## THE GENERAL ASSEMBLY OF PENNSYLVANIA

## **SENATE BILL** No. 1158 <sup>Session of</sup> 2007

INTRODUCED BY MADIGAN, STOUT, SCARNATI, PILEGGI, RAFFERTY, ERICKSON, D. WHITE, M. WHITE, WAUGH, ARMSTRONG, WASHINGTON, RHOADES, WONDERLING, REGOLA AND CORMAN, NOVEMBER 13, 2007

REFERRED TO TRANSPORTATION, NOVEMBER 13, 2007

## AN ACT

1 2 3	Amending Title 74 (Transportation) of the Pennsylvania Consolidated Statutes, providing for transportation infrastructure partnership and development.
4	The General Assembly of the Commonwealth of Pennsylvania
5	hereby enacts as follows:
6	Section 1. Title 74 of the Pennsylvania Consolidated
7	Statutes is amended by adding a part to read:
8	<u>PART V</u>
9	TRANSPORTATION INFRASTRUCTURE
10	<u>Chapter</u>
11	91. Partnership and Development
12	<u>CHAPTER 91</u>
13	PARTNERSHIP AND DEVELOPMENT
14	Sec.
15	9101. Scope of chapter.
16	9102. Findings and declaration of policy.
17	9103. Definitions.
18	9104. Transportation development agreements.

- 1 9105. Proposals for transportation development agreements.
- 2 <u>9106. Review and selection of proposals.</u>
- 3 <u>9107. Affected local jurisdictions.</u>
- 4 9108. Terms and conditions of transportation development
- 5 <u>agreements.</u>
- 6 9109. Material default; remedies.
- 7 <u>9110.</u> Financing qualifying transportation projects.
- 8 <u>9111. Power of eminent domain.</u>
- 9 9112. Police powers; motor vehicle laws.
- 10 9113. Taxation of authorized development entity or entities.
- 11 9114. Pennsylvania Transportation Development Trust Fund.
- 12 9115. Regional mobility account, etc.
- 13 <u>9116. Regional mobility authority.</u>
- 14 <u>9117. Turnpike lease restricted.</u>
- 15 § 9101. Scope of chapter.
- 16 This chapter relates to transportation infrastructure
- 17 partnership and development.
- 18 § 9102. Findings and declaration of policy.
- 19 The General Assembly finds, determines and declares as
- 20 <u>follows:</u>
- 21 (1) There is urgent public need to reduce congestion,
- 22 <u>increase capacity, improve safety and enhance economic</u>
- 23 <u>efficiency of transportation facilities throughout this</u>
- 24 <u>Commonwealth.</u>
- 25 (2) The Commonwealth has limited resources to fund the
   26 maintenance and expansion of its transportation facilities.
- 27 (3) To ensure that the needs of the public are
- 28 <u>adequately addressed, alternative funding mechanisms and</u>
- 29 strategies must be developed to supplement existing public
- 30 <u>revenue sources.</u>

1	(4) Public entities should be authorized to enter into
2	transportation development agreements with private entities,
3	other public entities or partnerships of such entities in
4	order to accelerate the cost-effective delivery of improved
5	transportation facilities throughout this Commonwealth.
6	§ 9103. Definitions.
7	The following words and phrases when used in this chapter
8	shall have the meanings given to them in this section unless the
9	context clearly indicates otherwise:
10	"Affected local jurisdiction." A county, city, township,
11	borough, incorporated town, local planning organization,
12	regional planning organization, metropolitan transportation
13	authority or regional mobility authority within whose
14	jurisdictional boundaries all or a portion of a qualifying
15	transportation project is located, or which is or will be
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16	directly affected by the project.
16	directly affected by the project.
16 17	directly affected by the project. <u>"Approving body." In the case of a proposal subject to State</u>
16 17 18	<pre>directly affected by the project.     "Approving body." In the case of a proposal subject to State Transportation Commission review and approval under section</pre>
16 17 18 19	<pre>directly affected by the project.     "Approving body." In the case of a proposal subject to State Transportation Commission review and approval under section 9104(a) (relating to transportation development agreements), the</pre>
16 17 18 19 20	<pre>directly affected by the project. "Approving body." In the case of a proposal subject to State Transportation Commission review and approval under section 9104(a) (relating to transportation development agreements), the State Transportation Commission and the proprietary public</pre>
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1	"Design build." The mode of infrastructure development
2	whereby the contractor is responsible for both the design and
3	construction of a qualifying transportation project.
4	"Develop" or "development." The term includes, but is not
5	limited to, the acts or functions of planning, designing,
6	financing, constructing, purchasing, installing, adding,
7	extending or other activities relating to the improvement of a
8	transportation facility.
9	"Fund." The Pennsylvania Transportation Development Trust
10	Fund established under section 9114 (relating to Pennsylvania
11	Transportation Development Trust Fund).
12	"Intergovernmental Cooperation Act." 53 Pa.C.S. Pt. III
13	Subpt. D (relating to area government and intergovernmental
14	cooperation).
15	"Local governmental entity." A unit of government with less
16	than Statewide jurisdiction, or any officially designated public
17	agency or authority of the unit of government, that has the
18	responsibility for planning, construction, operation or
19	maintenance of or jurisdiction over a transportation facility.
20	The term includes, but is not limited to, a county, city,
21	township, borough, incorporated town, municipal authority, local
22	or regional planning organization, metropolitan transportation
23	authority, regional mobility authority or other political
24	subdivision or governmental entity created with less than
25	Statewide jurisdiction, or any combination of the entities
26	acting pursuant to 53 Pa.C.S. Pt. III Subpt. D (relating to area
27	government and intergovernmental cooperation) or a similar
28	statute.
29	"Local planning organization." An entity whose jurisdiction
30	does not exceed the county in which it is located, and which is

