THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL No. 1 Session of 1985

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- AS AMENDED ON THIRD CONSIDERATION, HOUSE OF REPRESENTATIVES, FEBRUARY 12, 1985

AN ACT

1 To facilitate vehicular traffic across the Commonwealth by 2 providing for the construction, reconstruction, improvement, 3 operation and maintenance of toll roads and the conversion of 4 existing toll-free roads to toll roads in Pennsylvania; 5 conferring powers and imposing duties on the Pennsylvania 6 Turnpike Commission; providing for an executive director of 7 the Pennsylvania Turnpike Commission and conferring powers 8 and duties on the executive director; authorizing issuance of 9 turnpike revenue bonds, notes or other obligations of the 10 commission, payable solely from revenues of the commission, including tolls, or from such other funds as may be available 11 12 to the commission for that purpose, to pay the costs of such 13 toll roads; providing that no debt of the Commonwealth shall 14 be incurred in the exercise of any of the powers granted by this act; providing for the collection of tolls for the 15 16 payment of such bonds, notes or other obligations, and for 17 the cost of maintenance, operation and repair of the toll roads; making such turnpike bonds, notes or other obligations 18 exempt from taxation; constituting the same legal investments 19 20 in certain instances; requiring suits against the commission 21 to be brought in the courts in which such actions may be 22 brought against the Commonwealth; prescribing conditions on which toll roads shall be turned over to the Department of 23 24 Transportation; providing for grade separations, grade 25 changes, relocations, restorations and vacations of public roads and State highways affected by the toll roads; 26 providing for the purchasing or condemnation of land and 27

$ 1 \\ 2 \\ 3 \\ 4 \\ 5 \\ 6 \\ 7 \\ 8 \\ 9 \\ 10 \\ 11 \\ 12 \\ 14 \\ 15 \\ 16 \\ $	procedure for determining damages in condemnation; granting certain powers and authority to municipalities and agencies of the Commonwealth to cooperate with the commission; conferring powers and imposing duties on the Department of Transportation; authorizing the Secretary of Transportation to enter into negotiations with the United States Department of Transportation, the Federal Highway Administration or any other Federal agency regarding the conversion of toll-free highways constructed in the Commonwealth using Federal funds to toll roads; and authorizing the Secretary of Transportation to enter into agreements on behalf of the Commonwealth and the commission with the United States Department of Transportation, the Federal Highway Administration or any other Federal agency with respect to obtaining Federal funds for resurfacing, restoring, rehabilitating or reconstructing toll roads in Pennsylvania.
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27 systems, tunnels and bridges; the cost of all lands, property

28 rights, rights-of-way, easements and franchises acquired by

29 purchase or other means, which are deemed necessary or 30 convenient for such construction; the cost of all machinery and

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the turnpikes and all connecting roads, storm water management

equipment, financing charges, interest prior to and during
 construction and for one year after completion of construction;
 the cost of traffic estimates and of engineering and legal
 expenses, plans, specifications, surveys, estimates of cost and
 of revenues, other expenses necessary or incident to determining
 the feasibility or practicability of the enterprise,

7 administrative and legal expense, and such other expenses as may be necessary or incident to the financing herein authorized; the 8 construction of the turnpikes and connecting roads, storm water 9 10 management systems, tunnels and bridges, the placing of the same 11 in operation, and the condemnation or other means of acquisition of property necessary for the construction and operation. Any 12 13 obligation or expense contracted for by the commission with the 14 Department of Transportation of this Commonwealth, or with the 15 United States or any agency thereof, for traffic surveys, 16 preparation of plans and specifications, supervision of 17 construction, and other engineering, administrative and legal 18 services and expenses in connection with the construction of the 19 turnpike or any of the connecting roads, storm water management 20 systems, tunnels and bridges, and any costs of reimbursing the 21 Federal Government pursuant to the mandates of the Federal law 22 for Federal funds expended for interstate or other highways which are to be made part of the turnpike system pursuant to 23 24 this act, shall be regarded as a part of the cost of the 25 turnpikes and shall be reimbursed or paid out of the proceeds of 26 the turnpike revenue bonds, notes or other obligations 27 hereinafter authorized. Payment of any bonds, notes or other 28 obligations shall be considered payment of the cost of the turnpikes, provided the bonds, notes or other obligations were 29 30 issued for such purpose.

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1 "Owner." An individual, copartnership, association or corporation having any title or interest in any property rights, 2 3 easements or franchises authorized to be acquired by this act. 4 "The turnpikes." The turnpike, turnpike extensions and 5 extension improvements to be constructed, and the toll-free roads to be converted to toll roads, as described in section 4 6 and otherwise provided for in this act. The phrase shall be 7 8 deemed to include not only the turnpikes and all connecting roads, storm water management systems, tunnels and bridges 9 10 connected therewith, but also all property rights, easements and 11 franchises relating thereto and deemed necessary or convenient for the construction or the operation thereof, which may also be 12 referred to as the Pennsylvania Turnpike System. 13

14 "Toll road conversion." The inclusion within the turnpike 15 system and the imposition of tolls thereon of a highway that is 16 presently toll free.

Section 3. Authorization for turnpike extensions, turnpike
improvements and the conversion of toll-free
roads to toll roads.

