to the  
24 commission. A majority of the members of the commission shall  
25 mean five members of the commission. The term "actions by or on  
26 behalf of the commission" means any action whatsoever of the  
27 commission, including, but not limited to, the hiring,  
28 appointment, removal, transfer, promotion or demotion of any  
29 officers and employees; the retention, use or remuneration of  
30 any advisors, counsel, auditors, architects, engineers or  
31 consultants; the initiation of any legal action; the making of  
32 any contracts, leases, agreements, bonds, notes or covenants;  
33 the approval of requisitions, purchase orders, investments and  
34 reinvestments; and the adoption, amendment, revision or  
35 rescission of any rules and regulations, orders or other  
36 directives. The chairman, vice chairman or any other officer or  
37 employee of the commission may take no action by or on behalf of  
38 the commission except as expressly authorized by a majority of  
39 the members of the commission.

40 (g) Compensation.--The annual salary of the Chairman of the  
41 Pennsylvania Turnpike Commission shall be \$28,500, and the  
42 annual salary of the remaining members of the Pennsylvania  
43 Turnpike Commission shall be \$26,000. These salaries shall be  
44 paid in equal installments every other week.

45 § 8106. Exercise of commission powers.

46 The exercise by the commission of the powers conferred by  
47 this chapter in the construction, operation and maintenance of  
48 the turnpikes and in effecting toll road conversions shall be  
49 deemed and held to be an essential governmental function of the  
50 Commonwealth.

51 § 8107. Commission powers and duties.

52 (a) Powers and duties of commission.--The commission may:

53 (1) Maintain a principal office at a place designated by  
54 the commission.

55 (2) Contract and be contracted within its own name.

56 (3) Sue and be sued in its own name, plead and be  
57 impleaded. Any civil action against the commission shall be  
58 brought only in the courts in which actions may be brought  
59 against the Commonwealth.

1       (4) Have an official seal.  
2       (5) Make necessary rules and regulations for its own  
3 government and in control of traffic.  
4       (6) Acquire, hold, accept, own, use, hire, lease,  
5 exchange, operate and dispose of personal property, real  
6 property and interests in real property and make and enter  
7 into all contracts and agreements necessary or incidental to  
8 the performance of its duties and the execution of its powers  
9 under this chapter and employ engineering, traffic,  
10 architectural and construction experts and inspectors,  
11 attorneys and other employees as may in its judgment be  
12 necessary and fix their compensation.  
13       (7) (i) Provide grade separations at its own expense  
14 with respect to all public roads, State highways and  
15 interstate highways intersected by the turnpikes and to  
16 change and adjust the lines and grades thereof so as to  
17 accommodate the same to the design for grade separation.  
18       (ii) The damages incurred in changing and adjusting  
19 the lines and grades of public roads, State highways and  
20 interstate highways shall be ascertained and paid by the  
21 commission in accordance with 26 Pa.C.S. (relating to  
22 eminent domain).  
23       (iii) If the commission shall find it necessary to  
24 provide a grade separation or change the site of any  
25 portion of any interstate highway, State highway or  
26 public road, or vacate the same, the commission shall  
27 cause it to be reconstructed and restored at the  
28 commission's expense on the most favorable location and  
29 in as satisfactory a manner as the original road or  
30 vacate it as the case may be.  
31       (iv) The method of acquiring the right-of-way and  
32 determining damages incurred in changing the location of  
33 or vacating the road, State highway or interstate highway  
34 shall be ascertained and paid for in accordance with 26  
35 Pa.C.S.  
36       (8) Petition the court of common pleas of the county in  
37 which any public road or part thereof is located and affected  
38 by the location of the turnpikes, for the vacation,  
39 relocation or supply of the same or any part thereof with the  
40 same force and effect as is now given by existing laws to the  
41 inhabitants of any township or the county, and the  
42 proceedings upon petition, whether for the appointment of  
43 viewers or otherwise, shall be the same as provided by  
44 existing law for similar proceedings upon the petitions.  
45       (9) Have all of the powers and perform all the duties  
46 prescribed by the act of May 21, 1937 (P.L.774, No.211),  
47 referred to as the Pennsylvania Turnpike Commission Act.  
48       (b) Maintenance to be paid out of tolls.--  
49       (1) The turnpike extensions and improvements and the  
50 conversion of toll-free roads to toll roads when completed  
51 and open to traffic shall be maintained and repaired by and  
52 under the control of the commission.  
53       (2) All charges and costs for the maintenance and  
54 repairs actually expended by the commission shall be paid out  
55 of tolls.  
56       (3) The turnpike, the turnpike extensions and  
57 improvements and the toll-free roads converted to toll roads  
58 shall also be policed and operated by a force of police, toll  
59 takers and other operating employees as the commission may in

1     its discretion employ.

2     § 8108. Expenses and bonding of commission members.

3     (a) Payment of expenses.--All compensation and salaries and  
4 all expenses incurred in carrying out the provisions of this  
5 chapter shall be paid solely from funds provided under the  
6 authority of this chapter, and no liability or obligation shall  
7 be incurred under this chapter beyond the extent to which money  
8 shall have been provided under the authority of this chapter.

9     (b) No additional bond required.--The issuance of any  
10 turnpike revenue bonds, notes or other obligations under the  
11 provisions of this chapter shall not cause any member of the  
12 commission to be required to execute a bond that a member of the  
13 commission is not otherwise required to execute.

14     § 8109. Acquisition of property rights by commission.

15     (a) Condemnation.--The commission may condemn, pursuant to  
16 26 Pa.C.S. (relating to eminent domain), any lands, interests in  
17 lands, property rights, rights-of-way, franchises, easements and  
18 other property deemed necessary or convenient for the  
19 construction and efficient operation of the turnpikes and the  
20 toll road conversions or necessary in the restoration or  
21 relocation of public or private property damaged or destroyed.

22     (b) Purchase.--

23         (1) The commission may acquire by purchase, whenever it  
24 shall deem the purchase expedient, or otherwise accept if  
25 dedicated to it, any lands, interests in lands, property  
26 rights, rights-of-way, franchises, easements and other  
27 property deemed necessary or convenient for the construction  
28 and efficient operation of the turnpikes and toll road  
29 conversions or necessary in the restoration of public or  
30 private property damaged or destroyed, whether the property  
31 has been previously condemned or otherwise, upon terms and at  
32 a price as may be considered by the commission to be  
33 reasonable and can be agreed upon between the commission and  
34 the owner thereof and to take title thereto in the name of  
35 the commission.

36         (2) The net proceeds of the purchase price payable to a  
37 municipality or the department for any real property or  
38 interest therein obtained by the commission pursuant to this  
39 chapter, less the cost of retiring any bonded indebtedness on  
40 the property or interest, shall be used exclusively, in the  
41 case of a municipality, for road-related and bridge-related  
42 expenses and, in the case of the department, for highway and  
43 bridge construction, reconstruction and maintenance in the  
44 same engineering and maintenance district in which the  
45 property is located.

46     § 8110. Procedural requirements of acquisition.

47     (a) Title.--Title to any property condemned by the  
48 commission shall be taken in the name of the commission.

49     (b) Entry.--

50         (1) In addition to any others powers set forth in this  
51 chapter, the commission and its authorized agents and  
52 employees may enter upon any lands, waters and premises in  
53 this Commonwealth for the purpose of making surveys,  
54 soundings, drillings and examinations, as it may deem  
55 necessary or convenient for the purpose of this chapter.

56         (2) The entry shall not be deemed a trespass, nor shall  
57 an entry for the purposes be deemed an entry under any  
58 condemnation proceedings which may be then pending.

59         (3) The commission shall make reimbursement for any

1 actual damages resulting to the lands, waters and premises as  
2 a result of the activities.

3 (c) Restoration of property.--Any public or private property  
4 damaged or destroyed in carrying out the powers granted by this  
5 chapter shall be restored or repaired and placed in its original  
6 condition as nearly as practicable or adequate compensation made  
7 for the property out of funds provided under the authority of  
8 this chapter.

9 (d) Powers of public bodies.--Notwithstanding any other  
10 provision of law to the contrary, a political subdivision and a  
11 public agency and commission of the Commonwealth may lease,  
12 lend, dedicate, grant, convey or otherwise transfer to the  
13 commission, upon its request, upon terms and conditions as the  
14 proper authorities of the political subdivisions or public  
15 agencies and commissions of the Commonwealth may deem reasonable  
16 and fair and without the necessity for any advertisement, order  
17 of court or other action or formality, other than the regular  
18 and formal action of the authorities concerned, any real  
19 property which may be necessary or convenient to the  
20 effectuation of the authorized purposes of the commission,  
21 including public roads and other real property already devoted  
22 to public use.

23 § 8111. Entry and possession of property condemned.

24 Whenever the commission has condemned any lands, rights,  
25 rights-of-way, easements and franchises, or interests therein,  
26 as provided in this chapter, the commission may proceed to  
27 obtain possession in the manner provided by 26 Pa.C.S. (relating  
28 to the eminent domain).

29 § 8112. Issuance of turnpike revenue bonds or other  
30 obligations.

31 (a) Authorization.--

32 (1) A bond must be authorized by resolution of the  
33 commission. The resolution may specify all of the following:

34 (i) Series.