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1	charged with transportation planning responsibilities in the
2	area in which a qualifying transportation project is located.
3	"Material default." Failure of an authorized development
4	entity or entities to perform any duties under a transportation
5	development agreement which jeopardizes delivery of adequate
6	service to the public and remains unsatisfied after a reasonable
7	period of time and after the authorized development entity or
8	entities has received written notice from the approving body or
9	bodies of the failure.
10	"Maximum rate of return." The negotiated maximum rate of
11	return a private entity can receive as an authorized development
12	entity from the operating and nonoperating revenues of a
13	transportation facility pursuant to a transportation development
14	agreement, including any incidental receipts and other income
15	derived from the transportation facility covered by the
16	agreement.
17	"Municipality Authorities Act." 53 Pa.C.S. Ch. 56 (relating
17 18	"Municipality Authorities Act." 53 Pa.C.S. Ch. 56 (relating to municipal authorities).
18	to municipal authorities).
18 19	to municipal authorities). <u>"Operate" or "operation." Includes, but is not limited to,</u>
18 19 20	<pre>to municipal authorities).     "Operate" or "operation." Includes, but is not limited to,     the acts or functions of managing, controlling, maintaining,</pre>
18 19 20 21	<pre>to municipal authorities).     "Operate" or "operation." Includes, but is not limited to,     the acts or functions of managing, controlling, maintaining,     repairing, conducting financial proceedings and other day-to-day</pre>
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18 19 20 21 22 23 24 25 26 27 28	to municipal authorities). "Operate" or "operation." Includes, but is not limited to, the acts or functions of managing, controlling, maintaining, repairing, conducting financial proceedings and other day-to-day activities of an enterprise. "Partnership." An organization structured as a partnership or joint venture and comprised of any combination of private entities or public entities or both. "Private entity." A natural person, sole proprietorship, corporation, company, association, syndicate, partnership, limited liability company, business trust, public benefit

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1	transportation development agreement with a proprietary public
2	entity for a qualifying transportation project.
3	"Proprietary public entity." The public entity that owns the
4	proposed or existing transportation facility subject to a
5	transportation development agreement.
6	"Public entity." The Commonwealth or any department,
7	commission, authority or agency thereof or any local government
8	entity. The term shall specifically include the State
9	Transportation Commission, the Department of Transportation and
10	<u>the Pennsylvania Turnpike Commission. For purposes of this</u>
11	chapter, the term does not include the General Assembly and its
12	members, officers or agencies or any court or other office or
13	agency of the Pennsylvania judicial system.
14	"Qualifying transportation project." A proposed or existing
15	undertaking by an authorized development entity or entities for
16	the development or operation of a transportation facility
17	totally or partially within this Commonwealth.
18	"Regional mobility account." A separate account of the
19	Commonwealth within the Pennsylvania Transportation Development
20	Trust Fund, under the custody of the State Treasurer, into which
21	transportation development revenues or other funds, including
22	surcharges imposed by the Commonwealth, may be deposited for
23	operation or development of regional transportation facilities.
24	"Regional mobility authority." An authority or similar local
25	government entity created pursuant to 53 Pa.C.S. Pt. III Subpt.
26	<u>D (relating to area government and intergovernmental</u>
27	cooperation), 53 Pa.C.S. Ch. 56 (relating to municipal
28	authorities) or other Commonwealth statute and recognized under
29	this chapter and regulations issued by the State Transportation
30	Commission for the purpose of promoting regional transportation
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1 <u>development.</u>