20 (a) Improvement and extension authorizations. -- In order to facilitate vehicular traffic within this Commonwealth, the 21 22 Pennsylvania Turnpike Commission heretofore created by virtue of 23 the provisions of the act of May 21, 1937 (P.L.774, No.211), 24 referred to as the Pennsylvania Turnpike Commission Act, and the supplements and amendments thereto, is hereby authorized, 25 26 empowered and directed to construct, operate and maintain 27 turnpike extensions and turnpike improvements at such specific 28 locations and according to such schedule as shall be deemed 29 feasible and approved by the commission, together with connecting roads, storm water management systems, tunnels and 30 - 5 -19850H0001B0324

bridges, subject to the waiver of the Federal toll prohibition
 provisions where applicable, as follows:

3 (1) Widen turnpike to six lanes between the Northeast
4 Extension and the Delaware River Interchange.

5 (2) Construct Turnpike Interchange with Interstate Route
6 95 in Bucks County.

7 (3) Construct Turnpike Interchange with Interstate Route
8 476 in Montgomery County.

9 (4) Construct Turnpike Interchange with Keyser Avenue in10 Lackawanna County.

(5) Construct extensions to the existing turnpike from a point westerly of existing Interchange 2 extending northerly to a connection with the existing interchange between U.S. Route 422 and proposed State Route 60 in Lawrence County and extending southerly to a connection with existing State Route 60 in Beaver County at or near State Route 51.

17 (6) Construct an extension to the turnpike from a point 18 at or near Interchange 8 in Westmoreland County extending 19 northerly to an interchange with State Route 66 northwest of 20 Greensburg and continuing northerly to an interchange with 21 U.S. Route 22 south of Delmont.

22 (7) CONSTRUCTION OF AN ADDITIONAL LEHIGH TUNNEL ON THE <-
 23 NORTHEAST EXTENSION OF THE TURNPIKE.

24 (8) IMMEDIATELY ENTER NEGOTIATIONS WITH THE UNITED
25 STATES DEPARTMENT OF DEFENSE FOR THE CONSTRUCTION AND
26 OPERATION OF A PRIVATE TURNPIKE INTERCHANGE DIRECTLY
27 CONNECTED TO THE NEW CUMBERLAND ARMY DEPOT.

(b) Subsequent extension authorization.--Upon substantial completion of the turnpike extension and improvements set forth in subsection (a), the commission is hereby authorized and 19850H0001B0324 - 6 - empowered to construct, operate and maintain further extensions of the turnpike at such specific locations and according to such schedules as shall be deemed feasible and which shall be approved by the commission, subject to the waiver of the Federal toll prohibition provisions where applicable, as follows:

6 (1) From an interchange with Interstate Route 70 between 7 existing interchanges at Lover and Speers extending northerly 8 to an interchange with Interstate Route 376 in Pittsburgh 9 extending southerly connecting with the existing interchange 10 between U.S. Route 40 and the Mon Valley Expressway 11 (L.R.1125).

12 (2) From an interchange with the turnpike at or near 13 Interchange 10 extending northerly generally following and 14 coincident where feasible with existing U.S. Route 219 to an 15 interchange with Interstate Route 80 at or near Interchange 16 16.

17 (3) Construction of an additional tunnel or a bypass
 18 around the Lehigh Tunnel on the Northeast Extension of the
 19 turnpike.

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(4) (3) Construction of an interchange for access to the <—
 International Distribution Center at Wilkes-Barre Scranton
 International Airport in Luzerne County on the Northeastern
 Extension of the Pennsylvania Turnpike System.

24 (c) Additional subsequent extension authorization.--Upon 25 completion of the turnpike extensions and improvements set forth 26 in subsections (a) and (b), the commission is hereby authorized 27 and empowered to construct, operate and maintain further 28 extensions of the turnpike at such specific locations and according to such schedules as shall be deemed feasible and 29 which shall be approved by the commission, subject to the waiver 30 19850H0001B0324 - 7 -

1 of the Federal toll prohibition provisions where applicable, as
2 follows:

3 (1) From a point at or near the existing interchange
4 between U.S. Route 40 and the Mon Valley Expressway
5 (L.R.1125) in Fayette County southeasterly along U.S. Route
6 40 to Uniontown and continuing southerly along State Route
7 857 to the West Virginia border.

8 (2) From a point at or near Turnpike Interchange 10 9 southerly generally along U.S. Route 219 to the Maryland 10 border.

11 (3) From a point at or near Interstate Route 80
12 Interchange 16 northerly generally along U.S. Route 219 to a
13 connection with the existing U.S. Route 219 Expressway south
14 of Bradford in McKean County.

15 (4) From a point at or near Interstate Route 80
16 Interchange 23 at Milesburg southwesterly generally along
17 U.S. Route 220 to a connection with the existing U.S. Route
18 220 Expressway south of Bald Eagle.

(d) Further subsequent authorizations.--Upon completion of the turnpike extensions and improvements set forth in subsections (a), (b) and (c), the commission is hereby authorized and empowered to construct, operate and maintain a turnpike at such specific locations as shall be approved by the commission, subject to the waiver of the Federal toll prohibition provisions where applicable, as follows:

(1) From a point at or near the intersection of State
Route 65 and Crows Run Road in Beaver County, in a
southeasterly direction to a point at or near the Perry
Highway Interchange of the Pennsylvania Turnpike.

30 (2) From a point at or near Exit 5 of the turnpike 19850H0001B0324 - 8 - northerly to Brookville, Jefferson County, to a point at the
 intersection with Interstate Route 80.

