THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL No. 506 Session of 2015

INTRODUCED BY GABLER, EMRICK, EVERETT, HEFFLEY, KNOWLES, LONGIETTI, McGINNIS, METCALFE, MILLARD, MULLERY AND OBERLANDER, FEBRUARY 17, 2015

REFERRED TO COMMITTEE ON TRANSPORTATION, FEBRUARY 17, 2015

AN ACT

1 2 3	Amending Titles 74 (Transportation) and 75 (Vehicles) of the Pennsylvania Consolidated Statutes, eliminating statutory authority to toll Interstate Route 80.
4	The General Assembly of the Commonwealth of Pennsylvania
5	hereby enacts as follows:
6	Section 1. Section 8116(a) introductory paragraph of Title
7	74 of the Pennsylvania Consolidated Statutes is amended to read:
8	\$ 8116. Collection and disposition of tolls and other revenue.
9	(a) Establishment and changes in toll amountsSubject to
10	the terms of any trust indenture entered into by the commission
11	or any resolution authorizing the issuance of any bonds, notes
12	or other obligations of the commission, the commission is
13	authorized to fix and to revise tolls for the use of the
14	Pennsylvania Turnpike System and the different parts or sections
15	of the system, including the turnpike, the turnpike extensions
16	and improvements and the toll road conversions authorized by
17	this chapter. The commission is further authorized to charge and
18	collect tolls; to contract with any person, partnership,

association or corporation desiring the use of any part thereof, 1 2 including the right-of-way adjoining the paved portion, for 3 placing thereon telephone, telegraph, electric light or power lines, gas stations, garages, stores, hotels, restaurants and 4 5 advertising signs or for any other purpose, except [for service plazas in the right-of-way along Interstate 80 and] for tracks 6 7 for railroad or railway use; and to fix the terms, conditions, 8 rents and rates of charges for use. Tolls shall be fixed and adjusted as to provide funds at least sufficient with other 9 10 revenues of the Pennsylvania Turnpike System, if any, to pay all 11 of the following:

12 * * *

Section 2. Sections 8915 introductory paragraph, 8915.1, 8915.2, 8915.3, 8915.5(2) and 8915.7 of Title 75 are amended to read:

16 § 8915. Conversion to toll roads.

17 In order to facilitate vehicular traffic within and across 18 this Commonwealth, and to facilitate the completion of the 19 turnpike extensions and improvements authorized in section 8911 20 (relating to improvement and extension authorizations), and subject to [prior legislative] State legislation enacted after_ 21 22 April 30, 2015, and approval by [the General Assembly and] the 23 United States Congress, the commission is hereby authorized and 24 empowered to convert to toll roads such portions of 25 Pennsylvania's interstate highway system as may facilitate the 26 completion of the turnpike extensions and improvements 27 authorized in sections 8912 (relating to subsequent extension 28 authorizations), 8913 (relating to additional subsequent 29 extension authorizations) and 8914 (relating to further subsequent authorizations) and to operate and maintain such 30

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1 converted interstates as toll roads upon the approval by the 2 Congress of the United States of America and the General 3 Assembly of this Commonwealth of legislation expressly permitting the conversion of such interstates to toll roads. 4 Such conversions shall take place at a time and manner set forth 5 6 in the plan for the conversion prepared by the commission with 7 the cooperation of the department. The provisions authorizing 8 the commission to construct, operate and maintain the turnpike routes in sections 8911, 8912 and 8913 shall be subject to: 9 * * * 10

11 [§ 8915.1. Conversion of Interstate 80.

In order to facilitate vehicular traffic across this
Commonwealth, the commission is authorized and empowered to do
all of the following:

15 (1) Convert Interstate 80 to a toll road and maintain16 and operate it as a toll road.

17 (2) Construct, reconstruct, widen, expand, extend,
18 maintain and operate Interstate 80 from a point at or near
19 the Ohio border to a point at or near the New Jersey border,
20 together with connecting roads, interchanges, slip ramps,
21 tunnels and bridges.

(3) Issue turnpike revenue bonds, notes or other
obligations, payable solely from revenues of the commission,
including tolls, or from funds as may be available to the
commission for that purpose, to pay the cost of constructing,
reconstructing, widening, expanding or extending Interstate
80 or any other costs of Interstate 80 and the Pennsylvania
Turnpike.