2	"Regional planning organization." An entity with multicounty
3	jurisdiction and designated under Federal or State law with
4	transportation planning responsibilities in the region in which
5	a qualifying transportation project is located.
6	"Request for proposals." All materials and documents
7	prepared by or on behalf of a public entity to solicit proposals
8	from public or private entities to enter into a transportation
9	development agreement for a qualifying transportation project as
10	set forth in this chapter.
11	"Right-to-Know Law." The act of June 21, 1957 (P.L.390,
12	No.212), referred to as the Right-to-Know Law.
13	"Separations Act." The act of May 1, 1913 (P.L.155, No.104),
14	entitled "An act regulating the letting of certain contracts for
15	the erection, construction, and alteration of public buildings."
16	"State Adverse Interest Act." The act of July 19, 1957
17	(P.L.1017, No.451), known as the State Adverse Interest Act.
18	"State advisor." An entity as defined in section 2 of the
19	act of July 19, 1957 (P.L.1017, No.451), known as the State
20	Adverse Interest Act.
21	"State consultant." An entity as defined in section 2 of the
22	act of July 19, 1957 (P.L.1017, No.451), known as the State
23	Adverse Interest Act.
24	"Transportation Commission." The State Transportation
25	Commission of the Commonwealth established under section 468 of
26	the act of April 9, 1929 (P.L.177, No.175), known as The
27	Administrative Code of 1929.
28	"Transportation development agreement." A lease, license,
29	franchise, easement, concession or other binding agreement
30	transferring rights for the use or control, in whole or in part,
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1	of a transportation facility by a proprietary public entity to
2	an authorized development entity or entities for a definite term
3	during which the authorized development entity or entities will
4	provide transportation-related services, including, but not
5	limited to, any one or more of the following: operations and
б	maintenance, revenue collection, toll collection enforcement,
7	design, construction, development and other activities with
8	respect to existing or new transportation facilities that
9	enhance throughput, reduce congestion, improve safety or
10	otherwise manage or improve a transportation facility in return
11	for the right to receive all or a portion of the revenues of the
12	transportation facility.
13	"Transportation development revenues." Money generated from
14	or received in support of the development or operation of a
15	qualifying transportation project, including, but not limited
16	<u>to, user fees, service payments, surcharges, lease payments,</u>
17	governmental appropriations or grants, proceeds of debt or
18	equity issuance, income from operations and earnings on
19	investments.
20	<u>"Transportation facility." A road, bridge, tunnel, overpass,</u>
21	ferry, busway, guideway, other public transportation facility,
22	vehicle parking facility, port facility, multimodal
23	transportation facility, airport, station, hub, terminal or
24	similar facility used for the transportation of persons, animals
25	or goods, together with any buildings, structures, parking
26	areas, appurtenances and other property needed to operate the
27	facility. The term includes any improvements or substantial
28	enhancements thereto.
29	"User fees." Rates, tolls, fees or other charges imposed or
30	collected by an authorized development entity or entities for

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1 use of all or a portion of a transportation facility pursuant to a transportation development agreement. 2 3 § 9104. Transportation development agreements. 4 (a) Authorization and approval.--Subject to the provisions 5 of this chapter and the approval of its governing body, a proprietary public entity has full authority to enter into a 6 7 transportation development agreement with an authorized development entity or entities governing the development or 8 9 operation of all or any portion of a transportation facility, 10 except that, if the transportation development agreement results 11 in the proprietary public entity disposing of or relinquishing its control of a transportation facility or pertains to a 12 13 transportation facility that receives Commonwealth funding, then 14 the transportation development agreement must also be reviewed 15 and approved by the Transportation Commission before the 16 proprietary public entity can enter into the agreement. 17 (b) Project activities authorized.--Subject to the 18 requirements of this chapter, a transportation development 19 agreement may provide for the authorized development entity or 20 entities to be partially or entirely responsible for any one or more of the following activities: planning, design, development, 21 construction, reconstruction, improvement, extension or 22 23 expansion, operation, repair, maintenance, management, revenue collection or financing of a transportation facility. 24 25 (c) Repositories for materials.--The Transportation 26 Commission shall serve as the primary repository for all 27 materials relating to the review and approval of transportation 28 development agreements that involve transportation facilities 29 that receive funding from the Commonwealth or result in the proprietary public entity disposing of or relinguishing its 30