3 (3) From a point at or near the Pennsylvania Turnpike
4 System into various areas of Berks County in order to
5 complete the construction of the inner loop system and outer
6 loop system of highways surrounding the City of Reading and
7 to complete the missing links on Routes 222 to 422 to 1035.

8 (4) From a point at or near the intersections of 9 Interstate Route 70, Interstate Route 76 and T.R. 119 in the 10 Borough of Youngwood, Westmoreland County in a northerly 11 direction along T.R. 119 and T.R. 66 to the intersection of 12 T.R. 22 with a bypass around the City of Greensburg, 13 Westmoreland County; thence north on T.R. 66 to T.R. 356; 14 thence north on T.R. 356 to the intersection with T.R. 28.

15 (5) From a point at or near the intersection of T.R. 66 16 and T.R. 22 in Salem Township, Westmoreland County; thence in 17 a westerly direction paralleling T.R. 22 to Exit 6 of 18 Interstate 76.

19 (6) Relocate Turnpike Interchange at Morgantown and
20 construct access road from relocated interchange to
21 Interstate Route 176 in Berks County.

(e) Conversion to toll roads.--In order to facilitate 22 23 vehicular traffic across the Commonwealth, and after completion 24 of the turnpike extensions and improvements authorized in 25 subsection (a), and subject to prior Legislative approval by the 26 General Assembly and the United States Congress, the 27 Pennsylvania Turnpike Commission is hereby authorized and 28 empowered to convert to toll roads such portions of Pennsylvania's interstate highway system as may be required in 29 30 order to facilitate the completion of the turnpike extensions - 9 -19850H0001B0324

and improvements authorized in subsections (b), (c) and (d), and 1 to operate and maintain such converted interstates as toll roads 2 3 upon the approval by the Congress of the United States of 4 America and the General Assembly of this Commonwealth of special 5 legislation permitting the conversion of such interstates to toll roads. Such conversions shall take place at a time and 6 7 manner set forth in the plan for the conversion prepared by the Pennsylvania Department of Transportation. The provisions 8 authorizing the commission to construct, operate and maintain 9 the turnpike routes in subsections (b), (c) and (d) shall be 10 11 subject to:

(1) the prior passage by the Congress of the United
States and the General Assembly of this Commonwealth of
legislation permitting the conversion of certain interstates
to toll roads; or

16 the availability of such other funds as might become (2) 17 available in amounts that would be sufficient to fund to 18 completion any of the individual turnpike extensions and 19 improvements set forth in subsections (b), (c) and (d) so 20 long as no turnpike extension authorized by subsection (d) is 21 undertaken until after all the turnpike extensions authorized 22 by subsection (c) are completed, and no turnpike extension 23 authorized by subsection (c) is undertaken until after all 24 the turnpike extensions and improvements authorized by 25 subsection (b) are completed. The commission is authorized to 26 use Federal funds which may be available for toll roads only 27 pursuant to the approval of the Secretary of Transportation 28 and only pursuant to the authority granted in section 18. 29 Turnpike system. -- The turnpike, turnpike extensions and (f) 30 improvements, and the future toll road conversions authorized by 19850H0001B0324 - 10 -

this act are hereby or shall be made part of the Pennsylvania
 Turnpike System, as provided in the act of August 14, 1951
 (P.L.1232, No.282), referred to as the Pennsylvania Turnpike
 System Financing Act.

5 Section 4. Status of turnpike bonds, notes or other6 obligations.

7 The turnpike bonds, notes or other obligations issued under the provisions of this act shall not be deemed to be a debt of 8 9 the Commonwealth or a pledge of the faith and credit of the 10 Commonwealth, but such bonds, notes or other obligations shall 11 be payable solely from the revenues of the commission, including tolls, or from such funds as may be available to the commission 12 13 for that purpose. All such bonds, notes or other obligations shall contain a statement on their face that the Commonwealth is 14 15 not obligated to pay the same or the interest thereon except 16 from revenues of the commission, including tolls, or from such 17 funds as may be available to the commission for that purpose, 18 and that the faith and credit of the Commonwealth is not pledged to the payment of the principal or interest of such bonds, notes 19 20 or other obligations. The issuance of turnpike bonds, notes or 21 other obligations under the provisions of this act shall not 22 directly or indirectly or contingently obligate the Commonwealth to levy or to pledge any form of taxation whatever therefor or 23 24 to make any appropriation for their payment.

25 Section 5. Exercise of commission powers deemed essential26 government function.

The exercise by the commission of the powers conferred by this act in the construction, operation and maintenance of the turnpike, the turnpike extensions and improvements and in the conversion of toll-free roads to toll roads shall be deemed and 19850H0001B0324 - 11 - 1 held to be an essential governmental function of the

2 Commonwealth.

3 Section 6. Commission powers and duties enumerated; payment of
4 maintenance.

5 (a) Powers and duties of commission.--The commission is6 authorized to:

7 (1) Maintain a principal office at such place as shall8 be designated by the commission.

9 (2) Contract and be contracted within its own name. 10 (3) Sue and be sued in its own name, plead and be 11 impleaded. Any and all actions at law or in equity against 12 the commission shall be brought only in the courts in which 13 such actions may be brought against the Commonwealth.

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(4) Have an official seal.

15 (5) Make necessary rules and regulations for its own 16 government.

