

Motor License Fund - General Fund Diversion

The Motor License Fund was created to receive revenue from transportation user fees, including taxes on liquid fuels, license and registration fees, and some fines. Per the Pennsylvania Constitution, that revenue is required to be used only for highway purposes, including highway safety.

The industry does not take issue with using Motor License Fund revenue to pay for highway patrol operations. However, the State Police performs a variety of other law enforcement services having nothing to do with patrolling highways.

The current state budget diverted \$755 million from the MLF to a total State Police budget of just under \$1.2 billion, 65 percent of the State Police budget. We don't believe 65 percent of State Police resources are devoted to patrolling highways, although no one knows definitively what that proportion might be.

The proposed 2016-17 budget would divert \$814 million. That represents the equivalent of 13 cents per gallon, more than one-fifth of the approximately 55 cents in taxes levied per gallon. The diverted amount is increasing at a rate at which it will reach nearly \$1 billion per year in the next five years.

Act 89 was promoted to the public with the promise of a Decade of Investment that would bring the state's transportation system up to acceptable standards. Act 89 eventually will raise an additional \$2.3 billion to repair our transportation system and stem the tide of decades of deterioration.

Pennsylvania has 2,561 municipalities, nearly half of which receive no police coverage other than from the State Police. As local government resources become scarce, many municipalities are considering dismantling their local police departments or withdrawing from regional police coverage, relying on State Police instead, in order to save money. News accounts have quoted local elected officials as describing State Police coverage as "free."

Who exactly pays for "free" state police coverage? If you own or drive a car or truck or have a drivers' license, *you* do. Furthermore, if you live in a community that has its own police force or that participates in a regional police force, you're paying twice – for your local police coverage, and to subsidize "free" State Police coverage in half of the municipalities across Pennsylvania.

Last spring, we asked the following question in a public opinion poll of registered voters: "In 2013, Pennsylvania increased gasoline taxes and license and registration fees to pay for transportation improvements. Would you favor or oppose using some of this money to fund other non-transportation items in the state budget?" Not surprisingly, 80 percent opposed diverting the money, with 61 percent of them strongly opposed.

This is not about whether State Police operations need to be funded. Of course they should. And this is not about whether the proposed level of State Police funding is appropriate. We presume that it is. This is about how much Motor License Fund revenue should support State Police activities, given the State Constitution.

The House has directed the Legislative Budget and Finance Committee to conduct a study to determine the appropriate and, justifiable level of support for State Police from the Motor License Fund, given the Pennsylvania Constitution. We ask also that there be no more increases in money diverted from the Motor License Fund to support State Police until we have determined what the appropriate and justifiable level of support is, and that the funding be maintained at that justifiable level in the spirit of Pennsylvania's Constitution.

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