35 (ii) Date of maturity not exceeding 40 years from  
36 date of issue.

37 (iii) Interest.

38 (iv) Denomination.

39 (v) Form, either coupon or fully registered without  
40 coupons.

41 (vi) Registration, exchangeability and  
42 interchangeability privileges.

43 (vii) Medium of payment and place of payment.

44 (viii) Terms of redemption not exceeding 105% of the  
45 principal amount of the bond.

46 (ix) Priorities in the revenues or receipts of the  
47 commission.

48 (2) A bond must be signed by or shall bear the facsimile  
49 signature of such officers as the commission determines.  
50 Coupon bonds must have attached interest coupons bearing the  
51 facsimile signature of the treasurer of the commission as  
52 prescribed in the authorizing resolution. A bond may be  
53 issued and delivered notwithstanding that one or more of the  
54 signing officers or the treasurer has ceased to be an officer  
55 when the bond is actually delivered. A bond must be  
56 authenticated by an authenticating agent, a fiscal agent or a  
57 trustee, if required by the authorizing resolution.

58 (3) A bond may be sold at public or private sale for a  
59 price determined by the commission.

1       (4) Pending the preparation of a definitive bond,  
2       interim receipts or temporary bonds with or without coupons  
3       may be issued to the purchaser and may contain terms and  
4       conditions as the commission determines.

5       (b) Provisions.--A resolution authorizing a bond may contain  
6       provisions which shall be part of the contract with the  
7       bondholder as to the following:

8       (1) Pledging the full faith and credit of the commission  
9       but not of the Commonwealth or any political subdivision for  
10       the bond or restricting the obligation of the commission to  
11       all or any of the revenue of the commission from all or any  
12       projects or properties.

13       (2) The construction, financing, improvement, operation,  
14       extension, enlargement, maintenance and repair for the  
15       payment of the costs of the turnpikes and the toll road  
16       conversions, including the reconstruction of the converted  
17       roads as provided for in this chapter and the repayment to  
18       the Federal Treasury of any funds so required to be repaid  
19       pursuant to any special legislation passed by the Congress of  
20       the United States authorizing the conversion of toll-free  
21       roads to toll roads, the financing for insurance reserves and  
22       the duties of the commission with reference to these matters.

23       (3) Terms and provisions of the bond.

24       (4) Limitations on the purposes to which the proceeds of  
25       the bond or other financing may be applied.

26       (5) Rate of tolls and other charges for use of the  
27       facilities of or for the services rendered by the commission.

28       (6) The setting aside, regulation and disposition of  
29       reserves and sinking funds.

30       (7) Limitations on the issuance of additional bonds.

31       (8) Terms and provisions of any deed of trust or  
32       indenture securing the bond or under which any deed of trust  
33       or indenture may be issued.

34       (9) Other additional agreements with the holder of the  
35       bond.

36       (c) Deeds of trust.--The commission may enter into any deed  
37       of trust, indenture or other agreement with any bank or trust  
38       company or other person in the United States having power to  
39       enter into such an arrangement, including any Federal agency, as  
40       security for a bond and may assign and pledge all or any of the  
41       revenues or receipts of the commission under such deed,  
42       indenture or agreement. The deed of trust, indenture or other  
43       agreement may contain provisions as may be customary in such  
44       instruments or as the commission may authorize, including  
45       provisions as to the following:

46       (1) Construction, financing, improvement, operation,  
47       maintenance and repair for the payment of the costs of the  
48       turnpikes and the toll road conversions, including the  
49       reconstruction of the converted roads as provided for in this  
50       chapter and the repayment to the Federal Treasury of any  
51       funds so required to be repaid pursuant to any special  
52       legislation passed by the Congress of the United States  
53       authorizing the conversion of toll-free roads to toll roads,  
54       financing for insurance reserves and the duties of the  
55       commission with reference to these matters.

56       (2) Application of funds and the safeguarding of funds  
57       on hand or on deposit.

58       (3) Rights and remedies of trustees and bondholders,  
59       including restrictions upon the individual right of action of

1     a bondholder.

2     (4) Terms and provisions of the bond or the resolution  
3     authorizing the issuance of the bond.

4     (d) Negotiability.--A bond shall have all the qualities of  
5     negotiable instruments under 13 Pa.C.S. Div. 3 (relating to  
6     negotiable instruments).

7     § 8113. Obligation proceeds restricted and lien created.

8     All money received from any bonds, notes or other obligations  
9     issued under this chapter shall be applied solely to the payment  
10    of the cost of the turnpike, the turnpike extensions and  
11    improvements and the toll road conversions, including the  
12    reconstruction of the converted roads as provided for in this  
13    chapter and the repayment to the Federal Treasury of any funds  
14    so required to be repaid pursuant to any special legislation  
15    passed by the Congress of the United States authorizing the  
16    conversion of toll-free roads to toll roads or to the  
17    appurtenant fund. There is created and granted a lien upon the  
18    money, until so applied, in favor of holders of the bonds, notes  
19    or other obligations or the trustee provided for in this chapter  
20    in respect of the bonds, notes or other obligations.

21    § 8114. Trust indenture authorized.

22    (a) Security for bonds.--In the discretion of the  
23    commission, the bonds, notes or other obligations may be secured  
24    by a trust indenture by and between the commission and a  
25    corporate trustee, which may be any trust company or bank having  
26    the powers of a trust company, within this Commonwealth. The  
27    trust indenture may pledge or assign tolls and revenue to be  
28    received but shall not convey or mortgage the Pennsylvania  
29    Turnpike System, including the turnpikes and toll road  
30    conversions provided for by this chapter.

31    (b) Rights of bondholders.--Either the resolution providing  
32    for the issuance of the bonds, notes or other obligations or the  
33    trust indenture may contain provisions for protecting and  
34    enforcing the rights and remedies of the bondholders or holders  
35    of notes or other obligations as may be reasonable and proper  
36    and not in violation of law, including covenants setting forth  
37    the duties of the commission in relation to the acquisition of  
38    properties and the construction, maintenance, operation and  
39    repair and insurance of the turnpikes, and the custody,  
40    safeguarding and application of all money. It shall be lawful  
41    for any bank or trust company incorporated under the laws of  
42    this Commonwealth to act as a depository of the proceeds of  
43    bonds, notes or other obligations or revenues and to furnish the  
44    indemnity bonds or to pledge the securities as may be required  
45    by the commission. The trust indenture may set forth the rights  
46    and remedies of the bondholders or holders of notes or other  
47    obligations and of the trustee and may restrict the individual  
48    right of action of bondholders or holders of notes or other  
49    obligations as is customary in trust indentures securing bonds,  
50    debentures of corporations, notes or other obligations. In  
51    addition to the foregoing, the trust indenture may contain other  
52    provisions as the commission may deem reasonable and proper for  
53    the security of bondholders or holders of notes or other  
54    obligations. All expenses incurred in carrying out the trust  
55    indenture may be treated as part of the cost of maintenance,  
56    operation and repair of the turnpikes and toll road conversions  
57    provided for by this chapter.

58    § 8115. Commission and obligations tax exempt.

59    The accomplishment by the commission of the authorized



1 purposes stated in this chapter being for the benefit of the  
2 people of this Commonwealth and for the improvement of their  
3 commerce and prosperity, in which accomplishment the commission  
4 will be performing essential governmental functions, the  
5 commission shall not be required to pay any taxes or assessments  
6 on any property acquired or used by it for the purposes provided  
7 in this chapter, and the bonds, notes or other obligations  
8 issued by the commission, their transfer and the income  
9 therefrom, including any profits made on the sale thereof, shall  
10 at all times be free from taxation within this Commonwealth.

11 § 8116. Collection and disposition of tolls and other revenue.

12 (a) Establishment and changes in toll amounts.--Subject to  
13 the terms of any trust indenture entered into by the commission,  
14 any resolution authorizing the issuance of any bonds, notes or  
15 other obligations of the commission, the commission is  
16 authorized: to fix and to revise tolls for the use of the  
17 Pennsylvania Turnpike System and the different parts or sections  
18 of the system, including the turnpike, the turnpike extensions  
19 and improvements and the toll road conversions authorized by  
20 this chapter: to charge and collect the tolls; to contract with  
21 any person, partnership, association or corporation desiring the  
22 use of any part thereof, including the right-of-way adjoining  
23 the paved portion, for placing thereon telephone, telegraph,  
24 electric light or power lines, gas stations, garages, stores,  
25 hotels, restaurants and advertising signs, or for any other  
26 purpose, except for tracks for railroad or railway use; and to  
27 fix the terms, conditions, rents and rates of charges for use.  
28 Tolls shall be fixed and adjusted as to provide funds at least  
29 sufficient with other revenues of the Pennsylvania Turnpike  
30 System, if any, to pay:

31 (1) the cost of constructing, maintaining, repairing and  
32 operating the Pennsylvania Turnpike System and the different  
33 parts and sections of the system; and

34 (2) any bonds, notes or other obligations and the  
35 interest thereon of the commission, and all sinking fund  
36 requirements of the commission, and other requirements  
37 provided for by any resolution authorizing the issuance of  
38 the bonds, notes or other obligations by the commission, or  
39 by any trust indenture to which the commission is a party, as  
40 the same shall become due.