(6) Acquire, hold, accept, own, use, hire, lease, 17 18 exchange, operate and dispose of, personal property, real 19 property and interests in real property, and to make and 20 enter into all contracts and agreements necessary or incidental to the performance of its duties and the execution 21 22 of its powers under this act, and to employ engineering, 23 traffic, architectural and construction experts and 24 inspectors, attorneys, and other employees as may in its 25 judgment be necessary, and fix their compensation.

26 (7) Provide grade separations, at its own expense, with 27 respect to all public roads, State highways and interstate 28 highways intersected by the turnpikes and to change and 29 adjust the lines and grades thereof so as to accommodate the 30 same to the design for such grade separation. The damages 19850H0001B0324 - 12 -

1 incurred in changing and adjusting the lines and grades of public roads, State highways and interstate highways shall be 2 ascertained and paid by the commission in the same manner as 3 4 is provided for by this act in regard to the location and 5 construction of the turnpike extensions and improvements and conversions of toll-free roads to toll roads. If the 6 7 commission shall find it necessary to provide a grade 8 separation or change the site of any portion of any 9 interstate highway, State highway or public road, or vacate 10 the same, it shall cause it to be reconstructed and restored 11 forthwith, at the commission's own proper expense, on the 12 most favorable location and in as satisfactory a manner as 13 the original road, or vacate it, as the case may be. The 14 method of acquiring the right-of-way and determining damages 15 incurred in changing the location of or vacating such road, 16 State highway or interstate highway shall be ascertained and 17 paid for in accordance with the act of June 22, 1964 18 (Sp.Sess., P.L.84, No.6), known as the Eminent Domain Code.

19 (8) Petition the court of common pleas of the county 20 wherein is situate any public road or part thereof affected by the location therein of the turnpike, for the vacation, 21 relocation or supply of the same, or any part thereof, with 22 23 the same force and effect as is now given by existing laws to 24 the inhabitants of any township or such county, and the 25 proceedings upon such petition, whether it be for the appointment of viewers or otherwise, shall be the same as 26 27 provided by existing law for similar proceedings upon the 28 petitions.

29 (9) Have all of the powers and perform all the duties 30 prescribed by the act of May 21, 1937 (P.L.774, No.211), 19850H0001B0324 - 13 -

1 referred to as the Pennsylvania Turnpike Commission Act. Maintenance to be paid out of tolls. -- The turnpike 2 (b) 3 extensions and improvements and the conversion of toll-free 4 roads to toll roads when completed and open to traffic shall be 5 maintained and repaired by and under the control of the commission. All charges and costs for the maintenance and 6 7 repairs actually expended by the commission shall be paid out of 8 tolls. The turnpike, the turnpike extensions and improvements and the toll-free roads converted to toll roads shall also be 9 10 policed and operated by a force of police, toll takers and other 11 operating employees as the commission may, in its discretion, 12 employ.

13 Section 7. Expenses and bonding of commission members.

(a) Payment of expenses.--All compensation and salaries and all expenses incurred in carrying out the provisions of this act shall be paid solely from funds provided under the authority of this act and no liability or obligation shall be incurred hereunder beyond the extent to which money shall have been provided under the authority of this act.

(b) No additional bond required.--The issuance of any turnpike revenue bonds, notes or other obligations under the provisions of this act shall not cause any member of the commission to be required to execute a bond that a member of the commission is not otherwise required to execute.

25 Section 8. Acquisition of property rights by commission.

(a) Condemnation.--The commission is hereby authorized and
empowered to condemn, pursuant to the provisions of the act of
June 22, 1964 (Sp.Sess., P.L.84, No.6), known as the Eminent
Domain Code, any lands, interests in lands, property rights,
rights-of-way, franchises, easements and other property deemed
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1 necessary or convenient for the construction and efficient 2 operation of the turnpike extensions, improvements and the toll 3 road conversions or necessary in the restoration or relocation 4 of public or private property damaged or destroyed, and the date 5 of the commission resolution authorizing condemnation shall be 6 the effective date of condemnation.

7 Purchase. -- The commission is hereby authorized and (b) empowered to acquire by purchase, whenever it shall deem such 8 9 purchase expedient, or otherwise accept if dedicated to it, any 10 lands, interests in lands, property rights, rights-of-way, 11 franchises, easements and other property deemed necessary or convenient for the construction and efficient operation of the 12 13 turnpike extensions, improvements and toll road conversions or 14 necessary in the restoration of public or private property 15 damaged or destroyed, whether the same had theretofore been 16 condemned or otherwise, upon such terms and at such price as may 17 be considered by it to be reasonable and can be agreed upon 18 between the commission and the owner thereof, and to take title 19 thereto in the name of the commission. The net proceeds of the 20 purchase price payable to a municipality or the Department of 21 Transportation for any real property or interest therein 22 obtained by the commission pursuant to this act, less the cost 23 of retiring any bonded indebtedness on such property or 24 interest, shall be used exclusively, in the case of a 25 municipality, for road and bridge related expenses and, in the 26 case of the Department of Transportation, for highway and bridge construction, reconstruction and maintenance in the same 27 28 engineering and maintenance district wherein the subject 29 property is located.

