



Stop diverting highway funds

Fall 2019

The Situation

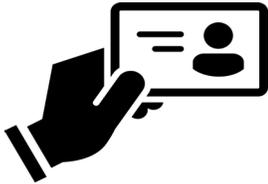
Earlier this year, the Pennsylvania Auditor General released an audit that found that significant funds generated from the state gas tax are not being spent the way they were intended, but instead used to support State Police operations—to the tune of **\$4.2 billion since the 2012-13 fiscal year**. In his report, he drew attention to the fact that the amount of funds diverted from the Motor License Fund could have helped eliminate the list of 2,829 structurally deficient bridges in Pennsylvania.

Currently there is a plan in place that reduces State Police payments by 4 percent per year from the Motor License Fund. This means it will drop to \$500 million per year over 12 years.

Pa. fuel tax meant for bridge repair went to state police instead

Despite the gradual rollback in the amount of revenue diverted from the MLF to support State Police operations, **the diverted amount is still nearly \$740 million.**

But wait, there's more.



Starting October 1, 2020, Pennsylvanians will be required to obtain a REAL ID driver's license, photo ID card or another form of federally-accepted identification such as a passport to board a domestic flight or enter a federal building or military installation.

The cost of implementing REAL ID will total about **\$150 million which will also be diverted from the Motor License Fund.**

How can we fix this?

Instead of rolling back the diverted amount to the State Police by 4 percent per year, roll it back by 10 percent per year.

That would make an additional \$65 million available for fixing our highways every year, and in about 10 years, PA would no longer be diverting any highway money at all.

It would be the equivalent of a penny per gallon increase each year, except it wouldn't increase fuel taxes. It would simply be a matter of using revenue from fuel taxes, license and registration fees for what it's supposed to be used for.

Regarding REAL ID, this is part of an Act passed in response to 9/11 attacks and is a Homeland Security matter, completely unrelated to the maintenance or safety of our highways and bridges. Therefore, the cost of implementing this measure should not be paid through the Motor License Fund, but rather the General Fund.

Learn more and advocate
paconstructors.org/diversion-of-highway-funds



All highway users should pay their fair share

Support HB 1392

The Situation

- Whether a vehicle is fueled by gas or electricity, all vehicles cause wear and tear on our transportation system and need to share the cost of maintenance.
- Electric vehicles charging up at home do not pay taxes that maintain our highway system.
- As electric vehicle use increases, less and less drivers will pay for our roads inevitably causing future funding shortfalls.

HB 1392

- HB 1392 addresses the issue through a registration fee for electric vehicles, as many other states have already implemented.
- HB 1392 proposes a non-commercial vehicle registration fee of \$150/year and commercial vehicle registration fee of \$250/year.
- The average yearly amount paid in Liquid Fuels Tax per vehicle is about \$276 and the proposed fee of \$150 per year for non-commercial vehicle is in line with other Electric Vehicle fees across the country.

PRINTER'S NO. 1693

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL
No. **1392** Session of
2019

INTRODUCED BY CARROLL, NEILSON, READSHAW, SCHLOSSBERG, IRVIN,
MULLINS, MILLARD, HILL-EVANS, DONATUCCI, KORTZ, MARKOSEK AND
McCLINTON, MAY 2, 2019

REFERRED TO COMMITTEE ON TRANSPORTATION, MAY 2, 2019

AN ACT

1 Amending Title 75 (Vehicles) of the Pennsylvania Consolidated
2 Statutes, in liquid fuels and fuels tax, further providing
3 for definitions and providing for electric vehicle road fee;
4 and making editorial changes.

5 The General Assembly of the Commonwealth of Pennsylvania
6 hereby enacts as follows:

7 Section 1. Chapter 90 of Title 75 of the Pennsylvania
8 Consolidated
9 to read:
10
11
12 Section 2. The definition of "alternative fuels" in section
13 9002 of Title 75 is amended and the section is amended by adding
14

Learn more and
advocate

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