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1	control over the transportation facilities. Otherwise, the
2	proprietary public entity shall serve as the repository for
3	materials relating to the review of transportation development
4	agreements which do not require the approval of the
5	Transportation Commission.
б	§ 9105. Proposals for transportation development agreements.
7	(a) Solicited proposalsBefore entering into a
8	transportation development agreement, the proprietary public
9	entity must issue a request for proposals as set forth in this
10	subsection. If the proposal being requested is subject to
11	Transportation Commission review and approval pursuant to
12	section 9104(a) (relating to transportation development
13	agreements), the request for proposals must be authorized and
14	issued jointly by the proprietary public entity and the
15	Transportation Commission. Any request for proposals shall use a
16	competitive procurement process that selects the authorized
17	development entity whose proposal provides the best value for
18	the proprietary public entity and for the Commonwealth. Notice
19	of any such request for proposals shall be published in the
20	Pennsylvania Bulletin and posted or published in whatever other
21	medium is regularly used by the proprietary public entity for
22	procurement matters. A request for proposals issued under this
23	subsection shall include the following:
24	(1) The minimum scope and content of the information to
25	be provided by the respondent.
26	(2) The factors or criteria that will be used by the
27	approving body or bodies in evaluating the proposals and the
28	deadline for submitting the proposal.
29	(3) A statement concerning the scope and location of the
30	proposed project.
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(4) A statement concerning any other information that
 the approving body or bodies may consider in evaluating the
 proposals.

(5) A statement indicating that if clarification is 4 5 needed in the evaluation of the proposals, the proprietary public entity, together with the Transportation Commission if 6 7 its approval is required, may negotiate specific provisions 8 with the prospective authorized development entity that 9 submitted the proposal pursuant to the request for proposals. (b) Unsolicited proposals. -- A proprietary public entity may 10 11 entertain and accept for review unsolicited proposals submitted by public or private entities for a qualifying transportation 12 13 project. To the extent a proposal is subject to Transportation Commission review and approval pursuant to section 9104(a), the 14 proposal shall also be submitted to the Transportation 15 16 Commission. For proposals not subject to Transportation Commission approval, proprietary public entities may establish 17 18 rules and procedures for accepting unsolicited proposals and may set forth the information required to be included in unsolicited 19 20 proposals submitted by public or private entities. The 21 Transportation Commission shall be responsible for establishing 22 rules and procedures for unsolicited proposals subject to its 23 approval, which shall include a review and response period not 24 exceeding 135 days from receipt of the unsolicited proposal for any proposal with an estimated cost of construction greater than 25 26 \$50,000,000. If an unsolicited proposal is deemed to be in 27 compliance with the rules and procedures as established by the 28 appropriate approving body and if the public entity or entities so desire to pursue the proposed qualifying transportation 29 project, the proprietary public entity, jointly with the 30 20070S1158B1547 - 11 -