41 (b) Restrictions on toll revenue.--Tolls shall not be  
42 subject to supervision or regulation by any other State  
43 commission, board, bureau or agency. Subject to the terms of any  
44 presently existing trust indenture entered into by the  
45 commission and any presently existing resolution authorizing the  
46 issuance of any bonds, notes or other obligations of the  
47 commission, the tolls and all other revenue derived from the  
48 Pennsylvania Turnpike System shall be set aside and pledged as  
49 may be provided in any resolutions, trust indentures or any  
50 other agreements that the commission may hereafter adopt or  
51 hereafter enter into with respect to the issuance of bonds,  
52 notes or other obligations of the commission.

53 § 8116.1. Electronic toll collection.

54 (a) Liability of owner.--

55 (1) If an operator of a vehicle fails to pay the  
56 prescribed toll at any location where tolls are collected by  
57 means of electronic toll collection, the owner of the vehicle  
58 shall be liable to the commission for failure of the operator  
59 of the vehicle to comply with this section if the violation

1 is evidenced by information obtained from a violation  
2 enforcement system.

3 (2) If a violation of this section is committed, the  
4 registration plate number of the vehicle as recorded by a  
5 violation enforcement system shall establish an inference  
6 that the owner of the vehicle was then operating the vehicle.  
7 The inference shall be overcome if the owner does all of the  
8 following:

9 (i) Testifies that the owner was not operating the  
10 vehicle at the time of the violation.

11 (ii) Submits to an examination as to who at the time  
12 was operating the vehicle.

13 (iii) Reveals the name and residence address, if  
14 known, of the operator of the vehicle.

15 (3) If an action or proceeding is commenced in a county  
16 other than that of the residence of the owner, a verified  
17 written statement setting forth the facts prescribed under  
18 paragraph (2)(i), (ii) and (iii) shall suffice to overcome  
19 the inference.

20 (4) If the inference is overcome, the operator of the  
21 vehicle may be held liable under this section for failure to  
22 pay the prescribed toll in the same manner as if the operator  
23 were the owner of the vehicle.

24 (b) Imposition of liability.--Liability under this section  
25 shall be imposed upon an owner for a violation of this section  
26 or the regulations of the commission occurring within the  
27 territorial limits of this Commonwealth. If a violation is  
28 committed as evidenced by a violation enforcement system, the  
29 following shall apply:

30 (1) The commission or an authorized agent or employee  
31 must prepare and mail a notice of violation as follows:

32 (i) The notice of violation must be sent by first  
33 class mail to each person alleged to be liable as an  
34 owner for a violation of this section.

35 (ii) The notice must be mailed at the address shown  
36 on the vehicle registration or at the address of the  
37 operator, as applicable. Notice must be mailed no later  
38 than 60 days after:

39 (A) the alleged conduct; or

40 (B) the date the inference is overcome under  
41 subsection (a)(2).

42 (iii) Personal service is not required.

43 (iv) The notice must contain all of the following:

44 (A) Information advising the person charged of  
45 the manner and time in which the liability alleged in  
46 the notice may be contested.

47 (B) A warning advising the person charged that  
48 failure to contest in the manner and time provided  
49 shall be deemed an admission of liability and that a  
50 default judgment may be entered on the notice.

51 (1.1) A manual or automatic record of mailing prepared  
52 in the ordinary course of business shall be prima facie  
53 evidence of the mailing of notice.

54 (2) If an owner of a vehicle or an owner that is a  
55 lessor of a vehicle receives a notice of violation under this  
56 section for any time period during which the vehicle was  
57 reported to a police department as having been stolen, it  
58 shall be a defense to the allegation of liability that the  
59 vehicle had been reported to the police as having been stolen

1 prior to the time the violation occurred and that the vehicle  
2 had not been recovered by the time of the violation. For  
3 purposes of asserting the defense under this paragraph, it  
4 shall be sufficient that a certified copy of the police  
5 report on the stolen vehicle be sent by first class mail to  
6 the commission within 30 days after receiving the original  
7 notice of violation. Failure to send the information within  
8 the time limit under this paragraph shall render the owner or  
9 lessor liable for the penalty prescribed by this section.

10 (3) An owner that is a lessor of a vehicle as to which a  
11 notice of violation was issued under paragraph (1) shall not  
12 be liable for a violation if the owner sends to the  
13 commission a copy of the rental, lease or other contract  
14 document covering the vehicle on the date of the violation,  
15 with the name and address of the lessee clearly legible to  
16 the commission, within 30 days after receiving the original  
17 notice of violation. Failure to send the information within  
18 the time limit under this paragraph shall render the lessor  
19 liable for the penalty prescribed by this section. If the  
20 lessor complies with the provisions of this section, the  
21 lessee of the vehicle on the date of the violation shall be  
22 deemed to be the owner of the vehicle for purposes of this  
23 section and shall be subject to liability for the penalty  
24 under this section.

25 (4) A certified report or a facsimile report of an  
26 authorized agent or employee of the commission reporting a  
27 violation of this section or regulations of the commission  
28 based upon the recorded information obtained from a violation  
29 enforcement system shall be prima facie evidence of the facts  
30 contained in the report and shall be admissible as an  
31 official record kept in the ordinary course of business in  
32 any proceeding charging a violation of this section or the  
33 toll collection regulations of the commission.

34 (5) Notwithstanding any other provision of law,  
35 videotapes, photographs, microphotographs, other recorded  
36 images, written records, reports or facsimiles prepared  
37 pursuant to this section shall be for the exclusive use of  
38 the commission, its authorized agents, its employees and law  
39 enforcement officials for the purpose of discharging duties  
40 under this section and the regulations of the commission. The  
41 information shall not be deemed a public record under the act  
42 of June 21, 1957 (P.L.390, No.212), referred to as the Right-  
43 to-Know Law. The information shall not be discoverable by  
44 court order or otherwise; nor shall it be offered in evidence  
45 in any action or proceeding which is not directly related to  
46 a violation of this section, the regulations of the  
47 commission or indemnification for liability imposed pursuant  
48 to this section. The restrictions set forth in this  
49 paragraph:

50 (i) shall not be deemed to preclude a court of  
51 competent jurisdiction from issuing an order directing  
52 that the information be provided to law enforcement  
53 officials if the information is reasonably described and  
54 is requested solely in connection with a criminal law  
55 enforcement action;

56 (ii) shall not be deemed to preclude the exchange of  
57 the information between any entities with jurisdiction  
58 over or which operate an electronic toll collection  
59 system in this Commonwealth or any other jurisdiction;

1       and

2       (iii) shall not be deemed to prohibit the use of  
3       information exclusively for the purpose of billing  
4       electronic toll collection account holders, deducting  
5       toll charges from the account of an account holder,  
6       enforcing toll collection laws and related regulations or  
7       enforcing the provisions of an account holder agreement.

8       (6) An imposition of liability under this section must  
9       be based upon a preponderance of evidence.

10       (7) An imposition of liability pursuant to this section  
11       shall not be deemed a conviction of an owner and shall not be  
12       made part of the motor vehicle operating record of the person  
13       upon whom the liability is imposed, nor shall it be  
14       considered in the provision of motor vehicle insurance  
15       coverage.

16       (8) An owner that admits, is found liable or fails to  
17       respond to the notice of violation for a violation of this  
18       section shall be civilly liable to the commission for all of  
19       the following:

20       (i) Either:

21       (A) the amount of the toll evaded or attempted  
22       to be evaded if the amount can be determined; or

23       (B) the maximum toll from the farthest point of  
24       entry on the Pennsylvania Turnpike to the actual  
25       point of exit if the amount of the toll evaded or  
26       attempted to be evaded cannot be determined.

27       (ii) A reasonable administrative fee not to exceed  
28       \$35 per notification.

29       (9) Nothing in this section shall be construed to limit  
30       the liability of the operator of a vehicle for a violation of  
31       this section or of the regulations of the commission.

32       (c) Placement of electronic toll collection device.--An  
33       electronic toll collection device which is affixed to the front  
34       windshield of a vehicle in accordance with the regulations of  
35       the commission shall not be deemed to constitute a violation of  
36       75 Pa.C.S. § 4524 (relating to windshield obstructions and  
37       wipers).

38       (d) Privacy of electronic toll collection account holder  
39       information.--

40       (1) Except as set forth paragraph (2), notwithstanding  
41       any other provision of law, all of the following apply to  
42       information kept by the commission, its authorized agents or  
43       its employees which is related to the account of an  
44       electronic toll collection system account holder:

45       (i) The information shall be for the exclusive use  
46       of the commission, its authorized agents, its employees  
47       and law enforcement officials for the purpose of  
48       discharging their duties pursuant to this section and the  
49       regulations of the commission. This subparagraph includes  
50       names, addresses, account numbers, account balances,  
51       personal financial information, vehicle movement records  
52       and other information compiled from transactions with the  
53       account holders.

54       (ii) The information shall not be deemed a public  
55       record under the Right-to-Know Law, nor shall it be  
56       discoverable by court order or otherwise or be offered in  
57       evidence in any action or proceeding which is not  
58       directly related to the discharge of duties under this  
59       section, the regulations of the commission or a violation

1 of an account holder agreement.

