

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 855 Session of
1991

INTRODUCED BY PHILLIPS, GEIST, FARGO, PESCI, VROON, DEMPSEY,
SERAFINI AND SEMMEL, MARCH 19, 1991

REFERRED TO COMMITTEE ON TRANSPORTATION, MARCH 19, 1991

AN ACT

1 Amending the act of May 21, 1931 (P.L.149, No.105), entitled, as
2 amended, "An act imposing a State tax, payable by those
3 herein defined as distributors, on liquid fuels used or sold
4 and delivered within the Commonwealth, which are practically,
5 and commercially suitable for use in internal combustion
6 engines for the generation of power; providing for the
7 collection and lien of the tax, and the distribution and use
8 of the proceeds thereof; requiring such distributors to
9 secure permits, to file corporate surety bonds and reports,
10 and to retain certain records; imposing duties on retail
11 dealers, common carriers, county commissioners, and such
12 distributors; providing for rewards; imposing certain costs
13 on counties; conferring powers and imposing duties on certain
14 State officers and departments; providing for refunds;
15 imposing penalties; and making an appropriation," providing
16 for additional uses of fuel tax funds.

17 The General Assembly of the Commonwealth of Pennsylvania
18 hereby enacts as follows:

19 Section 1. Section 10(a) of the act of May 21, 1931
20 (P.L.149, No.105), known as The Liquid Fuels Tax Act, amended
21 July 30, 1975 (P.L.124, No.61), is amended to read:

22 Section 10. Disposition and Use of Tax.--(a) One-half cent
23 per gallon of the permanent tax collected under the provisions
24 of this act shall be paid into the Liquid Fuels Tax Fund of the

1 State Treasury; and such moneys, paid into said fund, are hereby
2 specifically appropriated for the purposes hereinafter set
3 forth.

4 The moneys so paid into the Liquid Fuels Tax Fund, except
5 those that are refunded as hereinafter provided, shall be paid
6 to the respective counties of this Commonwealth, less such
7 amounts as represent the difference between the annual fees
8 prescribed in sections 709 and 710 of "The Vehicle Code" and
9 those fees charged pursuant to section 710.1 of "The Vehicle
10 Code" for annual registration of each motor vehicle operated by
11 mass transportation systems, on the first day of June and
12 December of each year, in the ratio that average return made
13 during the three (3) preceding years to each county bears to the
14 average amount returned to all counties for the three preceding
15 years: Provided, That the distribution of tax to the counties
16 from the Liquid Fuels Tax Fund that is payable the first day of
17 August, one thousand nine hundred and thirty-one, shall be made
18 under the provisions of the acts of Assembly repealed by this
19 act. Such amounts as represent the difference between the annual
20 fees prescribed in sections 709 and 710 of "The Vehicle Code"
21 and those fees charged pursuant to section 710.1 of "The Vehicle
22 Code" shall be paid into the Motor License Fund.

23 All moneys received by the counties hereunder shall be
24 deposited and maintained in a special fund designated as the
25 "County Liquid Fuels Tax Fund" into which no other moneys shall
26 be deposited and commingled, except in any county which does not
27 have sufficient money in such special fund to provide for
28 payments designated in the current annual budget for payment
29 from such special fund for the purposes of construction,
30 reconstruction, maintenance and repair of roads, highways and

1 bridges, property damages, compensation of viewers for services
2 in eminent domain proceedings involving roads, highways and
3 bridges, and for the construction, reconstruction, operation and
4 maintenance of publicly owned ferryboat operations, interest and
5 principal payments on road, bridge or publicly owned ferryboat
6 operation bonds, or sinking fund charges for such bonds becoming
7 due within the current calendar year and for the acquisition,
8 maintenance, repair and operation of traffic signs and traffic
9 signals, and for the erection and maintenance of stop and go
10 signal lights, blinkers or other like traffic control
11 devices[.]: Provided, That payments may be made from the fund
12 for purposes of indirect costs including benefit costs, overhead
13 and other administrative charges for those county employes
14 directly engaged in eligible projects and for purposes of
15 vehicle liability insurance for equipment purchased under the
16 fund: And provided further, That indirect costs shall not exceed
17 ten per centum of the yearly allocation to the county. The
18 county, for the purpose of such payments and such payments only,
19 may borrow and place in such special fund moneys, not in excess
20 of the liquid fuels tax funds to be received during the current
21 calendar year, and all such loans shall be repaid from such
22 special fund before the expiration of the current calendar year
23 and not thereafter. Moneys so received and deposited shall be
24 used only for the purpose of construction, reconstruction,
25 maintenance, and repair of roads, highways and bridges,
26 including the payment of property damage and compensation of
27 viewers for services in eminent domain proceedings involving
28 such roads, highways and bridges, now due or hereafter to become
29 due, occasioned by or the relocation or construction of highways
30 and bridges, and for the construction, reconstruction, operation

1 and maintenance of publicly owned ferryboat operations, and for
2 the payment of interest and sinking fund charges on bonds issued
3 or used for highways and bridge purposes and publicly owned
4 ferryboat operations, or on so much of any bonds as have been
5 used for such purposes and for the acquisition, maintenance,
6 repair and operation of traffic signs and traffic signals and
7 all payments made by any county, either directly or indirectly,
8 prior to the first day of January, one thousand nine hundred and
9 forty-six, for any or all such purposes are hereby validated:
10 Provided, That no expenditures from the county liquid fuels tax
11 fund shall be made by the county commissioners for new
12 construction on roads, bridges or publicly owned ferryboat
13 operations without first having obtained the approval of the
14 plans for such construction from the Department of
15 Transportation: And provided further, That the county
16 commissioners shall not allocate moneys from the county liquid
17 fuels tax fund to any political subdivision within the county,
18 until the application and the contracts or plans for the
19 proposed expenditures have been made on forms, prescribed,
20 prepared and furnished, and first approved by the Department of
21 Transportation. The county commissioners of each county shall
22 make to the Department of Transportation, on or before the
23 fifteenth day of January for the period ending December thirty-
24 first of each year, on forms prescribed, prepared, and furnished
25 by the Department of Transportation, a report showing the
26 receipts and expenditures of such moneys received by the county,
27 from the Commonwealth under the provisions of this section.
28 Copies of such report shall be transmitted to the department and
29 to the Department of the Auditor General for audit. Upon the
30 failure of the county commissioners to file such report, or to

1 make any payments, allocations or expenditures, in compliance
2 with the provisions of this section, the department shall
3 withhold further payments to the county out of the Liquid Fuels
4 Tax Fund until the delinquent report is filed, transmitted, or
5 said moneys allocated, or said expenditures for the prior twelve
6 months are approved by the Department of Transportation.

7 * * *

8 Section 2. This act shall take effect immediately.