

HISTORIC EVENTS LEADING UP TO PENNSYLVANIA ACT 44 OF 2007 AUTHORIZATION TO TOLL INTERSTATE 80 IN PENNSYLVANIA

1938 – The Keystone Shortway was proposed as a toll road along the future I-80 corridor. Planning was interrupted and delayed by World War II.

1952 – The North Pennsylvania Turnpike Committee was formed. The objective of the Committee was “the construction of a self-sustaining toll road through northern Pennsylvania....”.

1954 – The Pennsylvania Legislature authorized the Shortway Turnpike from Stroudsburg to Sharon.

1955 – The federal program for construction of the Interstate Highway System began to provide federal funds to Pennsylvania to construct Interstate highways.

1956 – Governor Leader recommended the Shortway as an Interstate highway.

1957 – The Federal Highway Administration designated the Shortway as Interstate 80.

1960 – Construction commences on portions of Interstate 80.

1970 – Construction of I-80 was completed, as a federal aid highway, some 311 miles in length from New Jersey to Ohio.

1982 and 1983 – The Governor’s Toll Roads Task Force was formed by Governor Dick Thornburgh. Preliminary assessments for 25 highway corridors were performed by a consultant. Thirteen corridors, including Interstate 80, were selected for further in-depth study. The final report titled Pennsylvania Toll Roads Feasibility Study was submitted December 21, 1983, and became the basis for Pennsylvania Act 61 of 1985. Imposition of tolls and reconstruction on I-80 and I-70 west was recommended in the report, predicated upon authorizing legislation at the Federal level.

September, 1985 – The Pennsylvania General Assembly passed Act 61, basically following the recommendations in the 1983 Toll Roads Feasibility Study. This Turnpike Organization and Toll Road Conversion Act directed the Pennsylvania Turnpike Commission to undertake construction of new highway projects and operate them as toll roads. The projects were grouped and prioritized in the Act. The Act also contained a general provision authorizing the PTC to convert to toll roads and operate such portions of Pennsylvania's Interstate highway system as may be required to facilitate the completion of certain turnpike extensions and improvements. This provision was subject to prior passage of federal and state enabling legislation for conversion of certain interstates to toll roads.

December 18, 1991- The Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA) became law. Section 1012 of the Act amended Section 129(a) of Title 23, United States Code and greatly expanded the types of toll conversion and toll construction work that could be done on the federal aid systems. However, except for bridges and tunnels, Interstate highway construction and reconstruction were prohibited as toll projects, as were Interstate toll conversions of any type except for a special congestion pricing program that allowed up to three tolled projects on the entire Interstate system.

September 1994 – a report titled Feasibility of Implementing Tolls on Interstate Highways in Pennsylvania was released following preparation for PTC by a consultant. The study and report considered 17 Interstate Highway segments within Pennsylvania, and performed detailed analysis on: I-70 from the Turnpike at New Stanton to the WV line; I-80 for its total length between NJ and Ohio; and I-90 for its total length from NY to Ohio. The report concluded that, except for the ISTEA Congestion Pricing Program, there was no current mechanism for converting an Interstate highway to a toll facility. The report did note that Section 1012 of ISTEA permitted implementing tolls on both Interstate and non-Interstate bridges and tunnels.

1994-1995-1996 studies – PTC employed the 1994 feasibility report consultant to perform additional studies of the potential for rehabilitating and reconstructing Interstate 80 to tolled status. This work continued despite the absence of any enabling federal statutes for full-scale conversion of an Interstate highway to tolled status. The need for specific enabling legislation at the state level was also recognized, and the state continued to study

implementation issues through 1995. In March 1996, Governor Tom Ridge specifically called for placing tolls on I-80 as part of a proposed financial plan to assist Pennsylvania in meeting its highway construction, reconstruction, and maintenance obligations. However, no state legislative action was adopted for a variety of reasons, including the prospect of substantial increases in federal grant funding under the pending new authorization bill (TEA-21).

June 9, 1998 – The Transportation Equity Act for the 21st Century (TEA-21) was enacted as Public Law 105-178. Section 1216(b) of the Act amended Section 1012 of ISTEA to include a pilot program titled as the Interstate System Reconstruction and Rehabilitation Pilot (ISRRP) Program. The program authorized the Secretary of Transportation to permit a state to collect tolls on a highway, bridge, or tunnel on the Interstate system for the purpose of reconstructing and rehabilitating Interstate highway corridors that could not otherwise be adequately maintained or functionally improved without the collection of tolls. The program enabled up to three such pilot projects in three separate states. In addition TEA-21 increased the number of permissible Congestion Pricing pilot projects to 15, and renamed the program as the Value Pricing Pilot Program.

The Pennsylvania congressional delegation and staff were instrumental in developing the Pilot Program language; and Interstate 80 in Pennsylvania was specifically referred to in the TEA-21 Conference Report as typifying the type of Interstate highway that meets the basic requirements of the ISRRP Program.

Late 2003-2005 – PennDOT undertook a study of potential capital cost improvements and toll conversion of I-80, in consultation with PTC. However, the final tolling study report was issued as a PennDOT document. Two reports were issued; Interstate 80 Capital cost Improvements, Final Report, August 19, 2003; and I-80 Tolling Study, dated February, 2005. In a letter circulating the I-80 Tolling Study, PennDOT Secretary Allen Biehler states: “This report recommends that tolling I-80 not be pursued at this time. However it is important to acknowledge that the report represents an isolated examination of tolling I-80. It should not be interpreted as suggesting that tolling be dismissed as a mechanism for generating transportation revenue. Examining tolling in a more comprehensive contest may lead to a different conclusion. Indeed tolling of existing and new facilities could be a viable alternative for consideration in the future.”

August 10, 2005 - SAFETEA-LU (Safe, Accountable, Flexible, Efficient Transportation Equity Act: a Legacy for Users (P.L. 109-59) became law and authorized three new Interstate tolling programs (Express Lanes, HOV Conversion and New Interstate Construction) as well as allowing tolling of Federally-assisted non-Interstate highways. SAFETEA-LU also extended and eased the eligibility requirements for the existing ISRRP program and extended the existing Value Pricing program.

July, 2007 – Act 44 of 2007 - H.B. 1590 was enacted by the Pennsylvania Legislature, and upon signing by Governor Ed Rendell on July 18, 2007, became law as Act 44 of 2007 (P.L. 169). The Act authorizes PTC: to enter into a long term (50 year) lease agreement with PennDOT for Interstate 80; to convert I-80 to tolled status upon receipt of Federal approval, while undertaking a program of reconstruction and improvements; to use the I-80 toll revenues to pay operating expenses of I-80, including lease payments to PennDOT, and to pay the cost of conversion, improvements, and debt service. Together with revenues derived from the Mainline turnpike and the proceeds of bonds, the annual lease payments will fund specified annual contributions to the Pennsylvania transportation budget. The Act provides a three year implementation period to secure necessary government approvals, complete design work, refine revenue projections and initiate tolling, debt financing and construction. The Act authorizes PennDOT to assist PTC in assembling and submitting an application to FHWA to obtain federal approval of the plan.

July-September, 2007 -- An introductory letter about the proposed tolling and improvement of I-80, signed by the Secretary of Transportation and the Chief Executive Officer of PTC, was sent to the Federal Highway Administrator on July 27, followed by the submission to FHWA of an Expression of Interest on August 17, 2007. A formal application is expected to be submitted later this year.