2 (2) Paragraph (1) shall not be deemed to do any of the  
3 following:

4 (i) Preclude a court of competent jurisdiction from  
5 issuing an order directing that the information be  
6 provided to law enforcement officials if the information  
7 is reasonably described and is requested solely in  
8 connection with a criminal law enforcement action.

9 (ii) Preclude the exchange of the information  
10 between any entities with jurisdiction over or which  
11 operate an electronic toll collection system in this  
12 Commonwealth or any other jurisdiction.

13 (iii) Prohibit the use of the information  
14 exclusively for the purpose of billing electronic toll  
15 collection account holders, deducting toll charges from  
16 the account of an account holder, enforcing toll  
17 collection laws and related regulations or enforcing the  
18 provisions of an account holder agreement.

19 (e) Definition.--As used in this section, the term "owner"  
20 means any person, corporation, firm, partnership, agency,  
21 association, organization or lessor that, at the time a vehicle  
22 is operated in violation of this section or regulations of the  
23 commission:

24 (1) is the beneficial or equitable owner of the vehicle;

25 (2) has title to the vehicle; or

26 (3) is the registrant or coregistrant of the vehicle  
27 registered with the department or a comparable agency of  
28 another jurisdiction or uses the vehicle in its vehicle  
29 renting or leasing business. The term includes a person  
30 entitled to the use and possession of a vehicle subject to a  
31 security interest in another person.

32 § 8117. Refunding bonds.

33 The commission is authorized to provide, by resolution, for  
34 the issuance of turnpike revenue refunding bonds for the purpose  
35 of refunding issued and outstanding turnpike revenue bonds,  
36 notes or other obligations. Applicable provisions of this  
37 chapter govern all of the following:

38 (1) Issuance of the turnpike revenue refunding bonds.

39 (2) Maturities and other details of the refunding bonds.

40 (3) Rights of the holders of the bonds.

41 (4) Duties of the Commonwealth and of the commission in  
42 respect to the bonds.

43 § 8118. Rights of obligation holders and trustees.

44 (a) Scope.--This section applies to all of the following:

45 (1) A holder of:

46 (i) a bond, note or other obligation issued under  
47 this chapter; or

48 (ii) a coupon attached to the bond, note or other  
49 obligation.

50 (2) The trustee under an applicable trust indenture.

51 (b) Enforcement.--Subject to subsection (c), a person  
52 referred to in subsection (a) may, by an action at law or in  
53 equity, do all of the following:

54 (1) Protect and enforce rights granted under this  
55 chapter or under the resolution or trust indenture.

56 (2) Enforce and compel performance of all duties  
57 required by this chapter or by the resolution or trust  
58 indenture to be performed by the commission or an officer of  
59 the commission. This paragraph includes fixing, charging and

1 collecting of tolls for the use of the turnpikes.

2 (c) Restriction.--Rights under this chapter may be  
3 restricted by resolution passed before the issuance of the bond,  
4 note or other obligation or by the trust indenture.

5 § 8119. Authority granted to secretary.

6 (a) Agreement with Federal Government.--

7 (1) The secretary is authorized to enter into an  
8 agreement with the United States Department of  
9 Transportation, the Federal Highway Administration and any  
10 other Federal agency to obtain Federal funds for projects for  
11 resurfacing, restoring and rehabilitating toll roads in this  
12 Commonwealth. The commission is authorized to use Federal  
13 funds which may be available for toll roads only upon  
14 approval of the secretary and only under the authority  
15 granted under this section.

16 (2) (Reserved).

17 (b) Approval by department.--Contracts and agreements  
18 relating to the construction of the turnpikes and connecting  
19 tunnels and bridges must be approved by the department.

20 § 8120. Construction of chapter.

21 This chapter shall be regarded as supplemental and additional  
22 to powers conferred by other statutes and shall not be regarded  
23 as in derogation of any powers now existing and shall be  
24 liberally construed to effect its purposes.

25 Section 2.1. Section 8901 of Title 75 is amended to read:  
26 § 8901. Definitions.

27 The following words and phrases when used in this chapter  
28 shall have the meanings given to them in this section unless the  
29 context clearly indicates otherwise:

30 "Annual additional rent." That portion of the rent payable  
31 to the Department of Transportation under section 8915.3(5)  
32 (relating to lease of Interstate 80).

33 "Annual base rent." That portion of the rent payable to the  
34 Department of Transportation under section 8915.3(4) (relating  
35 to lease of Interstate 80).

36 "Annual surplus rent." That portion of the rent payable to  
37 the Department of Transportation under section 8915.3(6)  
38 (relating to lease of Interstate 80).

39 "Auditor General's certificate." The certificate issued by  
40 the Auditor General within 180 days after the end of each fiscal  
41 year of the Pennsylvania Turnpike Commission certifying all of  
42 the following:

43 (1) The amount of the general reserve fund surplus for  
44 the fiscal year.

45 (2) Interstate 80 savings for the fiscal year.

46 (3) After review of the commission's current ten-year  
47 capital plan, that the transfer of the general reserve fund  
48 surplus under section 8915.3 (relating to lease of Interstate  
49 80) shall not impair the ability of the commission to meet  
50 its obligations under the lease agreement or the commission's  
51 ten-year capital plan.

52 "Commission." The Pennsylvania Turnpike Commission.

53 "Conversion date." The date the Pennsylvania Turnpike  
54 Commission intends to assume control over Interstate 80 as set  
55 forth in the conversion notice.

56 "Conversion notice." Written notice to the Secretary of  
57 Transportation from the Pennsylvania Turnpike Commission  
58 providing notice of its intent to assume control over Interstate  
59 80 under section 8915.3(3) (relating to lease of Interstate 80).

1 "Conversion period." A period of three years:  
2 (1) which begins on the date of execution of the lease  
3 agreement; and  
4 (2) during which the Pennsylvania Turnpike Commission  
5 may give the Department of Transportation conversion notice  
6 or notice that the commission has exercised its option to  
7 extend the conversion period pursuant to section 8915.3(2)  
8 (relating to lease of Interstate 80).  
9 "Fiscal year." The fiscal year of the Pennsylvania Turnpike  
10 Commission.  
11 "General reserve fund surplus." The amount which:  
12 (1) is certified by the Auditor General in the Auditor  
13 General's certificate as existing in the Pennsylvania  
14 Turnpike Commission's general reserve fund on the last day of  
15 the fiscal year; and  
16 (2) is not required to be retained in the general  
17 reserve fund pursuant to any financial documents, financial  
18 covenants, insurance policies, liquidity policies or  
19 agreements, swap agreements or rating agency requirements in  
20 effect at the commission.  
21 "Interstate 80 savings." An amount equal to the following:  
22 (1) Prior to the conversion date, the amount shall be  
23 zero.  
24 (2) After the conversion date, the amount certified in  
25 the Auditor General's certificate equal to \$100,000,000,  
26 increased by 4% for each year after the year of execution of  
27 the lease agreement.  
28 "Interstate 80." An interstate highway designated by the  
29 United States Department of Transportation on the Dwight D.  
30 Eisenhower System of Interstate and Defense Highways.  
31 "Interstate 95." An interstate highway designated by the  
32 United States Department of Transportation on the Dwight D.  
33 Eisenhower System of Interstate and Defense Highways.  
34 "Lease agreement." A lease agreement between the Department  
35 of Transportation and the Pennsylvania Turnpike Commission which  
36 shall include provisions setting forth the terms of the  
37 conversion of Interstate 80 to a toll road.  
38 "Scheduled annual commission contribution." The following  
39 amounts, except that the amount shall be equal to the annual  
40 base rent plus \$250,000,000 if the conversion notice is not  
41 received by the Secretary of Transportation prior to the  
42 expiration of the conversion period:  
43 (1) \$700,000,000 in fiscal year 2007-2008.  
44 (2) \$750,000,000 in fiscal year 2008-2009.  
45 (3) \$800,000,000 in fiscal year 2009-2010.  
46 (4) \$800,000,000 increased by 2.5% for each fiscal year  
47 after fiscal year 2009-2010, except that the amount shall be  
48 equal to \$250,000,000 if Interstate 80 is not converted to a  
49 toll road.  
50 Section 2.2. Section 8911 introductory paragraph of Title 75  
51 is amended and the section is amended by adding a paragraph to  
52 read:  
53 § 8911. Improvement and extension authorizations.  
54 In order to facilitate vehicular traffic within and across  
55 this Commonwealth, the commission is hereby authorized and  
56 empowered to construct, widen, expand, extend, operate and  
57 maintain turnpike extensions and turnpike improvements at such  
58 specific locations and according to such schedule as shall be  
59 deemed feasible and approved by the commission, together with

1 connecting roads, storm water management systems, tunnels and  
2 bridges, subject to the waiver of the Federal toll prohibition  
3 provisions where applicable, as follows:

4 \* \* \*

5 (10) Other slip ramps and interchanges as the commission  
6 may determine.

7 Section 2.3. Sections 8912 introductory paragraph, 8913,  
8 8914 introductory paragraph and 8915 introductory paragraph of  
9 Title 75 are amended to read:

10 § 8912. Subsequent extension authorizations.