1	Transportation Commission if its approval is required, must
2	publish a request for and receive competing proposals in
3	accordance with subsection (a).
4	(c) Discussions and negotiations with proposing entitiesA
5	proprietary public entity, and the Transportation Commission
6	where its approval is required, may conduct discussions and
7	negotiations with public or private entities which have
8	submitted solicited or unsolicited proposals for the purpose of
9	clarification to assure full understanding of the proposals or
10	the responsiveness of solicited proposals to solicitation
11	requirements.
12	(d) Design build development; Separations Act
13	inapplicableNotwithstanding any other provision of law to the
14	<u>contrary:</u>
15	(1) any proposal made pursuant to this chapter may
16	provide for the design build mode of infrastructure
17	development; and
18	(2) in no event shall an authorized development entity
19	or entities be subject to the requirements of the Separations
20	Act in connection with a transportation development agreement
21	authorized pursuant to this chapter.
22	(e) Federal credit assistanceThe approving body or bodies
23	and affected local jurisdictions may apply for, execute or
24	endorse applications by prospective authorized development
25	entities to obtain Federal credit assistance for a qualifying
26	transportation project.
27	(f) Adverse interests of proposing private entity
28	(1) Except as provided in paragraph (2), a private
29	entity which is a State advisor or State consultant for the
30	Transportation Commission, the department, the Pennsylvania
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1	Turnpike Commission or any other proprietary public entity
2	shall not be deemed to be in violation of the State Adverse
3	Interest Act if the private entity:
4	(i) prepares or submits a proposal or a response to
5	a request for proposals under this section;
6	(ii) negotiates or enters into a transportation
7	development agreement; or
8	(iii) engages in other activities in furtherance of
9	the provisions or purposes of this chapter.
10	(2) A private entity which submits an unsolicited
11	proposal or a response to a request for proposals shall be
12	prohibited from providing advice to the Transportation
13	Commission, the department, the Pennsylvania Turnpike
14	<u>Commission or a proprietary public entity on its proposal,</u>
15	any competing proposal or a request for proposals for which
16	it has submitted a response.
17	(g) FeesThe approving body or bodies may require that a
18	nonrefundable fee accompany any solicited or unsolicited
19	proposal submitted pursuant to this section to cover all or part
20	of the costs of processing, reviewing and evaluating the
21	proposal.
22	(h) Confidentiality of recordsTo encourage public and
23	private entities to submit proposals under subsections (a) and
24	(b), the following information shall be considered confidential,
25	and shall not be considered a public record subject to
26	disclosure, public inspection or copying under the Right-to-Know
27	Law, or any other act, until a final transportation development
28	agreement for a proposed qualifying transportation project is
29	entered into:
30	(1) All or part of a proposal, whether solicited or

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1	unsolicited, submitted by a public or private entity or any
2	partnership of the entities for a proposed qualifying
3	transportation project, except information regarding the
4	scope, location and limits of the project and information
5	pertaining to a public or private entity's qualifications,
6	experience, technical competence and capability to develop
7	the project.
8	(2) Information and records created during any
9	discussions or negotiations arising from the process as
10	described in subsection (c).
11	(i) Disclosure of recordsNotwithstanding subsection (h),
12	after a transportation development agreement has been entered
13	into, the entire selected proposal shall be considered a public
14	record for purposes of disclosure under the Right-to-Know Law.
15	Promptly after a transportation development agreement has been
16	entered into, the approving body or bodies shall also make
17	available for inspection and copying by the public a summary of
18	the terms of the selected proposal and a written explanation of
19	the basis upon which the selection was made. Proprietary
20	information contained in proposals not selected and records of
21	negotiations with private entities not selected shall continue
22	to be exempt from public disclosure.
23	§ 9106. Review and selection of proposals.
24	(a) Timing of reviewFor proposals subject to its
25	approval, the Transportation Commission by published regulations
26	shall promulgate procedures and guidelines that establish the
27	process for the review and selection of a proposal submitted
28	pursuant to section 9105(a) and (b) (relating to proposals for
29	transportation development agreements). The guidelines shall
30	<u>establish:</u>
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1	(1) a specific schedule for the timing of the review of
2	the proposals by the approving body or bodies designed with a
3	high priority placed upon a review schedule requiring less
4	<u>than 135 days;</u>
5	(2) a process for alteration of that schedule if the
6	approving body or bodies deem that changes are necessary
7	because of the scope or complexity of proposals received; and
8	(3) the type and amount of information that is necessary
9	for adequate review of proposals. A proprietary public entity
10	shall promulgate its own procedures and guidelines for the
11	review and selection of proposals which do not require
12	Transportation Commission approval.
13	(b) Asset valuationIn evaluating any submitted proposal,
14	the approving body or bodies may rely on internal reports
15	prepared by staff familiar with the operation of similar
16	transportation facilities or may engage the services of the
17	private consultants, engineers and other experts as the
18	approving body or bodies determine are necessary or desirable
19	for the purposes of performing the evaluations. As part of each
20	evaluation of any submitted proposal, the approving body or
21	bodies shall be required to obtain a financial and valuation
22	assessment with respect to the proposed qualifying
23	transportation project from a qualified independent advisor with
24	experience and expertise with similar transportation facilities.
25	(c) Factors for review and selection of proposalsThe
26	appropriate approving body or bodies may consider the following
27	factors in reviewing and selecting a proposal to enter into a
28	transportation development agreement:
29	(1) the ability of the qualifying transportation project
30	to improve safety, reduce congestion, increase capacity and