30 Section 9. Procedural requirements of acquisition. 19850H0001B0324 - 15 -

1 (a) Title.--Title to any property condemned by the commission shall be taken in the name of the commission. Prior 2 3 to physical entry upon the land, the commission shall be under 4 no obligation to accept and pay for any property condemned or 5 any costs incidental to any condemnation proceedings. In any condemnation proceedings, the court having jurisdiction of the 6 7 suit, action or proceedings may make such orders as may be just 8 to the commission and to the owners of the property to be 9 condemned and may require an undertaking or other security to 10 secure such owners against any loss or damage by reason of the 11 failure of the commission to enter upon, accept and pay for the property, but neither such undertaking or security nor any act 12 13 or obligation of the commission shall impose any liability upon 14 the Commonwealth except such as may be paid from the funds 15 provided under the authority of this act.

16 (b) Vacation of condemned land.--The commission, in its discretion, may vacate any portion or all of the land condemned 17 18 either prior to or after physical entry upon the land or any 19 part thereof and prior to final determination of damages. In 20 such cases, the commission shall be under no obligation to 21 accept and pay for any property condemned and subsequently 22 vacated. However, in any case, the court having jurisdiction of 23 the suit, action or proceeding may make the orders as may be 24 just to the commission and to the owners of the property and may 25 require an undertaking or other security to secure the owners 26 against any and all loss or damages occasioned to the owner from 27 the time of the original condemnation to the time of the 28 modification thereof, but neither such undertaking or security 29 nor any act or obligation of the commission shall impose any 30 liability upon the Commonwealth except such as may be paid from 19850H0001B0324 - 16 -

1 the funds provided under the authority of this act.

2 (c) Entry.--In addition to the foregoing powers, the 3 commission and its authorized agents and employees may enter 4 upon any lands, waters and premises in this Commonwealth for the 5 purpose of making surveys, soundings, drillings and examinations, as it may deem necessary or convenient for the 6 7 purpose of this act, and the entry shall not be deemed a trespass, nor shall an entry for such purposes be deemed an 8 9 entry under any condemnation proceedings which may be then 10 pending. The commission shall make reimbursement for any actual 11 damages resulting to the lands, waters and premises as a result 12 of the activities.

13 (d) Restoration of property. -- All public or private property 14 damaged or destroyed in carrying out the powers granted by this 15 act shall be restored or repaired and placed in their original 16 condition as nearly as practicable or adequate compensation made therefor out of funds provided under the authority of this act. 17 18 (e) Powers of public bodies. -- All political subdivisions and all public agencies and commissions of the Commonwealth, 19 20 notwithstanding any contrary provision of law, are hereby authorized and empowered to lease, lend, dedicate, grant, convey 21 22 or otherwise transfer to the commission, upon its request, upon 23 such terms and conditions as the proper authorities of such 24 political subdivisions or public agencies and commissions of the 25 Commonwealth may deem reasonable and fair and without the 26 necessity for any advertisement, order of court or other action 27 or formality, other than the regular and formal action of the 28 authorities concerned, any real property which may be necessary or convenient to the effectuation of the authorized purposes of 29 30 the commission, including public roads and other real property 19850H0001B0324 - 17 -

1 already devoted to public use.

2 Section 10. Entry and possession of property condemned.

3 Whenever the commission has condemned any lands, rights, 4 rights-of-way, easements and franchises, or interests therein, 5 as provided in this act, and has tendered a bond or other 6 security to secure the owner or owners for damages and the same has been accepted, or if the acceptance of the bond has been 7 refused and the same has been filed in and approved by the court 8 9 of common pleas of the county in which the property is located, 10 or, in the case of property located in two or more counties, 11 then in any one of such counties, the commission shall have the right to immediate possession of the property covered by the 12 13 bond and may enter thereon in the name of the commission. If the 14 owner, lessee or occupier of any of the premises or any building 15 or structure thereon shall refuse to remove his personal 16 property therefrom, or give up possession thereof, the 17 commission may proceed to obtain possession in the manner now 18 provided by law for obtaining possession, by the Secretary of 19 Transportation, of occupied structures.

20 Section 11. Issuance of turnpike bonds, notes or other

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obligations.

22 Issuance of bonds.--The commission is hereby authorized (a) to provide, by resolution, at one time or from time to time, for 23 24 the issuance of turnpike bonds, notes or other obligations of 25 the Commonwealth for the purpose of paying the cost of the 26 turnpikes, as defined in section 2, including the reconstruction 27 of the converted roads as provided for in this act and the 28 repayment to the Federal Treasury of any funds so required to be 29 repaid pursuant to any special legislation passed by the 30 Congress of the United States authorizing the conversion of 19850H0001B0324 - 18 -

toll-free roads to toll roads. The principal and interest of the 1 2 bonds, notes or other obligations shall be payable solely from 3 revenues of the commission, including tolls collected on the various turnpike extensions, improvements and toll road 4 5 conversions authorized by this act and those tolls collected on the Pennsylvania Turnpike System, subject to the terms of any 6 7 trust indenture heretofore entered into by the commission and any existing bond resolution of the commission or from such 8 9 funds as may be available to the commission for that purpose. 10 The bonds, notes or other obligations shall be dated, shall bear 11 interest at such rate or rates acceptable to the commission, shall mature at such time or times not exceeding 40 years from 12 13 their date or dates, as may be determined by the commission, and 14 may be made redeemable before maturity, at the option of the 15 commission, at such price or prices and under such terms and 16 conditions as may be fixed by the commission prior to the issuance of the bonds, notes or other obligations. The principal 17 18 and interest of such bonds, notes or other obligations may be 19 made payable in any lawful medium. The commission shall 20 determine the form of bonds, notes or other obligations, 21 including any interest coupons to be attached thereto, and shall 22 fix the denomination or denominations of the bonds, notes or 23 other obligations, and the place or places of payment of 24 principal and interest thereof, which may be at any bank or 25 trust company within or without the Commonwealth. The bonds, 26 notes or other obligations shall be approved by and shall bear 27 the facsimile signatures of the Governor and of the chairman of 28 the commission, and the facsimile of the official seal of the 29 commission shall be affixed thereto, and attested by the secretary and treasurer of the commission, and any coupons 30 19850H0001B0324 - 19 -