11 The commission is also hereby authorized and empowered to  
12 construct, widen, expand, extend, operate and maintain further  
13 extensions and improvements of the turnpike at such specific  
14 locations and according to such schedules as shall be deemed  
15 feasible and which shall be approved by the commission, subject  
16 to the waiver of the Federal toll prohibition provisions where  
17 applicable, as follows:

18 \* \* \*

19 § 8913. Additional subsequent extension authorizations.

20 Upon substantial completion of the turnpike extensions and  
21 improvements set forth in sections 8911 (relating to improvement  
22 and extension authorizations) and 8912 (relating to subsequent  
23 extension authorizations), the commission is hereby authorized  
24 and empowered to construct, widen, expand, extend, operate and  
25 maintain further extensions and improvements of the turnpike at  
26 such specific locations and according to such schedules as shall  
27 be deemed feasible and which shall be approved by the  
28 commission, subject to the waiver of the Federal toll  
29 prohibition provisions where applicable, as follows: construct  
30 from a point at or near Interstate Route 80 Interchange 23 at  
31 Milesburg southwesterly generally along U.S. Route 220 to a  
32 connection with the existing U.S. Route 220 Expressway south of  
33 Bald Eagle.

34 § 8914. Further subsequent authorizations.

35 Upon completion of the turnpike extensions and improvements  
36 set forth in sections 8911 (relating to improvement and  
37 extension authorizations), 8912 (relating to subsequent  
38 extension authorizations) and 8913 (relating to additional  
39 subsequent extension authorizations), the commission is hereby  
40 authorized and empowered to construct, widen, expand, extend,  
41 operate and maintain further extensions and improvements of the  
42 turnpike at such specific locations and according to such  
43 schedules as shall be deemed feasible and which shall be  
44 approved by the commission, subject to the waiver of the Federal  
45 toll prohibition provisions where applicable, as follows:

46 \* \* \*

47 § 8915. Conversion to toll roads.

48 In order to facilitate vehicular traffic within and across  
49 this Commonwealth, and [after] to facilitate the completion of  
50 the turnpike extensions and improvements authorized in section  
51 8911 (relating to improvement and extension authorizations), and  
52 subject to prior legislative approval by the General Assembly  
53 and the United States Congress, the commission is hereby  
54 authorized and empowered to convert to toll roads such portions  
55 of Pennsylvania's interstate highway system as may [be required  
56 in order to] facilitate the completion of the turnpike  
57 extensions and improvements authorized in sections 8912  
58 (relating to subsequent extension authorizations), 8913  
59 (relating to additional subsequent extension authorizations) and



8914 (relating to further subsequent authorizations) and to operate and maintain such converted interstates as toll roads upon the approval by the Congress of the United States of America and the General Assembly of this Commonwealth of legislation expressly permitting the conversion of such interstates to toll roads. Such conversions shall take place at a time and manner set forth in the plan for the conversion prepared by the commission with the cooperation of the department. The provisions authorizing the commission to construct, operate and maintain the turnpike routes in sections 8911, 8912 and 8913 shall be subject to:

\* \* \*

Section 2.4. Title 75 is amended by adding sections to read:  
§ 8915.1 Conversion of I-80 and I-95.

In order to facilitate vehicular traffic across this Commonwealth and pursuant to the authority granted in this chapter, the commission is hereby authorized and empowered to:

(1) Convert to toll roads Interstate 80 and Interstate 95 and to operate and maintain the converted interstates as toll roads, upon approval of the United States Department of Transportation.

(2) Undertake a project which shall include construction, reconstruction, widening, expansion, extension, operation and maintenance of Interstate 80 and Interstate 95, together with connecting roads, interchanges, slip ramps, tunnels and bridges.

(3) Issue turnpike revenue bonds of the Commonwealth, notes and other obligations payable solely from revenues of the commission, including tolls, or from such funds as may be available to the commission for that purpose.

(4) Pay the cost of any and all construction, reconstruction, widening, expansion or extension or any other cost of Pennsylvania turnpike.

§ 8915.2. Application to United States Department of Transportation.

The commission, in consultation with the department, shall prepare applications at its own expense and shall submit the applications to the United States Department of Transportation for the conversion of Interstate 80 and Interstate 95 to toll roads pursuant to any Federal program for which they are eligible. The commission shall simultaneously commence separate applications for Interstate 80 and Interstate 95.

§ 8915.3. Lease of Interstate 80.

The department and the commission shall enter into a lease agreement relating to Interstate 80. The lease agreement shall include provisions setting forth the terms and conditions of the conversion of Interstate 80 to a toll road. The lease agreement, at a minimum, shall include the following:

(1) A provision that the term of the lease agreement shall be 50 years, unless extended upon mutual agreement of the parties to the lease agreement.

(2) A provision establishing a conversion period and authorizing extension of the conversion period at the sole option of the commission for three one-year extension periods after consultation with the secretary. The commission shall notify the secretary of its intent to extend the conversion 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

1 Interstate 80 shall remain with the department. All  
2 operations and programmed rehabilitation shall be maintained  
3 at levels no less favorable than those set forth in the  
4 department's 12-year plan at the time of the execution of the  
5 lease, with modifications as are approved in writing by the  
6 chairman of the commission.

7 (3) A provision permitting the commission to exercise  
8 its option to convert Interstate 80 to a toll road prior to  
9 the expiration of the conversion period by providing the  
10 conversion notice to the secretary beginning on the  
11 conversion date, all legal, financial and operational  
12 responsibility for Interstate 80, as well as all toll  
13 revenues collected with respect to its use, shall be  
14 transferred from the department to the commission. The  
15 commission shall retain the right to contract with the  
16 department for any portion of the maintenance of Interstate  
17 80 at cost levels no less favorable than those of the  
18 department on the conversion date.

19 (4) A provision requiring the commission to pay annual  
20 base rent to the department during the term of the lease  
21 agreement in the following manner and equal to the following  
22 amounts:

23 (i) Annual debt service on outstanding bonds issued  
24 under section 9511.2 (relating to special revenue bonds  
25 payable solely from pledged revenues of Motor License  
26 Fund) payable as required pursuant to bonds.

27 (ii) \$200,000,000 payable annually in four equal  
28 installments each due the first business day of each  
29 July, October, January and April.

30 (5) A provision requiring the commission to pay annual  
31 additional rent to the department as follows:

32 (i) During the conversion period and after the  
33 conversion of Interstate 80 to a toll road, the annual  
34 additional rent shall be equal to the scheduled annual  
35 commission contribution, minus any amounts paid under  
36 paragraph (4) and any Interstate 80 savings for that  
37 fiscal year as set forth in the Auditor General's  
38 certificate.

39 (ii) If conversion notice is not received by the  
40 secretary prior to the expiration of the conversion  
41 period, the annual additional rent shall be equal to  
42 \$250,000,000.

43 The annual additional rent is deemed to be equal to the fair  
44 market value of Interstate 80 and shall be payable in four  
45 equal installments due the first business day of each July,  
46 October, January and April of each year during the term of  
47 the lease agreement.

48 (6) A provision requiring the commission to pay,  
49 commencing on the conversion date, annual surplus rent to the  
50 department equal to the general reserve fund surplus payable  
51 for each fiscal year from the conversion date until the end  
52 of the term of the lease agreement. The surplus rent shall be  
53 payable by the commission within 30 days of receipt by the  
54 commission of the Auditor General's certificate. If the  
55 conversion period expires before the conversion date, no  
56 annual surplus rent shall be payable.

57 (7) A provision stating that the obligation of the  
58 commission to pay the annual base rent, the annual additional  
59 rent and annual surplus rent 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, swap agreements or rating agency requirements in effect at the commission.

§ 8915.4. Lease of other interstates.

Except as provided in section 8915.3 (relating to lease of Interstate 80), upon receiving approval from the United States Department of Transportation to toll an interstate, the commission shall enter into a lease agreement with the department for that interstate.

Amend Bill, page 69, line 20, by striking out all of said line and inserting

Section 4. Title 75 is amended by adding a section to read:  
§ 9501. Definitions.

The following words and terms when used in this chapter shall have the meanings given to them in this section, unless the context clearly indicates otherwise:

"Bond-related expenses." The term shall include all of the following:

(1) Printing, publication or advertising expenses with respect to the sale and issuance of bonds.

(2) Fees, expenses and costs of registrars.

(3) Fees, expenses and costs of attorneys, accountants, feasibility consultants, computer programmers or other experts employed to aid in the sale and issuance of the bonds.

(4) Other costs, fees and expenses incurred or reasonably related to the issuance and sale of the bonds.

"Bond-related obligation." An agreement or contractual relationship between the Pennsylvania Turnpike Commission and a bank, trust company, insurance company, swap counterparty, surety bonding company, pension fund or other financial institution providing increased credit on or security for the bonds or liquidity for secondary market transactions.

"Commission." The Pennsylvania Turnpike Commission or any successor organization.

"Cost of the department."

(1) Any of the following, which shall be reimbursed or paid out of the proceeds of the special revenue bonds, notes or other obligations authorized under this chapter:

(i) The cost of constructing, reconstructing, widening, expanding or extending the State highway and rural State highway system and all connecting roads, tunnels and bridges.

