



April 5, 2023

The Honorable Ed Neilson
Chairman
House Transportation
House Box 202174
Harrisburg, PA 17120-2174

The Honorable Kerry Benninghoff
Chairman
House Transportation
House Box 202171
Harrisburg, PA 17120-2171

RE: **Senate Bill 121 – Capping Transfers from the Motor License Fund to the Pennsylvania State Police**

Dear Chairmen:

On behalf of the Pennsylvania Motor Truck Association (PMTA), I am writing in **support of Senate Bill 121**, which passed the Senate 28-21 on February 28, 2023, and was referred to the House Transportation Committee on March 7, 2023.

Senate Bill 121 (Langerholc-R) amends Title 75 (Vehicles), in general provisions, providing for restrictions on appropriations; and making a repeal. Specifically, this legislation reduces the transfers from the Motor License Fund (MLF) to the Pennsylvania State Police (PSP), and permanently ends the diversion in FY 2028-2029.

Article VIII, Section 11 (a) of the Pennsylvania Constitution states that the MLF be used solely for construction, reconstruction, maintenance, and repair of and safety on public highways and bridges and costs and expenses.

The sources of revenue to the Motor License Fund are motor fuels taxes, vehicle registration fees, operator's license fees, and other miscellaneous fees – all of which are constitutionally restricted to highway use.

In July 2021, the Transportation Revenue Options Commission (TROC) released its *Final Report and Strategic Funding Proposal*ⁱ which proposed:

“eliminating transfers from the Motor License Fund (MLF) to the Pennsylvania State Police, assuming replacement of that budgetary item from the General Fund. The rationale has been substantially vetted not only by TROC but by the State Transportation Advisory Committee (TAC) and others. The proposition is that policing, whether state or local, is a general function of government and that the Motor License Fund's revenue sources are more aligned with transportation system use. The PA State Police obviously carry out an essential responsibility and one that is stretched by having to police some communities that do not have municipal police forces. That challenge also necessitates a

broader approach to police funding outside of the Motor License Fund. The feasibility of this proposed redirection is high and is deemed to be fair.”ⁱⁱ

PMTA applauds the work of the General Assembly last session in addressing this issue again by **accelerating** the 2016 Fiscal Code provision which provided a schedule to decrease the transfer over a 10-year period to \$500 million. Similarly, we support the approach proposed in Senate Bill 121 to further phase-out and permanently end the diversion in FY 2028-2029 as follows:

- (i) For fiscal year 2023-2024, the total amount of the appropriation shall not exceed \$250,000,000.
- (ii) For fiscal year 2024-2025, the total amount of the appropriation shall not exceed \$200,000,000.
- (iii) For fiscal year 2025-2026, the total amount of the appropriation shall not exceed \$150,000,000.
- (iv) For fiscal year 2026-2027, the total amount of the appropriation shall not exceed \$100,000,000.
- (v) For fiscal year 2027-2028, the total amount of the appropriation shall not exceed \$50,000,000.
- (vi) For fiscal year 2028-2029, and each fiscal year thereafter, the appropriation shall be \$0.

Lowering the transfers will allow for additional annual investment in our highway and bridge network without tolling or increases in fuel taxes or fees. Therefore, PMTA respectfully requests your support and consideration of this legislation.

If you should have any questions or need any additional information, please do not hesitate to contact me.

Sincerely,



Rebecca Oyler
President & CEO
Pennsylvania Motor Truck Association
royler@pmta.org

BCC: House Transportation Committee

ⁱ Transportation Revenue Options Commission (TROC), “Final Report and Strategic Funding Proposal,” July 30, 2021
<https://www.penndot.pa.gov/about-us/funding/Documents/TROC-Final-Report.pdf>

ⁱⁱ IBID, page 23