attached thereto shall bear the facsimile signature of the 1 2 chairman of the commission. In case any officer whose signature 3 or a facsimile of whose signature shall appear on any bonds, notes or other obligations or coupons shall cease to be such 4 5 officer before the delivery of such bonds, notes or other obligations, such signature or such facsimile shall nevertheless 6 7 be valid and sufficient for all purposes, the same as if he had remained in office until such delivery. 8

9 (b) Form of bonds.--The bonds, notes or other obligations 10 authorized herein may be issued in bearer or registered form, 11 with or without coupons attached as the commission may 12 determine, and provision may be made for the registration of any 13 coupon bonds as to principal alone and also as to both principal 14 and interest, and registered and coupon bonds, notes or other 15 obligations shall be interchangeable. The commission may sell 16 such bonds, notes or other obligations in such manner and for 17 such price as it may determine to be for the best interest of 18 the Commonwealth.

19 (c) Use of bond proceeds.--The proceeds of such bonds, notes 20 or other obligations shall be used for the payment of the cost 21 of the turnpike extensions and improvements and the toll road 22 conversions, including the reconstruction of the converted roads 23 as provided for in this act and the repayment to the Federal 24 Treasury of any funds so required to be repaid pursuant to any 25 special legislation passed by the Congress of the United States 26 authorizing the conversion of toll-free roads to toll roads, and 27 shall be disbursed upon requisition of the chairman of the 28 commission under such restrictions, if any, as the resolution 29 authorizing the issuance of the bonds, notes or other 30 obligations, or any trust indenture or other agreement entered 19850H0001B0324 - 20 -

into by the commission, may provide. If the proceeds of the 1 bonds, notes or other obligations shall exceed the cost of the 2 3 turnpike extensions and improvements and the toll road 4 conversions, including the reconstruction of the converted roads 5 as provided for in this act and the repayment to the Federal 6 Treasury of any funds so required to be repaid pursuant to any 7 special legislation passed by the Congress of the United States 8 authorizing the conversion of toll-free roads to toll roads, 9 such excess proceeds shall be set aside and applied to the 10 payment of the principal and the interest of such bonds, notes 11 or other obligations as are issued pursuant to this act. Prior to the preparation of definitive bonds, notes or other 12 13 obligations, the commission may, under like restrictions, issue 14 temporary bonds, notes or other obligations with or without 15 coupons, exchangeable for definitive bonds, notes or other 16 obligations upon the issuance of the latter. The commission may 17 also provide for the replacement of any bond, note or other 18 obligation which shall become mutilated or be destroyed or lost. 19 Such turnpike bonds, notes or other obligations may be issued 20 without any other proceedings or the happening of any other 21 conditions or things than those proceedings, conditions and 22 things which are specified and required by this act. 23 (d) Power to borrow.--The commission is hereby authorized to

24 borrow money from time to time to provide the preliminary or 25 interim financing, up to, but not exceeding, the estimated total cost of the turnpike extensions and improvements and the toll 26 27 road conversions, including the reconstruction of said converted 28 roads as provided for in this act and the repayment to the 29 Federal Treasury of any funds so required to be repaid pursuant 30 to any special legislation passed by the Congress of the United 19850H0001B0324 - 21 -

States authorizing the conversion of toll-free roads to toll 1 2 roads, and to evidence such borrowing by the issuance of 3 turnpike notes or other obligations of the commission and, in 4 its discretion, to pledge as collateral for such notes or other 5 obligations, turnpike bonds, notes or other obligations issued under the provisions of this act, and to renew any such notes or 6 7 other obligations from time to time, and the payment or retirement of such notes or other obligations shall be 8 9 considered to be payment of the cost of the projects authorized 10 by this act.

11 Bonds as securities .-- The bonds, notes or other (e) obligations authorized herein are hereby made securities in 12 13 which all State and municipal officers and administrative 14 departments, boards and commissions of the Commonwealth; all 15 banks, bankers, savings banks, trust companies, saving and loan 16 associations, investment companies and other persons carrying on a banking business; all insurance companies, insurance 17 18 associations and other persons carrying on an insurance 19 business; and all administrators, executors, guardians, trustees 20 and other fiduciaries; and all other persons whatsoever who now 21 or may hereafter be authorized to invest in bonds or other 22 obligations of the Commonwealth, may properly and legally invest any funds, including capital, belonging to them or within their 23 24 control, and the bonds, notes or other obligations are hereby 25 made securities which may properly and legally be deposited with and received by any State or municipal officer or agency of the 26 27 Commonwealth, or any purpose for which the deposit of bonds, 28 notes or other obligations of the Commonwealth is now or may 29 hereafter be authorized by law.