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1	promote economic growth;
2	(2) the compatibility of the proposal with existing
3	local or regional land use plans or the commitment of local
4	communities to approve plans in preparation for the proposed
5	<u>project;</u>
б	(3) the proposed cost of and financial plan for the
7	qualifying transportation project;
8	(4) the general reputation, qualifications, industry
9	experience and financial capacity of the entity or entities
10	submitting the proposal;
11	(5) the proposed design, operation and feasibility of
12	the qualifying transportation project;
13	(6) comments from local citizens and affected local
14	jurisdictions;
15	(7) benefits to the public;
16	(8) the safety record of the entity or entities
17	submitting the proposal; and
18	(9) other criteria that the approving body or bodies
19	deem appropriate.
20	§ 9107. Affected local jurisdictions.
21	The Transportation Commission by published regulations shall
22	promulgate procedures and guidelines that establish a process in
23	which affected local jurisdictions receive notice of a proposed
24	qualifying transportation project and have an opportunity to
25	provide input regarding the project before a transportation
26	development agreement is executed. For proposed qualifying
27	transportation projects which do not require approval of the
28	Transportation Commission under section 9104(a) (relating to
29	transportation development agreements), the proprietary public
30	entity shall promulgate its own procedures and guidelines by
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1	which affected local jurisdictions receive notice of a proposed
2	qualifying transportation project and have an opportunity to
3	provide input prior to the execution of a transportation
4	development agreement.
5	§ 9108. Terms and conditions of transportation development
6	agreements.
7	(a) Proprietary public entity and authorized development
8	entity negotiationsExcept as otherwise expressly provided in
9	section 9105 (relating to proposals for transportation
10	development agreements) and this section, a proprietary public
11	entity may enter into a transportation development agreement
12	with an authorized development entity or entities without regard
13	to the provisions of 62 Pa.C.S. Pt. 1 (relating to Commonwealth
14	Procurement Code). The proprietary public entity and authorized
15	development entity or entities are expressly authorized to
16	negotiate the provisions of a transportation development
17	agreement
т /	agreement.
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18 19 20 21 22 23 24 25 26 27	<pre>(b) Required provisionsA transportation development agreement entered into under this chapter shall provide for the following:</pre>
18 19 20 21 22 23 24 25 26 27 28	<ul> <li>(b) Required provisionsA transportation development agreement entered into under this chapter shall provide for the following: <ul> <li>(1) a process by which the authorized development entity or entities implements, sets and adjusts any user fees on any transportation facility;</li> <li>(2) the methodologies, indices or other factors for the setting and adjusting of user fees;</li> <li>(3) the original term of the transportation development agreement, which may not exceed 50 years;</li> <li>(4) dates for the beginning and completion of</li> </ul> </li> </ul>

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1	(5) the transportation facility acquired or constructed
2	pursuant to a transportation development agreement is public
3	property that is leased to the authorized development entity
4	and belongs to the proprietary public entity;
5	(6) that upon termination of the transportation
6	development agreement, the transportation facility must be in
7	a state of proper maintenance and repair and shall be
8	returned to the proprietary public entity in satisfactory
9	condition at no further cost to the public entity;
10	(7) maintenance of a policy or policies of liability
11	insurance, copies of which shall be filed with the
12	proprietary public entity accompanied by proofs of coverage,
13	or self insurance, each in form and amount satisfactory to
14	the proprietary public entity and reasonably sufficient to
15	insure coverage of tort liability to the public and employees
16	and to enable the continued operation of the transportation
17	facility; and
18	(8) that the authorized development entity shall comply
19	with the act of August 15, 1961 (P.L.987, No.442), known as
20	the Pennsylvania Prevailing Wage Act, and 62 Pa.C.S. § 107
21	(relating to reciprocal limitations).
22	<u>§ 9109. Material default; remedies.</u>
23	(a) General ruleUpon the occurrence and during the
24	continuation of a material default of a transportation
25	development agreement by an authorized development entity or
26	entities, the approving body or bodies may:
27	(1) Elect to take over the transportation facility which
28	is the subject of the transportation development agreement,
29	including the succession of all right, title and interest in
30	the transportation facility, subject to any liens on revenues
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1	previously granted by the authorized development entity or
2	entities.
3	(2) Terminate the transportation development agreement
4	and exercise any other rights and remedies that may be
5	available.
6	(b) TakeoverIn the event that the approving body or
7	bodies elect to take over a transportation facility under
8	subsection (a), the approving body or bodies:
9	(1) Shall collect and pay any revenues that are subject
10	to lien to satisfy any obligation.
11	(2) May develop and operate the transportation facility,
12	impose user fees for the use of the transportation facility
13	and comply with any service contracts.
14	(3) May solicit proposals for the maintenance and
15	operation of the transportation facility under section 9105
16	(relating to proposals for transportation development
17	agreements).
18	§ 9110. Financing qualifying transportation projects.
19	<u>(a)</u> User fees
20	(1) Each transportation development agreement shall
21	authorize the authorized development entity or entities to
22	impose user fees for use of the transportation facility.
23	Unless specifically prohibited in the transportation
24	development agreement, the authorization shall permit the
25	imposition of user fees on transportation facilities not
26	currently subject to user fees, subject to compliance with
27	applicable Federal and State law and approval by the
28	Transportation Commission.
29	(2) The transportation development agreement may
30	authorize the authorized development entity or entities to

