

TESTIMONY PRESENTED BY THE PENNSYLVANIA
TURNPIKE COMMISSION REGARDING HOUSE BILL 2329, PRINTER'S NO. 2962

RESPECTFULLY SUBMITTED TO THE HOUSE JUDICIARY COMMITTEE
AUGUST 12, 1992
ROOM 140 EAST WING MAIN CAPITOL BUILDING, 1:00 P. M.

Good afternoon Mr. Chairman and members of the Committee.

My name is John L. Sokol and I am the Executive Director of the Pennsylvania Turnpike Commission. I thank you for the opportunity to speak before you today on an issue that I feel is important to the overall financial health of the Pennsylvania Turnpike Commission.

With me here today are Mr. J. D. Fogarty, our Deputy Executive Director of Finance and Administration, and Mr. Jeffrey L. Garrett, representing Michael Baker, Jr., Inc., our Consulting Engineer. They each will be addressing specific issues relating to the operation of the Pennsylvania Turnpike.

As you know, on June 27, 1992, House Bill 2329, Printer's No. 2962 was referred to the House Judiciary Committee. This piece of legislation, introduced by Representative Fred Trello amends Title 42, the Judiciary Code, to change the disposition of fines collected by the Pennsylvania State Police on the Pennsylvania Turnpike. Under present law, 50% of these monies go to

municipalities and the remaining 50% go to the Motor License Fund. This bill would amend current law by stating that 50% of the fine money from citations written on the Pennsylvania Turnpike System by the State Police shall be paid to the Pennsylvania Turnpike Commission.

To better understand the nature of our current operations, it is relative to bring you up-to-date on the activities of our organization.

1) BACKGROUND

A) History

- Many years a conservative organization committed to preserving the existing alignment
- Developed skills in Fare Collection, rehabilitation and/or replacements
- Relied on small staff with consultant help

B) ACT 61 (PA Legislature introduced concept that growth must be toll subsidized)

- Partnership with PennDOT for economic development for Commonwealth
- Authorized some projects that increased workload but historical in nature; i.e., Lehigh Tunnel, 6-Lane Widening, Interchange Upgrades
- Authorized several expansion projects on new alignment

BVE: 16.5 miles at \$240 million to open - Fall 1992

AKH: 13.2 miles at \$270 million to open - Fall 1993

1st phase/MON-FAYE: 5.8 miles at \$ 55 million opened October 1990

MON-FAYE: 68 miles at \$ 1.7 billion. Next portion to open Fall - 1993

Two more sections moving to construction in

1994-1995 (Chadville-I-68 & I-70 North toward Pittsburgh)

I-95: Major Interchange at \$550 million to go under construction in several years

Rt. 219: Major North South Corridor connecting Canada and Southern States

C) ACT 26 of 1991

- Authorized additional expansion project on new alignment. Southern Beltway 28 miles at \$500 - \$800 million . Now preparing Environmental Impact Statement Preliminary Design

2) CHANGES

- All of this has caused us to change

A) Staffing

- Insufficient staff, need more r/w specialists, Geologists, utility relocation technicians, environmental scientists, etc.

B) Facilities for Added Staff

- Added East and West Region Office, planning rehab and addition to existing building
- Refurbished headquarters to more efficiently use existing space

C) Added New Skills

- Understanding of Federal and State Environmental regulations received help from PADOT, professional seminars, training programs
- Understanding of Federal Transportation regulations, i.e.,:

D) All of these changes have cost us money - money we are willing to spend for the overall good of Pennsylvania

3) FUNDING

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- We are trying to maximize our revenues and minimize our costs - impact of recession.

A) Tolls from Expansion projects

- Set at approximately 9 cents per mile for optimum income, i.e., AKH tolls pay for operation and maintenance, but \$16 million/year deficit on bonds

B) Increased Tolls on Existing System

- 30% increase on 1987, another 30% in 1991
- Average rate 4 cents per mile while some sections are 7 cents per mile
- Increase supported a \$1.0 billion dollar bond issue

C) Federal Funds

- Mon-Fayette pilot toll road eligible for 35% Federal. We are seeking an increase to 50% under ISTEA. Although eligible, PADOT reluctant to redirect funds from their projects
- Approximately \$21 million dedicated directly to Mon-Fayette Expressway since 1990
- I-95 eligible for 90% federal funds

D) State Funds

- Oil Franchise Tax passed in October 1991 provides 14% direct to PTC for expansion projects, is approximately \$35 million per year.

E) Privatization

- Needs to be explored, potential exists, i.e., AKH and BVE had 41 million yards of excavation, 8 million waste yards. Worked with DER to control environmental impacts by providing designated waste areas. Reduced cost of excavation by dollar a yard and provided land that can reduce cost of our facility expansions or be developed

5) TROOP "T"

(A) HISTORY

- Relationship began in 1940
- Our enabling statute mandates that we have a police

- force to enforce traffic laws - We chose Troop "T"
- In addition to routine patrol daily responsibilities include the following:
 - teller bus escorts
 - MSCAP
 - construction projects
 - line painting detail
 - call boxes - accelerated due to legislators' concern
 - fare evasion/employee theft
 - safety break program
 - drug interdiction
 - DUI/seatbelt checks
 - oversized truck escort
 - Happy with job they are doing - very innovative
 - One of the safest highways in the country. We enjoy a good reputation in the industry and feel they are a part of it.

(B) THE COST OF HAVING TROOP "T"

- Fiscal Year 1991-92 was \$15.8M for 217 troopers.
As new roads come on line we will need to add more (5 for BVE recently)

(C) IMPACT OF LEGISLATION

- Calendar Year 1991 -----77,961 citations written

| | |
|--------------------------------|---------------------|
| | 1/3 commercial |
| | 2/3 passenger |
| | 67,753 - \$55 fine |
| (generated \$5M in fine money) | 9,953 - \$125 fine |
| | 50% would be \$2.5M |

6) CLOSING REMARKS

As you can see, the role of the PA Turnpike Commission in the Commonwealth's transportation system is expanding rapidly. We have been able to accomplish what was asked of us in record time and under budget. Passage of HB 2329, PN 2962 would help allow us

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to continue to aggressively pursue our expansion program, thereby increasing economic development around the Commonwealth.

I would now ask that you allow the rest of our panel to present their testimony and then we will entertain questions.

THANK YOU