30 (f) Negotiable instruments.--All such bonds, notes or other 19850H0001B0324 - 22 -

obligations authorized herein shall have and are hereby declared 1 to have all the qualities and incidents of negotiable 2 3 instruments under the laws of this Commonwealth. 4 Section 12. Obligation proceeds restricted and lien created. 5 All moneys received from any bonds, notes or other 6 obligations issued pursuant to this act shall be applied solely 7 to the payment of the cost of the turnpike, the turnpike 8 extensions and improvements and the toll road conversions, including the reconstruction of said converted roads as provided 9 10 for in this act and the repayment to the Federal Treasury of any 11 funds so required to be repaid pursuant to any special legislation passed by the Congress of the United States 12 13 authorizing the conversion of toll-free roads to toll roads or 14 to the appurtenant fund, and there is created and granted a lien 15 upon such moneys, until so applied, in favor of holders of such 16 bonds, notes or other obligations or the trustee hereinafter provided for in respect of such bonds, notes or other 17 18 obligations.

19 Section 13. Trust indenture authorized.

20 (a) Security for bonds. -- In the discretion of the 21 commission, such bonds, notes or other obligations may be 22 secured by a trust indenture by and between the commission and a 23 corporate trustee, which may be any trust company or bank having 24 the powers of a trust company, within or without this 25 Commonwealth. Such trust indenture may pledge or assign tolls 26 and revenue to be received but shall not convey or mortgage the 27 turnpike, the turnpike extensions and improvements or toll road 28 conversions provided for by this act or any part hereof.

29 (b) Rights of bondholders.--Either the resolution providing 30 for the issuance of such bonds, notes or other obligations or 19850H0001B0324 - 23 -

such trust indenture may contain such provisions for protecting 1 and enforcing the rights and remedies of the bondholders or 2 3 holders of notes or other obligations as may be reasonable and 4 proper and not in violation of law, including covenants setting 5 forth the duties of the commission in relation to the acquisition of properties and the construction, maintenance, 6 7 operation and repair, and insurance of, the turnpikes, and the 8 custody, safeguarding and application of all moneys. It shall be 9 lawful for any bank or trust company incorporated under the laws 10 of this Commonwealth to act as a depository of the proceeds of 11 bonds, notes or other obligations or revenues, and to furnish such indemnity bonds or to pledge such securities as may be 12 13 required by the commission. The trust indenture may set forth 14 the rights and remedies of the bondholders or holders of notes 15 or other obligations and of the trustee and may restrict the 16 individual right of action of bondholders or holders of notes or 17 other obligations as is customary in trust indentures securing 18 bonds, debentures of corporations, notes or other obligations. 19 In addition to the foregoing, the trust indenture may contain 20 such other provisions as the commission may deem reasonable and 21 proper for the security of bondholders or holders of notes or 22 other obligations. All expenses incurred in carrying out the 23 trust indenture may be treated as part of the cost of 24 maintenance, operation and repair of the turnpike extensions, 25 improvements and toll road conversions provided for by this act. 26 Section 14. Commission and obligations tax exempt.

The accomplishment by the commission of the authorized purposes stated in this act being for the benefit of the people of the Commonwealth and for the improvement of their commerce and prosperity, in which accomplishment the commission will be 19850H0001B0324 - 24 -

performing essential governmental functions, the commission 1 shall not be required to pay any taxes or assessments on any 2 3 property acquired or used by it for the purposes provided in 4 this act, and the bonds, notes or other obligations issued by 5 the commission, their transfer, and the income therefrom, including any profits made on the sale thereof, shall at all 6 times be free from taxation within the Commonwealth. 7 8 Section 15. Collection and disposition of tolls and other 9 revenue.

10 (a) Establishment and changes in toll amounts.--Subject to 11 the terms of any trust indenture entered into by the commission and any resolution authorizing the issuance of any bonds, notes 12 or other obligations of the commission, the commission is hereby 13 authorized to fix, and to revise from time to time, tolls for 14 15 the use of the Pennsylvania Turnpike System and the different 16 parts or sections thereof, including the turnpike, the turnpike 17 extensions and improvements and the toll road conversions 18 authorized by this act and to charge and collect the same, and 19 to contract with any person, partnership, association or 20 corporation desiring the use of any part thereof, including the 21 right-of-way adjoining the paved portion, for placing thereon 22 telephone, telegraph, electric light or power lines, gas 23 stations, garages, stores, hotels, restaurants and advertising 24 signs, or for any other purpose, except for tracks for railroad 25 or railway use, and to fix the terms, conditions, rents and 26 rates of charges for such use. Tolls shall be so fixed and 27 adjusted as to provide funds at least sufficient with other 28 revenues of the Pennsylvania Turnpike System, if any, to pay: 29 the cost of constructing, maintaining, repairing and (1)30 operating the Pennsylvania Turnpike System and the different

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- 25 -

1 parts and sections thereof; and

(2) any bonds, notes or other obligations and the
interest thereon of the commission, and all sinking fund
requirements of the commission, and other requirements
provided for by any resolution authorizing the issuance of
the bonds, notes or other obligations by the commission, or
by any trust indenture to which the commission is a party, as
the same shall become due.