(ii) The cost of all lands, property rights, rights-of-way, easements and franchises acquired, which are deemed necessary or convenient for the construction, reconstruction, widening, expanding or extending under subparagraph (i).

(iii) The cost of all machinery and equipment, financing charges, interest prior to and during construction and for one year after completion of construction.

(iv) The cost of traffic estimates and of engineering and legal expenses, plans, specifications,

1 surveys, estimates of cost and of revenues, other  
2 expenses necessary or incident to determining the  
3 feasibility or practicability of the enterprise,  
4 administrative and legal expenses and other expenses as  
5 may be necessary or incident to the financing authorized  
6 under this chapter, the construction, reconstruction,  
7 widening, expanding or extending of the State highway and  
8 the rural State highway system and connecting roads,  
9 tunnels and bridges, the placing of the same in operation  
10 and the condemnation of property necessary for  
11 construction and operation.

12 (v) Any obligation or expense contracted for by the  
13 Department of Transportation or with the United States or  
14 any agency of the United States, for traffic surveys,  
15 preparation of plans and specifications, supervision of  
16 construction, and other engineering, administrative and  
17 legal services and expenses in connection with the  
18 construction, reconstruction, widening, expanding or  
19 extending of the State highway and the rural State  
20 highway system or any of the connecting roads, tunnels  
21 and bridges.

22 (2) Payment of any notes or other obligations if the  
23 notes or other obligations were issued for the payment of a  
24 cost.

25 "Design build arrangement." A procurement or project  
26 delivery arrangement whereby a single entity, which may be a  
27 single contractor or a consortium comprised of multiple  
28 contractors, engineers and other subconsultants, is responsible  
29 for both the design and construction of a transportation project  
30 with a guaranteed completion date and guaranteed maximum price.

31 "Owner." The term shall include all individuals,  
32 copartnerships, associations or corporations having any title or  
33 interest in any property rights, easements or franchises  
34 authorized to be acquired by this chapter.

35 "Pledged revenues." Revenues of the Motor License Fund  
36 pledged to the Pennsylvania Turnpike Commission under sections  
37 9010 (relating to disposition and use of tax), 9511(i) (relating  
38 to allocation of proceeds) and 9511.11 (relating to Motor  
39 License Fund proceeds) and amounts payable by the commission  
40 under section 8915.3(4)(i) (relating to lease of Interstate 80).

41 "Rural State Highway System." All roads and highways taken  
42 over by the Commonwealth as State highways under the provisions  
43 of the act of June 22, 1931 (P.L.594, No.203), referred to as  
44 the Township State Highway Law and all other roads and highways  
45 specifically designated by the Secretary of Transportation as  
46 Rural State Highways.

47 "State highway." All roads and highways taken over by the  
48 Commonwealth as State highways under the provisions of any  
49 statute. Unless clearly intended, the term shall not include any  
50 street in any city, borough or incorporated town, even though  
51 the same may have been taken over as a State highway.

52 Section 5. Title 75 is amended by adding sections to read:  
53 § 9511.2. Special revenue bonds payable solely from pledged  
54 revenues of Motor License Fund.

55 (a) Payment source.--A special revenue bond, note or other  
56 obligation issued under this chapter:

57 (1) shall not be deemed to be a debt or liability of the  
58 Commonwealth;

59 (2) shall not create or constitute any indebtedness,

1 liability or obligation of the Commonwealth; and

2 (3) shall be payable solely from revenues of the Motor  
3 License Fund pledged to the commission for that purpose in  
4 combination with amounts transferred under section  
5 8915.3(4)(i) (relating to lease of Interstate 80).

6 (b) Statement.--A special revenue bond, note or other  
7 obligation issued under this chapter must contain a statement on  
8 its face that:

9 (1) the Commonwealth is not obligated to pay the bond,  
10 note or obligation or the interest on it except from revenues  
11 of the Motor License Fund pledged for that purpose in  
12 combination with amounts transferred under section  
13 8915.3(4)(i); and

14 (2) neither the faith and credit nor the taxing power of  
15 the Commonwealth is pledged to the payment of the principal  
16 or interest of the bond, note or obligation.

17 (c) Taxation.--The issuance of a special revenue bond, note  
18 or other obligation under this chapter shall not directly,  
19 indirectly or contingently obligate the Commonwealth to levy a  
20 tax or to make an appropriation for payment.

21 § 9511.3. Expenses.

22 (a) Reimbursement.--The commission shall be reimbursed for  
23 the necessary expenses incurred in the performance of the duties  
24 performed under the provisions of this chapter.

25 (b) Source.--All expenses incurred in carrying out the  
26 provisions of this chapter shall be paid solely from funds  
27 provided under the authority of this chapter, and sufficient  
28 funds shall be provided under the authority of this chapter to  
29 meet any liability or obligation incurred in carrying out the  
30 provisions of this chapter.

31 § 9511.4. Special revenue bonds and preliminary or interim  
32 financing.

33 (a) Authorization.--The commission is authorized to provide,  
34 by resolution, for the issuance of special revenue bonds of the  
35 commission up to an amount not exceeding \$4,000,000,000 for the  
36 purpose of paying the cost of the department and bond-related  
37 expenses. The resolution must recite an estimate of the cost of  
38 the department. No more than \$600,000,000 of special revenue  
39 bonds may be issued in any calendar year. No bond may be issued  
40 under this section unless the lease agreement authorized under  
41 section 8915.3 (relating to lease of Interstate 80) is in effect  
42 as of the date of issuance. Special revenue refunding bonds as  
43 set forth in section 9511.9 (relating to special revenue  
44 refunding bonds) shall not be deemed to count against the total  
45 or annual maximum issuance volume. The principal and interest of  
46 the bond shall be payable solely from revenues of the Motor  
47 License Fund pledged for that purpose to the commission in  
48 combination with the amounts transferred under section  
49 8915.3(4)(i).

50 (b) Form.--

51 (1) A bond may be issued in registered form.

52 (2) A bond:

53 (i) must be dated;

54 (ii) must bear interest at a rate not exceeding the  
55 rate permitted under applicable law;

56 (iii) must be payable semiannually;

57 (iv) must mature, as determined by the commission,  
58 not exceeding 40 years from the date of the bond; and

59 (v) may be made redeemable before maturity, at the

option of the commission, at a price and under terms and conditions fixed by the commission prior to the issuance of the bonds.

(3) The amount of premium on a bond shall not cause the yield to be more than permitted by applicable law from the date of the bond to the date of redemption.

(c) Issuance.--

(1) The bond may be issued in registered form. The commission may sell a bond in registered form at public or private sale and for a price it determines to be in the best interest of the Commonwealth, but no sale shall be made at a price so low as to require the payment of interest on the money received for the bond at more than the rate permitted by applicable law, computed with relation to the absolute maturity of the bond in accordance with standard tables of bond values.

(2) A bond may be issued at public or private sale in series with varying provisions as to all of the following:

(i) Rates of interest, which may be fixed or variable.

(ii) Maturity.

(iii) Other provisions not inconsistent with this chapter.

(d) Revenue share.--All bonds, of whatever series, shall share ratably in the revenues pledged under this chapter as security for the bonds, although one series of bonds may have a lien on pledged revenues senior to the lien of another series of bonds.

(e) Payment.--

(1) The principal and interest of the bonds may be made payable in any lawful medium.

(2) The commission shall:

(i) determine the form of bonds; and

(ii) fix:

(A) the denomination of the bond; and

(B) the place of payment of principal and interest of the bond, which may be at any bank or trust company within or without this Commonwealth.

(f) Signature.--The bond must bear the facsimile signature of the Governor and of the chairman of the commission. The facsimile of the official seal of the commission shall be affixed to the bond and attested by the secretary and treasurer of the commission. If an officer whose signature or facsimile of a signature appears on a bond ceases to be an officer before the delivery of the bond, the signature or facsimile shall nevertheless be valid and sufficient for all purposes, as if the officer remained in office until delivery.

(g) Negotiability.--A special revenue bond issued under this chapter shall have all the qualities and incidents of a negotiable instrument under 13 Pa.C.S. Div. 3 (relating to negotiable instruments).

(h) Proceeds.--

(1) The proceeds of a bond shall be used solely for the following:

(i) Payment of the cost of the department.

(ii) Bond-related expenses.

(2) The proceeds of a bond shall be disbursed upon requisition of the secretary under restrictions set forth in the resolution authorizing the issuance of the bond or the

1 trust indenture under section 9511.6 (relating to trust  
2 indenture, protection of holders of obligations and  
3 depositories).

4 (3) If the proceeds of a bond, by error of calculation  
5 or otherwise, shall be less than the cost of the department,  
6 additional bonds may be issued to provide the amount of the  
7 deficit and, unless otherwise provided in the resolution  
8 authorizing the issuance of the bonds or in the trust  
9 indenture, shall be deemed to be of the same issue and shall  
10 be entitled to payment from the same fund, without preference  
11 or priority of the bonds first issued.

12 (i) Temporary bonds.--Prior to the preparation of definitive  
13 bonds, the commission may, under similar restrictions as those  
14 applicable to the definitive bonds, issue temporary bonds,  
15 exchangeable for definitive bonds upon the issuance of  
16 definitive bonds.