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1 collect tolls or user fees through both conventional methods 2 and nonconventional methods, including, but not limited to, 3 automatic vehicle identification systems, electronic toll 4 collection systems and, to the extent permitted by law, 5 video-based toll-collection enforcement. (3) A maximum rate of return on investment shall be 6 7 negotiated by the proprietary public entity and the 8 authorized development entity or entities and stated in the 9 transportation development agreement. (4) After expiration of the original term of the 10 11 transportation development agreement, the proprietary public 12 entity may continue to charge user fees for the use of the 13 transportation facility. (5) User fees under a transportation development 14 15 agreement shall generally be uniform for similar persons and vehicles traveling under like conditions, except as may be 16 required to mitigate congestion on and preserve capacity of 17 18 the transportation facility which is the subject of the transportation development agreement. 19 (b) Bonding authority. -- A proprietary public entity or 20 21 authorized development entity or entities may authorize the 22 issuance of debt, equity or other securities or obligations to 23 pay all or part of the costs of a qualifying transportation 24 project and may secure any such financing with a pledge of, 25 security interest in or lien on any of the user fees charged and 26 collected for the use of the transportation facility. However, 27 any bonds, debt, other securities or other financing issued for 28 the purposes of this chapter shall be limited obligations of the proprietary public entity or authorized development entity or 29 entities and shall not be considered to constitute a debt of the 30 20070S1158B1547 - 20 -

1	Commonwealth or any political subdivision thereof or a pledge of
2	the full faith and credit of the Commonwealth or any political
3	subdivision thereof.
4	(c) Limited recourse bonds backed by pledge of portion of
5	Motor License Fund revenues(Reserved).
6	<u>§ 9111. Power of eminent domain.</u>
7	At the request of an authorized development entity or
8	entities, the proprietary public entity or an affected local
9	jurisdiction otherwise possessing the power of eminent domain
10	may exercise that power for the purpose of acquiring any real
11	property or interests therein deemed necessary to advance the
12	development or operation of a qualifying transportation project.
13	Any amounts payable in any such eminent domain proceeding may be
14	paid by the proprietary public entity or the authorized
15	development entity or entities.
16	§ 9112. Police powers; motor vehicle laws.
17	(a) Powers and jurisdictionAll law enforcement officers
18	of the Commonwealth and each affected local jurisdiction shall
19	have the same powers and jurisdiction within the limits of a
20	qualifying transportation project as they have in their
21	respective areas of jurisdiction, and law enforcement officers
22	shall have access to the qualifying transportation project at
23	any time for the purpose of exercising their law enforcement
24	powers and jurisdiction.
25	(b) Enforcement of traffic lawsTo the extent the
26	qualifying transportation project includes a highway, bridge,
27	tunnel, overpass or similar transportation facility for motor
28	vehicles, the traffic and motor vehicle laws of this
29	Commonwealth or, if applicable, any local jurisdiction shall be
30	the same as those applying to conduct on similar transportation
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1	facilities in the Commonwealth or the local jurisdiction.
2	(c) Payment of law enforcement costsThe authorized
3	development entity or entities shall be responsible for the
4	payment of all costs associated with the provision of law
5	enforcement services pursuant to subsections (a) and (b) within
6	the limits of a qualifying transportation project.
7	(d) FinesFines imposed by law enforcement officers for
8	violations occurring within the limits of a qualifying
9	transportation project shall be imposed, collected, distributed
10	and governed as otherwise provided by applicable law.
11	<u>§ 9113. Taxation of authorized development entity or entities.</u>
12	(a) General ruleTo the extent that revenues or user fees
13	received by an authorized development entity or entities are
14	subject to any tax imposed by a political subdivision prior to
15	the effective date of this chapter, the revenues or user fees
16	shall continue to be subject to the tax and to future increases
17	in the rate of the tax.
18	(b) New taxation barredAfter the effective date of this
19	chapter, no new tax shall be imposed by a political subdivision
20	on the revenues or user fees received by an authorized
21	development entity or entities.
22	(c) Realty transfer taxNo transportation development
23	agreement, lease, concession, franchise or other contract
24	involving real property of a qualifying transportation project
25	shall be subject to any Commonwealth or local realty transfer
26	tax imposed under the act of December 31, 1965 (P.L.1257,
27	No.511), known as The Local Tax Enabling Act, the act of March
28	4, 1971 (P.L.6, No.2), known as the Tax Reform Code of 1971, or
29	<u>a successor statute.</u>
30	(d) PropertyProperty used in connection with a qualifying

