Transportation Funding—Micozzie Amendment (HB 106)

This unprecedented comprehensive package will bring much-needed additional investment to Pennsylvania’s transportation system. The annual additional investment estimates are illustrated below.

<table>
<thead>
<tr>
<th>Transportation Mode</th>
<th>Year 1 (Jan. 1-June 30, 2014) est.</th>
<th>Year 5 est.</th>
</tr>
</thead>
<tbody>
<tr>
<td>State Roads and Bridges</td>
<td>$186 million</td>
<td>$1.3 billion</td>
</tr>
<tr>
<td>Public Transportation</td>
<td>$59 million</td>
<td>$480 million - $495 million</td>
</tr>
<tr>
<td>Local Roads and Bridges</td>
<td>$34 million</td>
<td>$237 million</td>
</tr>
<tr>
<td>PA Turnpike Expansion Projects</td>
<td>$12 million</td>
<td>$86 million</td>
</tr>
<tr>
<td>Multi-Modal Fund</td>
<td>$30 million</td>
<td>$144 million</td>
</tr>
<tr>
<td>Dirt/Gravel/Low-Volume Roads</td>
<td>-</td>
<td>$30 million</td>
</tr>
<tr>
<td>TOTAL</td>
<td>$351 million</td>
<td>$2.3 billion-$2.4 billion</td>
</tr>
</tbody>
</table>

Investing in Pennsylvania

- A $2.3 billion dollar investment will generate a net of 62,000 jobs. 50,000 new jobs will be created, and 12,000 additional jobs will be preserved.
- Thousands of bridges and more than 10,000 roadway miles will be improved or rebuilt with new investment.
- Pennsylvania will remain economically competitive with neighboring states that have already recognized the importance of investing in infrastructure.
- Historic investment in statewide public transportation will ensure crippling service cuts are avoided and vital needs of groups that depend on these services are met.

Eliminating and Deregulating Taxes

- ELIMINATES the state retail gas tax (12 cents) paid at the pump, effective Jan. 1, 2014.
- Removes the artificial cap on the Oil Company Franchise Tax charged at the wholesale level over five years.

Local Governments

- Will provide an additional $220 million a year in Liquid Fuels allocations statewide for local roads and bridges by the fifth year. This is more than a 60 percent increase over current allocations to local governments.
- Up to $40 million in grant money by 2016-17 will be provided to coordinate traffic signals to alleviate congestion and save fuel.
- Up to $8 million will be made available annually for the paving of low-volume rural roads as part of a $35 million Dirt & Gravel Roads program.
- There will be a savings of up to 20 percent local match per bridge under PennDOT’s bridge bundling program.
- Local governments will have the ability to waive local matches for transit capital projects, as determined by PennDOT upon application.
- Counties will have the option to assess a $5 vehicle registration fee.
- Will provide incentives, including local match waivers, for transit agencies to consolidate in regions.

Additional Benefits

- Provides for multi-modal investment grants that, beginning in 2015, grow indexed to inflation:
  - Aviation - $5 million (FY 13/14) $6 million (FY 14/15); Freight rail - $8 million (FY 13/14) $10 million (FY 14/15);
  - Passenger Rail - $6 million (FY 13/14) $8 million (FY 14/15); Ports - $8 million (FY 13/14) $10 million (FY 14/15);
  - Bicycle/Pedestrian - $2 million (both FYs).
- Authorizes PennDOT to establish an Alternative Energy Capital Investment Program for public transportation providers.
- The prevailing wage threshold for locally funded transportation projects increases from $25,000 to $100,000. The threshold has not changed since 1961.
- Sunsets the $450 million payment by the PA Turnpike Commission, phased out over eight years.
- PennDOT efficiencies will lead to a $1 billion dollar savings within five years.