Restrictions on toll revenue. -- Tolls shall not be 9 (b) 10 subject to supervision or regulation by any other State 11 commission, board, bureau or agency. Subject to the terms of any presently existing trust indenture entered into by the 12 13 commission and any presently existing resolution authorizing the 14 issuance of any bonds, notes or other obligations of the 15 commission, the tolls and all other revenue derived from the 16 Pennsylvania Turnpike System shall be set aside and pledged as 17 may be provided in any resolutions, trust indentures or any 18 other agreements that the commission may hereafter adopt or 19 hereafter enter into with respect to the issuance of bonds, 20 notes or other obligations of the commission.

21 Section 16. Revenue refunding bonds.

22 The commission is hereby authorized to provide, by 23 resolution, for the issuance of turnpike revenue refunding bonds 24 of the Commonwealth for the purpose of refunding any turnpike 25 revenue bonds, notes or other obligations issued and then 26 outstanding. The issuance of such turnpike revenue refunding 27 bonds, the maturities and other details thereof, the rights of 28 the holders thereof, and the duties of the Commonwealth and of 29 the commission in respect to the same, shall be governed by the 30 provisions of this act insofar as the same may be applicable. 19850H0001B0324 - 26 -

1 Section 17. Rights of obligation holders and trustees.

2 Any holder of bonds, notes or other obligations issued under 3 the provisions of this act, or any of the coupons attached 4 thereto, and the trustee under the trust indenture, if any, 5 except to the extent the rights herein given, may be restricted by resolution passed before the issuance of the bonds, notes or 6 7 other obligations, or by the trust indenture, and may, either at law or in equity, by suit, action, mandamus or other 8 9 proceedings, protect and enforce any and all rights granted 10 hereunder or under such resolution or trust indenture, and may 11 enforce and compel performance of all duties required by this act or by such resolution or trust indenture to be performed by 12 13 the commission or any officer thereof, including the fixing, 14 charging and collecting of tolls for the use of the turnpikes. Section 18. Authority granted to the Secretary of 15

16

Transportation.

17 (a) Agreement with Federal Government. -- The Secretary of 18 Transportation is hereby authorized and empowered to enter into 19 an agreement with the United States Department of Transportation, the Federal Highway Administration and any other 20 21 Federal agency pursuant to section 105 of the Federal-Aid 22 Highway Act of 1978 (Public Law 95-599), in order to obtain Federal funds for projects for resurfacing, restoring and 23 24 rehabilitating toll roads in Pennsylvania. The commission is 25 authorized to use Federal funds which may be available for toll roads only pursuant to the approval of the Pennsylvania 26 27 Secretary of Transportation and only pursuant to the authority 28 granted in this section.

29 (b) Approval by department.--All contracts and agreements 30 relating to the construction of the turnpike and connecting 19850H0001B0324 - 27 - tunnels and bridges shall be approved by the Department of
 Transportation.

3 Section 19. Construction of act.

4 This act shall be deemed to provide an additional and 5 alternative method for the doing of things authorized thereby, 6 and shall be regarded as supplemental and additional to powers 7 conferred by other laws, and shall not be regarded as in 8 derogation of any powers now existing and shall be liberally 9 construed to effect the purposes thereof.

10 Section 20. Repeals.

11 (a) Absolute repeals.--The following acts and parts of acts 12 are repealed:

Section 18 of the act of May 16, 1940 (1941 Sp.Sess. P.L.949, No.11), known as the Pennsylvania Turnpike Philadelphia Extension Act.

Section 18 of the act of June 11, 1941 (P.L.101, No.53),
known as the Western Pennsylvania Turnpike Extension Act.
Section 18 of the act of May 23, 1951 (P.L.335, No.74), known
as the Pennsylvania Turnpike Delaware River Extension Act.
Section 18 of the act of September 27, 1951 (P.L.1430,
No.348), known as the Pennsylvania Turnpike Northeastern
Extension Act.

Section 18 of the act of May 15, 1956 (1955 P.L.1589,
No.534), known as the Pennsylvania Turnpike Philadelphia Loop
Extension Act.

(b) Inconsistent repeals.--The following acts and parts of acts are repealed insofar as they are inconsistent with this act:

Act of May 21, 1937 (P.L.774, No.211), entitled "An act to 30 facilitate vehicular traffic between the eastern and western 19850H0001B0324 - 28 -

sections of the Commonwealth by providing for the construction, 1 operation and maintenance of a turnpike from a point at or near 2 3 Middlesex in Cumberland County to a point at or near Irwin in 4 Westmoreland County; providing for the creation of the 5 Pennsylvania Turnpike Commission, and conferring powers and imposing duties on said commission; authorizing the issuance of 6 turnpike revenue bonds of the Commonwealth, payable solely from 7 tolls, to pay the cost of such turnpike; providing that no debt 8 of the Commonwealth shall be incurred in the exercise of any of 9 10 the powers granted by this act; providing for the collection of 11 tolls for the payment of such bonds and for the cost of maintenance, operation and repair of the turnpike; making such 12 13 bonds exempt from taxation; constituting such bonds legal investments in certain instances; prescribing conditions upon 14 15 which such turnpike shall become free; providing for 16 condemnation; granting certain powers and authority to municipal 17 subdivisions and agencies of the Commonwealth to cooperate with 18 the commission; and authorizing the issuance of turnpike revenue 19 refunding bonds."

20 (c) General repeal.--All other acts and parts of acts are
21 repealed insofar as they are inconsistent with this act.
22 Section 21. Effective date.

23 This act shall take effect in 60 days.