

## **TROC Meeting 3, April 29, 2021 Affinity-Grouped Mentimeter Results**

Multimodal Revenue Sources (*all multimodal, including Transit and Passenger Rail, later split out as a separate work group*)

### **Local Funding (4)**

1. We need enabling legislation for local funding options for transit, but that funding should be additive to the state funding, not a replacement.
2. Advocate state enabling legislation to allow local municipalities to enact fees that would be raised locally and spent on local multimodal needs.
3. While it's important for municipalities and regions be allowed to tax themselves, it shouldn't allow the Commonwealth to get a pass and not adequately fund transit, and multimodal transportation.
4. Local Governments - small tax base a lot of transportation assets to maintain. Are we addressing those assets in the revenue shortfall numbers?

### **Taxation/Surcharges (4)**

1. I'd like to hear more about the different ways that the excise tax on goods delivery could be structured, because it will likely be a growing source of revenue, is correlated to road wear and tear, could incentivize the bundling of online purchases rather than multiple individual trips, and could help support local businesses to be competitive.
2. Add a shipping and handling fee to ALL items bought and sold and that goes to infrastructure maintenance.
3. Are we asking for taxation sources to fund multimodal needs or taxes on other modes like bicycles or aviation?
4. Consider a surcharge on all delivered packages.

### **Vehicle Weight (3)**

1. Any MBUF must have a tonnage component so as to fairly charge passenger vehicles vs. trucks.
2. A big issue for rural towns, boroughs and small governments. Over-weight truck exemptions. Look at HR 1232 which proposes more blanket overweight trucks be allowed. This makes no sense while we are already unable to afford the damage being done.
3. Trucks have a disproportionate impact on wear and tear on roads and on crashes. They need to pay their fair share.

## **Act44/89 (3)**

1. Taxes and Fees - Which ones weren't raised under Act 89 of 2013? Those are ones that could be raised slightly with an inflationary index if no recent changes.
2. Measures to address the transition of the \$450M in Turnpike Commission obligations as required by Act 44/Act 89 are timely. July 2022 approaches.
3. For transit, funds should transfer from Turnpike to Vehicle Sales Task as stated in Act 44/89. While more is needed to properly invest in transit in the Commonwealth, it will allow agencies to borrow on those funds if they choose to do so.

## **Dedicated Source (3)**

1. We need to have dedicated and expanded funding sources for mass transit. It should meet the 1.65 billion (1.2 billion + replace existing 450 million) that the PPTA has identified that it needs to maintain a state of good repair & meet economic needs.
2. It's critically important that dedicated funding (that is sustainable and meets all needs) for transit be included in the TROC recommendations. Totally concur with Shawna Russell
3. Dedicated, long-term, sustained, investment of state funds in public transit and multimodal transportation is imperative as part of the path forward.

## **Telework (2)**

1. Need to consider post covid reality on working from home and commuter patterns before we commit to maintaining existing costs to maintain and funding allocations.
2. Need to consider implications of trend toward more telework options and impact on proposed solutions.

## **No Cuts (2)**

1. We have to accept that we are not going to "cut" our way out of funding shortfall at the Federal, State or Local levels. Are we going to "invest" in our infrastructure or are willing to let it fall behind? Both are options. One hurts our economy.
2. We should consider preserving the gas tax and winnowing it down with the MBUF, but not removing or replacing it entirely. Lighten the load on the tax, add the miles fee, but don't eliminate a road focused revenue source.

## **Other (3)**

1. Under Exploring Options: Federal Funds - Are we maximizing the use of Federal funding opportunities on every level? How does this compare with other states?
2. Privatization: Are there other opportunities that PennDOT in-house that could be outsourced with cost savings? Again, do we have examples from other states?
3. For Federal Reauthorization (FAST Act expiring 9/30/21), what is PA's vision of what PennDOT wants for both Multimodal and transportation in general? Who is communicating that to the Biden Administration? Have they received our blueprint?

## Mileage-Based User Fees (MBUF)

### Federal Coordination/Timing (4)

1. Must tie into a federal initiative. Great long-term solution but will some time to get there.
2. This needs to be driven from the federal level.
3. One thing to consider in the revenue discussion: we need to be watching what the Biden Administration is seeking more transportation revenue is proposing to pay for their plan as we make changes here in that we don't want to hit users too hard as in twice at the same time. For example, users getting hit with both a state and federal mile age tax simultaneously might be much. The same is true for companies that are our job creators. Trying to balance funding needs without losing jobs or revenues-not easy.
4. While I agree with the approach of the Biden Administration on moving toward a mileage-based approach, I'd be concerned if PA did a quick change at the same time as the Federal government. Maybe a timed approach?

### General Fund for PSP (2)

1. For perspective on the shift of monies to the General Fund for the State Police, current budget shift is \$705 million which equals 11 cents per gallon of the current gas tax (OCFT conversion)
2. Since Act 89 was enacted in 2013, we have shifted \$5.2 Billion to the General Fund to pay for operations of the State Police.

