COUNTY COMMISSIONERS
Association of Pennsylvania

TESTIMONY ON
HOUSE TRANSPORTATION TASK FORCE BILL PACKAGE

Presented to the House Transportation Committee

By
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Good morning, and thank you for the opportunity to speak before you today to comment on the House Transportation Task Force's legislative proposals. My name is Robert Postal and I am a county commissioner from Mifflin County in central Pennsylvania. I have been a commissioner since 2017 and, in my role with CCAP, I currently serve as the chair of the Community and Economic Development policy committee, which oversees transportation and infrastructure related issues.

I appreciate the opportunity to provide testimony on behalf of CCAP on the package of bills proposed by the House Transportation Task Force. The future of transportation is critical, and counties continue to stress the interrelatedness and interdependence of state, county and municipal transportation systems, and have long advocated for a comprehensive set of solutions to transportation infrastructure, mass transit and intermodal transportation needs. Adequate transportation systems are essential to the continued economic viability and quality of life in the commonwealth, without which we cannot get children to school, citizens to work or goods to market.

Counties' most critical infrastructure burden is the maintenance of more than 4,000 county-owned bridges, where a historical lack of infrastructure funding has resulted in many structurally deficient bridges.

Mass transit funding is also a significant issue. Two-thirds of the counties are involved in support of more than 30 fixed-route mass transit systems, and demand-response shared ride or free ride systems are supported by counties throughout Pennsylvania.

In late 2013, Pennsylvania enacted Act 89, a comprehensive transportation funding package set to generate $2.3 billion over a five-year period for infrastructure and mass transit. Elements of the act address counties' infrastructure and mass transit responsibilities, including a dedicated 4.17% allocation from the Oil Company Franchise Tax, to generate new and more stable funding for county bridges. Increased revenue is also generated for county and forestry bridges through the lifting of the cap on the oil franchise tax, and the act retains the special $5 million allocation to county bridges from Act 44 of 2007. Additional funding included a new Highway Bridge Improvement Fund, allocated exclusively to county and municipal bridges. Mass transit operational and capital funding is also increased.

Counties have developed an active partnership with PennDOT in the implementation of Act 89, most notably in its bridge bundling program. Under this innovative program, PennDOT has been able to propose to counties and local governments projects that would combine multiple common-design bridges into bundled projects for repair or replacement, with the department managing a single contract for the bundled project. Normal bridge match requirements remain, though match can be waived by PennDOT based on local circumstances.

Additionally, Act 89 gave counties the authority to adopt a local $5 vehicle registration fee, which is collected by the department and then remitted back to the county for its use in the

same manner as existing liquid fuels funds. To date, 22 counties have opted to collect the $5 fee and over $121.4 million has been generated and returned to counties.
Counties thank the House Transportation Task Force for their focus on the future of transportation and welcome the conversation now more than ever. Counties would like to share the comments on the following pieces of legislation from the House Transportation Task Force package:

House Bill 2064 – Loans to County Infrastructure Banks
This legislation would amend the current Pennsylvania Infrastructure Bank law to allow PennDOT to make loans to a county infrastructure bank (CIB) to finance projects at lower interest rates than typically given to CIBs. Currently, there are only two counties with infrastructure banks (Dauphin and Venango), but this legislation would be extremely beneficial to those CIBs. It could also benefit counties as they explore the future creation of additional CIBs, particularly as the end of Act 89 nears and new transportation funding challenges appear.

House Bill 2065 – Expansion of Public-Private Transportation Program (P3)
This bill would open up Pennsylvania's public-private transportation partnership agreement to include other services not currently in the law, including truck parking, weigh station bypassing, electronic toll payment. House Bill 2065 was amended in committee to include "municipality" to the definition of "public entity" under this law. Counties support the inclusion of municipalities in the P3 law as it acknowledges the challenges facing transportation funding and would give counties an additional option for funding of infrastructure projects.

House Bill 2068 – County Tax for Mass Transit
This bill would create an option for counties to levy a tax, including a realty transfer tax, sales and use tax or earned income tax to generate revenue for mass transportation. In general, the association has sought for many years options for counties to levy a county sales, personal income or earned income tax of up to one percent, for purposes of allowing counties to reduce their reliance on the real property tax. We would welcome further discussion on using options to levy those taxes for transportation funding as well, with a focus on leaving discretion of which tax to levy to each county at the local level.

As Pennsylvania heads into another age of transportation needs approaching the sunset of Act 89, the Association supports further legislative action on comprehensive and durable funding and administrative solutions to Pennsylvania's infrastructure and transit needs that recognize the critical role of transportation for our communities, our industries, and our quality of life.
Counties appreciate the opportunity to comment today and look forward to a federal-state-local partnership as discussions continue.

Thank you for your consideration of these comments. We would be pleased to follow up on any questions these remarks may generate.