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1	transportation project shall be considered public property and
2	is exempt from ad valorem property taxes and special assessments
3	levied against property by the Commonwealth or any political
4	subdivision.
5	§ 9114. Pennsylvania Transportation Development Trust Fund.
6	(a) Establishment of fundThe Pennsylvania Transportation
7	Development Trust Fund is hereby established separate and
8	distinct from the General Fund of the Commonwealth. Interest
9	earned on moneys held in the fund shall be credited to the fund.
10	The Transportation Commission shall hold, administer and manage
11	the fund, and expenses of administering the fund shall be paid
12	from money in the fund.
13	(b) Separate accountsWithin the fund, separate accounts
14	and subaccounts may be established.
15	(c) DepositsSubject to the provisions of a transportation
16	development agreement, the following moneys may be deposited
17	into the fund:
18	(1) Payments received from an authorized development
19	entity or entities under a transportation development
20	agreement.
21	(2) Revenues received from a qualifying transportation
22	project pursuant to a transportation development agreement
23	with an authorized development entity or entities.
24	(3) Excess earnings over the negotiated maximum rate of
25	return for an authorized development entity or entities in a
26	transportation development agreement.
27	(4) Surcharges or other service fees or user fees which
28	may be imposed or levied by the Commonwealth on passenger or
29	commercial travel.
30	(5) Appropriations, if any, made by the General

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1	Assembly.
2	(6) Interest, premiums, gains or other earnings on the
3	<u>fund.</u>
4	(7) Any other moneys from any sources, public or
5	private, that are done by donation, grant, contract, law or
б	other means transferred, allocated or appropriated to the
7	<u>fund.</u>
8	(d) Permitted uses
9	(1) The fund shall be a separate trust fund to be
10	appropriated and used by the Transportation Commission, upon
11	majority vote thereof, solely for the operation and
12	development of transportation facilities wholly or partly
13	within this Commonwealth. Included as a permitted use of fund
14	moneys is the funding of regional mobility authorities
15	designated by the Transportation Commission under section

16 9115 (relating to regional mobility account, etc.).

(2) Money may not be transferred, assigned or otherwise 17

18 removed from the fund except by the Transportation Commission

and not by the General Assembly or any other agency, 19

20 authority or other political subdivision of the Commonwealth.

(3) Money in the fund at the end of the fiscal year 21

22 shall not revert to the General Fund.

23 § 9115. Regional mobility account, etc.

24 (Reserved).

25 § 9116. Regional mobility authority.

A regional mobility authority shall be eligible to receive 26

transportation development revenues directly from the fund or 27

28 from a regional mobility fund. An existing local governmental

entity shall be eligible for designation as a regional mobility 29

authority upon application to the Transportation Commission. 30

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1 § 9117. Turnpike lease restricted.

2	The Pennsylvania Turnpike, its additions and lease properties
3	may not be subject to a transfer of oversight responsibilities
4	through a lease, sale or other agreement unless specific
5	authority is granted through an act of law passed by a majority
6	of members of the General Assembly. This section shall not
7	restrict the ability of the Pennsylvania Turnpike Commission or
8	the Transportation Commission to consider and approve
9	partnership agreements which do not require a transfer of
10	operational oversight from the Pennsylvania Turnpike Commission.
11	Section 2. This act shall take effect in 60 days.