### Gas Tax (2)

1. The fuel tax's administrative costs are less than 1%. Let's not abandon it immediately.
2. I'm uncertain why we would shift gas tax to mileage-based user fee. The gas tax revenue will take some amount of time to decline, so why abruptly turn off that funding source?

### Administration (2)

1. Who would administer the tax and how?
2. Very concerned about the comparatively high administrative fees and technical complexity related to MBUF.

### In Support of MBUF (2)

1. Like user fees. Which gas tax is pretty much. Only concern is that this would have the same weakness in an emergency situation as the gas tax if driving drops off quickly with slow recovery.
2. Do it. We have to put a cost to the value of goods shipped the impacts to our system. Billions are being made on the back of our infrastructure but that money via taxes doesn't support the upkeep. Look at tax policies so everyone pays.

## Other (2)

1. Legislators will not support any increase in funding especially in an election year. When do we get to hear from them?
2. Paying for a mileage-based user fee once a year, like car registration fees, is difficult for low-income people to pay all at once. The gas tax is at least incremental.

## Vehicle Registration Fees

1. Heavy vehicle registration fee
2. For consideration: Freight Charge–Ton–Mile (All Modes) – Let’s face it shipping isn’t free even though everyone is offering it and more and more people are having home deliveries  
- A ton-based tax would charge shippers a flat fee for every ton moved.
3. How do our heavy vehicle registration fees compare to neighboring states?

## Tolling Scenarios

### Impact on Populations (6)

1. While it's a viable option, think we need to consider impact on lower income populations (segments of people with disabilities, retired/seniors, minorities) where the impact is tougher. Some in rural areas have to travel far for low/moderate jobs.
2. The tolling impact on populations noted in my last post also applies to higher costs areas for people with low incomes /wages, particularly in SEPA region where cost of living is higher than the rest of PA.
3. Tolling creates winners and losers, depending on where an individual or business is located. The fuel tax affects everyone equally.
4. The working poor also can't afford public transportation.
5. Need to consider the impact of tolling to local small businesses.
6. We should strongly consider this option, but we should also evaluate the extent to which there are viable alternative options for local or rural commuters to prevent this from being regressive.

### Toll Avoidance (2)

1. Presumably, this will also stop displacing truck traffic off the turnpike onto our interstates to avoid tolls.
2. Motorists will actively avoid tolls, and this will increase local traffic and damage to roadways. Also, law enforcement in local communities.

### Other (7)

1. This should be Federally driven and include all interstates.
2. A \$2-3 billion toll is a tax that needs to be approved by the legislature.
3. What about PennDOT considering an approach where passes are sold up front, similar concept to EZ pass? Also, utilization of marketing to promote passes with cost savings if purchased out front?
4. We could always close these bridges and then what would the impacts to the economy be.
5. Criteria used to determine which bridges should be tolled are extremely important.
6. A portion of State Police funding, as approved by the voters in a referendum years ago, is appropriate but not at the level the motor license fund has been raided.
7. The legislature and governor need to recognize there are some core functions like public safety and transportation hard infrastructure (roads and bridges) that should be funded by the general fund.

## Taxing Scenarios

1. Tax policies need to change. Rich are getting richer. Corporations are making billions! There is no reason other than political that they should be paying \$0 in Federal/State taxes.
2. Administrations going back to the Casey administration in cooperation with the General Assembly have breached the wall around highway user fees - fuel taxes, registration fees etc. for not only the State Police but other agencies as well.

## Local Solutions

1. We need to be able to consider local funding initiatives to expand transportation in our communities, but it cannot be a replacement for state funding.
2. Why doesn't the Commonwealth allow localities to raise their own transportation funds?
3. For counties, even though the funds may not be enough to cover a road or bridge, it should be enough to cover some transportation need. Are these permitted to be used with other government and private funds? That could be helpful [with its] flexibility.
4. Local income or real estate tax that can be dedicated to transit.
5. Local gas tax adds on with revenue dedicated to local projects.
6. Hotel tax.
7. Land value tax, congestion pricing, taxing surface parking lots.

## Accelerated PSP Funding Reduction

1. Absolutely. They should be out of the Motor License Fund entirely.
2. Legalize weed and fund the PSP.
3. This is a no brainer, just need to convince the legislature.
4. Let's be clear. None of that \$7.2 Covid Funds coming to PA is going to Roads and Bridges. Absolutely fund the state police out of it and get them out of MLF ASAP.
5. Other states have successfully addressed ending state police related diversions from transportation funding and resources. Their approaches could provide ideas and insights as a source of consideration for this group.
6. What are other states doing around local solutions? ARTBA may be able to shed light on this.
7. Not enough time allotted to this discussion. Need to prioritize categories of revenue options by immediacy and overall potential revenue next time.
8. General, non-PSP comment: TNCs reduce capacity and increase congestion. They should also be a part of the solution vis a vis contributing (\$\$\$) to revenue generating options moving forward.