17 (j) Replacement bonds.--The commission may provide for the  
18 replacement of a bond which becomes mutilated or is destroyed or  
19 lost. A replacement revenue bond may be issued without any other  
20 proceedings or the happening of any other condition than those  
21 proceedings and conditions required by this chapter.

22 (k) Status as securities.--

23 (1) A bond is made a security in which any of the  
24 following may properly and legally invest funds, including  
25 capital, belonging to them or within their control:

26 (i) Commonwealth and municipal officers.

27 (ii) Commonwealth agencies.

28 (iii) Banks, bankers, savings banks, trust  
29 companies, saving and loan associations, investment  
30 companies and other persons carrying on a banking  
31 business.

32 (iv) Insurance companies, insurance associations and  
33 other persons carrying on an insurance business.

34 (v) Fiduciaries.

35 (vi) Other persons that are authorized to invest in  
36 bonds or other obligations of the Commonwealth.

37 (2) A bond is made a security which may properly and  
38 legally be deposited with and received by a Commonwealth or  
39 municipal officer or a Commonwealth agency for any purpose  
40 for which the deposit of bonds or other obligations of the  
41 Commonwealth is authorized by law.

42 (l) Borrowing.--The following shall apply:

43 (1) The commission is authorized to do all of the  
44 following:

45 (i) Borrow money at an interest rate not exceeding  
46 the rate permitted by law.

47 (ii) Provide for preliminary or interim financing,  
48 up to but not exceeding the estimated total cost of the  
49 department and bond-related expenses and to evidence the  
50 borrowing by the issuance of special revenue notes and,  
51 in its discretion, to pledge as collateral for the note  
52 or other obligation, a special revenue bond issued under  
53 the provisions of this chapter. The commission may renew  
54 the note or obligation and the payment or retirement of  
55 the note or obligation shall be considered to be payment  
56 of the cost of the project.

57 (2) A note or obligation issued under this subsection  
58 must comply with the following:

59 (i) Be executed by the same persons in the same

1 manner and with the same effect as provided in this  
2 section for the execution of a special revenue bond.

3 (ii) Contain a statement on its face that:

4 (A) the Commonwealth is not obligated to pay the  
5 note or obligation or interest on it, except from  
6 pledged revenues of the Motor License Fund; and

7 (B) neither the faith and credit nor the taxing  
8 power of the Commonwealth is pledged to the payment  
9 of its principal or interest.

10 (3) The issuance of a special revenue note or other  
11 obligation under this chapter shall not directly or  
12 indirectly or contingently obligate the Commonwealth to levy  
13 a tax or make an appropriation for payment.

14 (4) A note or other obligation issued under this  
15 subsection shall have all the qualities and incidents of a  
16 negotiable instrument under 13 Pa.C.S. (relating to  
17 commercial code).

18 § 9511.5. Application of proceeds of obligations, lien of  
19 holders of obligations, design-build requirement and  
20 projects approved by General Assembly.

21 (a) Application.--The following shall apply:

22 (1) All money received from any bonds, notes or other  
23 obligations issued under this chapter shall be applied solely  
24 to the payment of the cost of the department or to the  
25 appurtenant fund.

26 (2) Until money received from any bonds, notes or other  
27 obligations issued under this chapter is applied under  
28 paragraph (1), a lien shall exist upon the money in favor of  
29 holders of the bonds, notes or other obligations or a trustee  
30 provided for in respect to the bonds, notes or other  
31 obligations.

32 (b) Design-build arrangements.--To facilitate the timely  
33 completion of projects to be financed by the department with  
34 bond proceeds, the department shall be required to utilize  
35 design-build arrangements for each project estimated by the  
36 department to have a value in excess of \$100,000,000. The  
37 selection of the party for the design-build arrangement must be  
38 conducted in a manner consistent with the procurement and public  
39 bidding laws applicable to the department.

40 (c) Capital plan.--All projects financed by the department  
41 with bond proceeds must be set forth in the department's capital  
42 plan current at the time of the financing and budget which  
43 capital plan and budget shall be submitted to the General  
44 Assembly on or before March 31 of each year commencing March 31,  
45 2008.

46 (d) Investment.--Pending the application of proceeds to  
47 costs of the department and bond-related expenses, the  
48 commission may invest the funds in permitted investments as  
49 defined under any trust indenture if the investment is not  
50 inconsistent with existing fiduciary obligations of the  
51 commission.

52 § 9511.6. Trust indenture, protection of holders of obligations  
53 and depositories.

54 (a) Indenture.--In the discretion of the commission, a bond,  
55 note or other obligation may be secured by a trust indenture by  
56 and between the commission and a corporate trustee, which may be  
57 any trust company or bank having the powers of a trust company,  
58 within or without this Commonwealth.

59 (b) Pledge or assignment.--A trust indenture under



1 subsection (a) may pledge or assign revenue to be received, but  
2 shall not convey or mortgage the turnpike or any part of the  
3 turnpike.

4 (c) Rights and remedies.--The resolution providing for the  
5 issuance of the bond, note or other obligation of the trust  
6 indenture may contain provisions for protecting and enforcing  
7 the rights and remedies of the bondholders or holders of notes  
8 or other obligations as may be reasonable and proper and not in  
9 violation of law, including covenants setting forth the duties  
10 of the department in relation to the acquisition of properties,  
11 the construction, maintenance, operation, repair and insurance  
12 of the State highway and rural State highway system and the  
13 custody, safeguarding and application of all money.

14 (d) Depository.--It shall be lawful for any bank or trust  
15 company incorporated under the laws of this Commonwealth to act  
16 as depository of the proceeds of the bond, note or other  
17 obligation or revenue, to furnish indemnity bonds or to pledge  
18 securities as may be required by the commission.

19 (e) Indenture.--The trust indenture may set forth the rights  
20 and remedies of the bondholders or holders of notes or other  
21 obligations and of the trustee and may restrict the individual  
22 right of action of bondholders or holders of notes or other  
23 obligations as is customary in trust indentures securing bonds,  
24 debentures of corporations, notes or other obligations. The  
25 trust indenture may contain other provisions as the commission  
26 may deem reasonable and proper for the security of bondholders  
27 or holders of notes or other obligations.

28 § 9511.7. Exemption from Commonwealth taxation.

29 The effectuation of the purposes of this chapter is for the  
30 benefit of the citizens of the Commonwealth and for the  
31 improvement of their commerce and prosperity. Since the  
32 commission will be performing essential government functions in  
33 effectuating these purposes, the commission shall not be  
34 required to pay any tax or assessment on any property acquired  
35 or used by it for the purposes provided under this chapter. A  
36 bond, note or other obligation issued by the commission, its  
37 transfer and the income from its issuance and transfer,  
38 including any profits made on the sale of the bond, note or  
39 other obligation, shall be free from taxation within the  
40 Commonwealth.

41 § 9511.8. Pledged revenues, contracts for use of turnpike,  
42 sinking fund and purchase or redemption of  
43 obligations.

44 (a) Authorization.--The commission is authorized to collect  
45 the pledged revenues. The pledged revenues shall be fixed and  
46 adjusted as to provide funds at least sufficient to pay the  
47 bonds, notes or other obligations and the interest on the bonds,  
48 notes or other obligations. All sinking fund requirements and  
49 other requirements provided by the resolution authorizing the  
50 issuance of the bonds, notes or other obligations, or by the  
51 trust indenture, shall be fixed and adjusted as the bonds, notes  
52 or other obligations become due.

53 (b) Supervision.--The pledged revenues shall not be subject  
54 to supervision or regulation by any Commonwealth agency other  
55 than the commission.

56 (c) Set aside.--Except for the portion of the pledged  
57 revenues required to provide reserves as set forth in the  
58 resolution authorizing the issuance of the bonds, notes or other  
59 obligations or in the trust indenture, pledged revenues, to the

1 degree amounts transferred under section 8915.3(4)(i)(relating  
2 to lease of Interstate 80) are not sufficient, shall be set  
3 aside at regular intervals as may be provided in the resolution  
4 or trust indenture, in one or more accounts, which are pledged  
5 to and charged with the payment of all of the following:

6 (1) The interest upon a bond, note or other obligation,  
7 as it shall become due and payable.

8 (2) The principal of a bond, note or other obligation,  
9 as it shall become due and payable.

10 (3) The necessary fiscal agency charges for paying  
11 principal and interest.

12 (4) A premium upon a bond retired by call or purchase.

13 (d) Sinking fund.--The use and disposition of the sinking  
14 fund shall be subject to regulations as may be provided in the  
15 resolution authorizing the issuance of bonds, notes or other  
16 obligations or in the trust indenture, but, except as may  
17 otherwise be provided in the resolution or trust indenture, the  
18 sinking fund shall be a fund for the benefit of all bonds, notes  
19 or other obligations issued under this chapter, without  
20 distinction or priority of one over another.

21 (e) Application of money.--Subject to the provisions of the  
22 resolutions authorizing the issuance of bonds, notes or other  
23 obligations or of the trust indenture, any money in the sinking  
24 fund in excess of an amount equal to one year's interest on all  
25 bonds, notes or other obligations then outstanding may be  
26 applied to the purchase or redemption of bonds, notes or other  
27 obligations. All bonds, notes or other obligations purchased or  
28 redeemed under this subsection shall be canceled and shall not  
29 again be issued.

