# SENATE APPROPRIATIONS COMMITTEE FISCAL NOTE

BILL NO. Senate Bill 473

## **PRINTER NO.** 509

### AMOUNT

See Fiscal Impact

Pennsylvania Turnpike Commission Funds

## DATE INTRODUCED

PRIME SPONSOR

March 15, 2023

Senator Boscola

FUND

### DESCRIPTION

Senate Bill 473 amends Title 74 (Transportation) of the Pennsylvania Consolidated Statutes to provide for interception of certain state lottery winnings and state income tax refunds for outstanding toll collections that are due to the Pennsylvania Turnpike Commission.

Title 74 is amended by adding a new section 8117.1 (relating to state intercept for unpaid tolls) that requires the Department of Revenue (department), in consultation with the Pennsylvania Turnpike Commission (commission), to intercept and deduct the amount owed to the commission if an individual or claimant with unpaid tolls claims state lottery winnings in excess of \$2,500. The department shall notify the claimant of the remittance to the commission and then pay the balance of the lottery winnings to the claimant.

Additionally, it requires the department, in consultation with the commission, to intercept and deduct the amount owed to the commission if a taxpayer with unpaid tolls is due a refund from the state personal income tax. The department shall notify the taxpayer of the remittance to the commission and pay the balance of the refund to the taxpayer.

A person whose lottery winnings or tax refund is used to satisfy an owed turnpike toll obligation may appeal within 30 days.

The legislation allows the department to establish a fee to cover actual costs to administer this new section. The department, in consultation with the commission, shall annually report to the Transportation Committees of the Senate and the House of Representatives the amount of unpaid tolls collected under this new section.

The department, in consultation with the commission, is authorized to promulgate rules and regulations. The commission shall provide to the department information necessary to fulfill its obligations.

This act shall take effect in 90 days.

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### FISCAL IMPACT:

According to the Pennsylvania Turnpike Commission, approximately 6.7% of all transactions recorded from June 2022 through May 2023 were expected to be unbillable or uncollected, with an estimated value of \$171 million.

Act 112 of 2022 allows the commission to request PennDOT to suspend the vehicle registration of any Pennsylvania motorist with unpaid turnpike tolls and fees totaling \$250 or more. The commission currently has 31,000 accounts/vehicles in active suspension or on payment plans, which is growing by about 1,500 per month.

This legislation provides an additional tool to the commission to assist with the collection of outstanding toll invoices. Additional revenue collected by the commission with enactment of this legislation is dependent upon the number of delinquent persons that have lottery winnings in excess of \$2,500 or are due a state income tax refund.