29 (4) Provide quarterly reports and periodic updates
 30 regarding significant developments with respect to the

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1 conversion of Interstate 80 to the chairman and minority 2 chairman of the Transportation Committee of the Senate and 3 the chairman and minority chairman of the Transportation Committee of the House of Representatives. These reports 4 5 shall include, at a minimum, the status of outstanding discussions with the United States Department of 6 7 Transportation regarding Interstate 80, the location and 8 construction of tolling-related equipment for Interstate 80, planned capital improvements for Interstate 80 and other 9 10 information important to implementation of this section. 11 § 8915.2. Application to United States Department of

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Transportation.

(a) Application.--The commission, in consultation with the department and at its own expense, is authorized to prepare and submit an application to the United States Department of Transportation for the conversion of Interstate 80 to a toll road. The secretary shall ensure that all information required for the application is made available to the commission as soon as practicable after the effective date of this section.

20 (b) Open system.--A toll system shall consist of what is 21 commonly referred to as an open system with no more than ten 22 toll collection points.

(c) Other agreements.--The commission and the department may enter into any other agreements as may be necessary to effectuate the execution of the application filed under this section.

27 § 8915.3. Lease of Interstate 80; related agreements.

The department and the commission shall enter into a lease agreement relating to Interstate 80 prior to October 15, 2007. The lease agreement shall include provisions setting forth the

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1 terms and conditions of the conversion of Interstate 80 to a
2 toll road. The lease agreement and any related agreement, at a
3 minimum, shall include the following:

4 (1) A provision that the term of the lease agreement 5 shall be 50 years, unless extended upon mutual agreement of 6 the parties to the lease agreement and upon approval of the 7 General Assembly.

8 (2) A provision establishing the conversion period and 9 authorizing extension of the conversion period at the sole 10 option of the commission for three one-year extension periods 11 after consultation with the secretary. The commission shall 12 notify the secretary of its intent to extend the conversion 13 period not less than 90 days before the scheduled expiration 14 of the conversion period. During the conversion period, all 15 legal, financial and operational responsibility for 16 Interstate 80 shall remain with the department. All 17 operations and programmed rehabilitation shall be maintained 18 at levels no less favorable than those set forth in the 19 department's 12-year plan at the time of the execution of the 20 lease, with modifications as are approved in writing by the chairman of the commission. 21

22 A provision permitting the commission to exercise (3) 23 its option to convert Interstate 80 to a toll road prior to 24 the expiration of the conversion period by providing the 25 conversion notice to the secretary. Beginning on the 26 conversion date, all legal, financial and operational 27 responsibility for Interstate 80, as well as all toll 28 revenues subsequently collected with respect to its use, 29 shall automatically transfer to the commission. The 30 secretary, within five business days after receiving the

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1 conversion notice, shall forward notice of the conversion
2 date to the Legislative Reference Bureau for publication in
3 the Pennsylvania Bulletin. Any revenues collected prior to
4 the conversion date shall be retained by the department. The
5 commission may contract with the department for any portion
6 of the maintenance of Interstate 80 at cost levels agreed to
7 by the department and the commission.

8 (4) A provision requiring the commission to pay annual 9 base payments to the department during the term of the lease 10 agreement.

(5) A provision requiring the commission to pay annual additional payments to the department. The annual additional payments shall be payable in four equal installments on the last business day of each July, October, January and April of each year during the term of the lease agreement.

(6) A provision requiring the commission to pay,
commencing in the fiscal year including the conversion date,
annual surplus payments to the department. The annual surplus
payments shall be payable by the commission within 30 days of
receipt by the commission of the Auditor General's
certificate.

22 (7) A provision stating that the obligation of the 23 commission to pay the annual base payments, the annual 24 additional payments and annual surplus payments shall be a 25 subordinate obligation of the commission payable from amounts 26 in the general reserve fund of the commission only as 27 permitted by any financing documents, financial covenants, 28 liquidity policies or agreements in effect at the 29 commission.]

30 § 8915.5. Other interstate highways.

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

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5 (2) upon enactment of State legislation after April 30, 6 2015, at its own expense and in consultation with the 7 department [and with approval of the General Assembly], 8 prepare and submit an application to the United States Department of Transportation for the conversion of any 9 10 interstate or interstate segment determined to be eligible 11 for conversion to a toll road under any applicable Federal 12 program.

13 [§ 8915.7. Impact on associated highways and local roads. 14 Prior to the conversion date and within one year following the conversion date, the commission, in collaboration with the 15 16 department, shall conduct traffic studies to determine the 17 average daily traffic on associated roads and highways. The 18 purpose of these studies will be to quantify any diversion of 19 traffic from Interstate 80 to other roadways as a result of the 20 conversion. This section shall not require duplication of 21 traffic studies undertaken by the commission as a part of the 22 conversion process or undertaken by the department as a normal 23 course of the department's operations.]

24 Section 3. This act shall take effect immediately.

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