30 § 9511.9. Special revenue refunding bonds.

31 The commission is authorized to provide, by resolution, for  
32 the issuance of special revenue refunding bonds of the  
33 commission for the purpose of refunding any special revenue  
34 bonds, notes or other obligations issued under the provisions of  
35 this chapter and then outstanding. The issuance of the special  
36 revenue refunding bonds, the maturities and other details of the  
37 bonds, the rights of the holders of the bonds and the duties of  
38 the department and of the commission with respect to the bonds  
39 shall be governed by the provisions of this chapter.

40 § 9511.10. Remedies of trustees and of holders of obligations.

41 (a) Grant of rights.--A holder of a bond, note or other  
42 obligation issued under this chapter and the trustee under the  
43 trust indenture may, either at law or in equity, by suit,  
44 action, mandamus or other proceeding, do all of the following:

45 (1) Protect and enforce any right granted under this  
46 chapter or under the resolution or trust indenture.

47 (2) Enforce and compel performance of all duties  
48 required under this chapter or by resolution or trust  
49 indenture to be performed by the commission or any officer of  
50 its officers, including the collection of the pledged  
51 reserves or amounts transferred under section 8915.3(4)(i)  
52 (relating to lease of Interstate 80).

53 (b) Exception.--Rights given under this chapter may be  
54 restricted by resolution passed before the issuance of the  
55 bonds, notes or other obligations, or by the trust indenture.

56 § 9511.11. Motor License Fund proceeds.

57 The balance of the proceeds deposited in the Motor License  
58 Fund under section 20 of the act of April 17, 1997 (P.L.6,  
59 No.3), entitled, "An act amending Titles 74 (Transportation) and

1 75 (Vehicles) of the Pennsylvania Consolidated Statutes, further  
2 providing for annual appropriation and computation of subsidy  
3 and for distribution of funding; providing for distribution of  
4 supplemental funding; further providing for use of funds  
5 distributed; providing for public transportation grants  
6 management accountability, for competitive procurement and for  
7 the Public Transportation Assistance Fund; further providing for  
8 period of registration, for duties of agents, for registration  
9 and other fees, for requirements for periodic inspection of  
10 vehicles, for limits on number of towed vehicles, for operation  
11 of certain combinations on interstate and other highways and for  
12 width and length of vehicles; providing for liquid fuels and  
13 fuels permits and bond or deposit of securities, for imposition  
14 of liquid fuels and fuels tax, for taxpayer, for distributor's  
15 report and payment of tax, for determination of tax, penalties  
16 and interest, for examination of records and equipment, for  
17 retention of records by distributors and dealers, for  
18 disposition and use of tax, for discontinuance or transfer of  
19 business, for suspension or revocation of permits, for lien of  
20 taxes, penalties and interest, for collection of unpaid taxes,  
21 for reports from common carriers, for violations and reward for  
22 detection of violations, for refunds, for diesel fuel importers  
23 and transporters, for prohibiting use of dyed diesel fuel, for  
24 disposition of fees, fines and forfeitures, for certified copies  
25 of records and for uncollectible checks; further providing for  
26 distribution of State highway maintenance funds and for  
27 standards and methodology for data collection; providing for  
28 dirt and gravel road maintenance; further providing for  
29 imposition of tax and additional tax; providing for tax on  
30 alternative fuels; further providing for disposition of tax  
31 revenue; making an appropriation; and making repeals," is  
32 pledged to secure bonds issued by the commission. The proceeds  
33 may be pledged to secure bonds to be issued by the commission on  
34 behalf of the department for the construction, reconstruction,  
35 widening, expansion, extension, maintenance and repair of and  
36 safety on bridges and costs and expenses incident to those tasks  
37 and fees and expenses of the commission related to the issuance  
38 of the bonds, including bond-related expenses. Each month, the  
39 State Treasurer shall transfer amounts as are necessary, in  
40 combination with amounts transferred under sections  
41 8915.3(4)(i)(relating to lease of Interstate 80) and 9511  
42 (relating to allocation of proceeds) to satisfy the provisions  
43 of the bond indenture relating to bonds issued under this  
44 section and those amounts are authorized to be appropriated.  
45 § 9511.12. Supplement to other laws and liberal construction.

46 This chapter shall be regarded as supplemental and additional  
47 to powers conferred by other statutes and shall not be regarded  
48 as in derogation of any powers existing on the effective date of  
49 this section. The provisions of this chapter, being necessary  
50 for the welfare of the Commonwealth and its citizens shall be  
51 liberally construed to effect the purposes of this chapter.

52 Section 5.1. Title 75 is amended by adding a chapter to  
53 read:

54 CHAPTER 99-A

55 REGIONAL INTERMODAL TRANSIT

56 Sec.

57 99A01. Pennsylvania Regional Intermodal Transit

58 Authority Study Commission.

59 § 99A01. Pennsylvania Regional Intermodal Transit Authority

1           Study Commission.

2       In each engineering district identified by the Pennsylvania  
3 Department of Transportation, designees shall be appointed to a  
4 Regional Intermodal Transit Authority Commission no later than  
5 60 days after the effective date of this section based on the  
6 following criteria:

7           (1) Each county within the engineering district shall  
8 appoint two designees. Appointments shall be made by the  
9 county executive in counties with a home rule charter. In all  
10 other counties, except a county of the first class, the  
11 chairman of the county commissioners shall appoint the two  
12 designees.

13           (2) The mayor of a city of the first class in an  
14 engineering district shall appoint three designees. The mayor  
15 of a city of the second class in an engineering district  
16 shall appoint two designees. The mayor of a city of the third  
17 class in an engineering district shall appoint one designee.

18           (3) By December 31, 2007, each study commission shall  
19 provide a public report to each county and first class,  
20 second class or third class city located within the  
21 boundaries of the applicable engineering district that  
22 identifies local funding sources or expenditure  
23 consolidations or reductions from which to draw revenue to  
24 achieve the local contribution to support public  
25 transportation as provided by 74 Pa.C.S. Ch. 15. (relating to  
26 sustainable mobility options)

27       Section 6. Financial assistance made by the Department of  
28 Transportation to an award recipient under 74 Pa.C.S. Ch. 13  
29 prior to the effective date of this section may continue to be  
30 used by award recipients for operating or capital expenses upon  
31 the same terms and conditions as are contained in the notice of  
32 grant award or grant agreement executed in connection with the  
33 award, if the funds are expended within five years following the  
34 effective date of this section.

35       Section 7. The following shall apply:

36           (1) The General Assembly declares that the repeal under  
37 paragraph (2) is necessary to effectuate the addition of 74  
38 Pa.C.S. Ch. 81.

39           (2) The act of September 30, 1985 (P.L.240, No.61),  
40 known as the Turnpike Organization, Extension and Toll Road  
41 Conversion Act is repealed.

42           (3) Section 207.1(c)(2) of the act of April 9, 1929  
43 (P.L.177, No.175), known as The Administrative Code of 1929,  
44 is repealed insofar as it is inconsistent with the addition  
45 of 74 Pa.C.S. § 8105.

46       Section 8. The addition of 74 Pa.C.S. Ch. 81 is a  
47 continuation of the act of September 30, 1985 (P.L.240, No.61),  
48 known as the Turnpike Organization, Extension and Toll Road  
49 Conversion Act. The following shall apply:

50           (1) Except as otherwise provided under 74 Pa.C.S. Ch.  
51 81, all activities initiated under the Turnpike Organization,  
52 Extension and Toll Road Conversion Act shall continue and  
53 remain in full force and effect and may be completed under 74  
54 Pa.C.S. Ch. 81. Orders, regulations, rules and decisions  
55 which were made under the Turnpike Organization, Extension  
56 and Toll Road Conversion Act and which are in effect on the  
57 effective date of section 7(2) of this act shall remain in  
58 full force and effect until revoked, vacated or modified  
59 under 74 Pa.C.S. Ch. 81. Contracts, obligations and

1 collective bargaining agreements entered into under the  
2 Turnpike Organization, Extension and Toll Road Conversion Act  
3 are not affected nor impaired by the repeal of the Turnpike  
4 Organization, Extension and Toll Road Conversion Act.

5 (2) Except as set forth in paragraph (3), any difference  
6 in language between 74 Pa.C.S. Ch. 81 and the Turnpike  
7 Organization, Extension and Toll Road Conversion Act is  
8 intended only to conform to the style of the Pennsylvania  
9 Consolidated Statutes and is not intended to change or affect  
10 the legislative intent, judicial construction or  
11 administration and implementation of the Turnpike  
12 Organization, Extension and Toll Road Conversion Act.

13 (3) Paragraph (2) does not apply to:

14 (i) The addition of the definition of "secretary" in  
15 74 Pa.C.S. § 8102.

16 (ii) The addition of 74 Pa.C.S. § 8105.

17 Section 9. This act shall take effect as follows:

18 (1) The following provisions shall take effect  
19 immediately:

20 (i) The addition of 74 Pa.C.S. § 8105.

21 (ii) The addition of 75 Pa.C.S. Ch. 99-A.

22 (iii) Section 7(3) of this act.

23 (iv) This section.

24 (2) The remainder of this act shall take effect in 60  
25 days.