



# ***Governor Corbett's Transportation Plan***

Secretary Barry J. Schoch, P.E.  
PA Department of Transportation

February 5, 2013

# ► *Transportation Goals in Pennsylvania*

## Public Safety

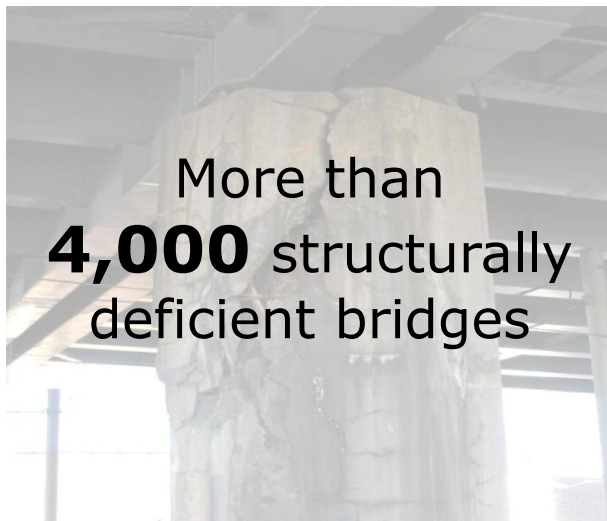


**1.5 million**  
students travel by  
school bus daily

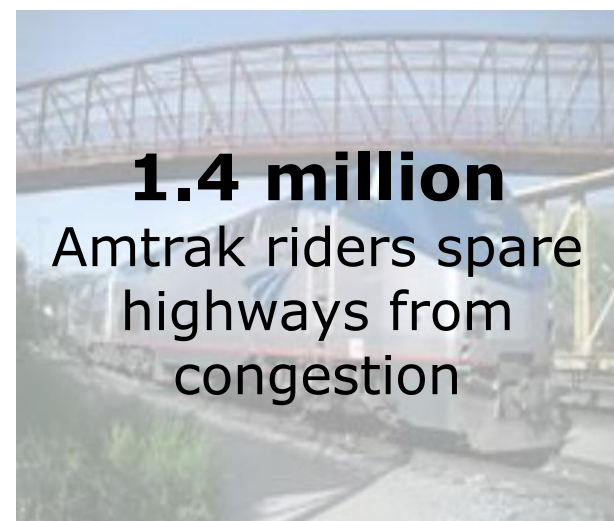
## Commerce



**\$500 billion**  
worth of goods and  
services move  
annually

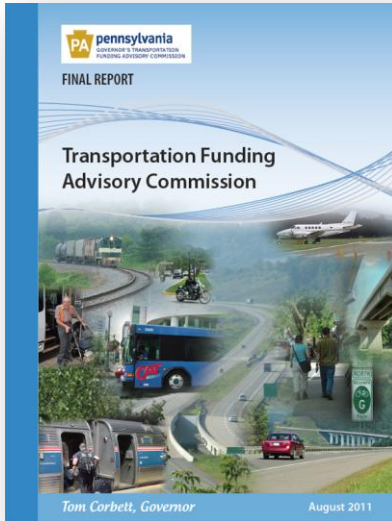


More than  
**4,000** structurally  
deficient bridges



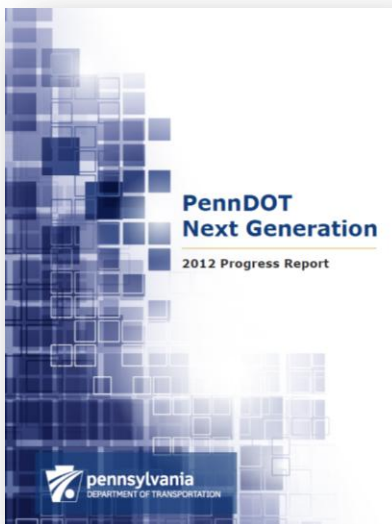
**1.4 million**  
Amtrak riders spare  
highways from  
congestion

# ► *Transportation Assessments*



- **Transportation Funding Advisory Commission Report (2011)**

- Modernization
- Finance
- Legislation
- [www.TFAC.pa.gov](http://www.TFAC.pa.gov)



- **PennDOT Next Generation Progress Report (2012)**

- Modernization
- \$50-70 million in annual cost-savings
- Stakeholder engagement
- [www.ModernDOT.pa.gov](http://www.ModernDOT.pa.gov)

# ➤ *Governor Corbett's Transportation Plan*

## Financial Components

- ***Decreases*** the flat tax by nearly **17 percent**
- Generates **\$1.8 billion** by Year 5
- Utilizes the **Public-Private Transportation Partnership Board**
- **Ends contributions** from the PA Turnpike in 10 years



# ***Governor Corbett's Transportation Plan***

## **Five-Year Financial Components**

<b>Timeframe</b>	<b>Finance Action</b>
Year 1	<ul style="list-style-type: none"><li>• Uncap first one-third of OCFT</li><li>• Cut \$0.01 from flat tax</li></ul>
Year 2*	<ul style="list-style-type: none"><li>• Cut \$0.01 from flat tax</li></ul>
Year 3*	<ul style="list-style-type: none"><li>• Uncap second one-third of OCFT</li></ul>
Year 4	<ul style="list-style-type: none"><li>• No finance action</li></ul>
Year 5	<ul style="list-style-type: none"><li>• Uncap final one-third of OCFT</li></ul>

\*Potential use of bond financing in Years 2 and 3.

# ***Governor Corbett's Transportation Plan***

## **Investment Component\***

<b>Transportation Mode</b>	<b>Investment by Year 1 (est.)</b>	<b>Investment by Year 5 (est.)</b>
State Roads and Bridges	\$300 million	\$1.2 billion
Public Transportation	\$40 million	\$250 million
Local Roads and Bridges	\$80 million	\$200 million
PA Turnpike Expansion Projects	\$30 million	\$85 million
Multi-Modal Fund	\$60 million	\$80 million
<b>TOTAL</b>	<b>\$510 million</b>	<b>\$1.8 billion</b>

\*Based on the current wholesale value of gas.

# ➤ *Governor Corbett's Transportation Plan*

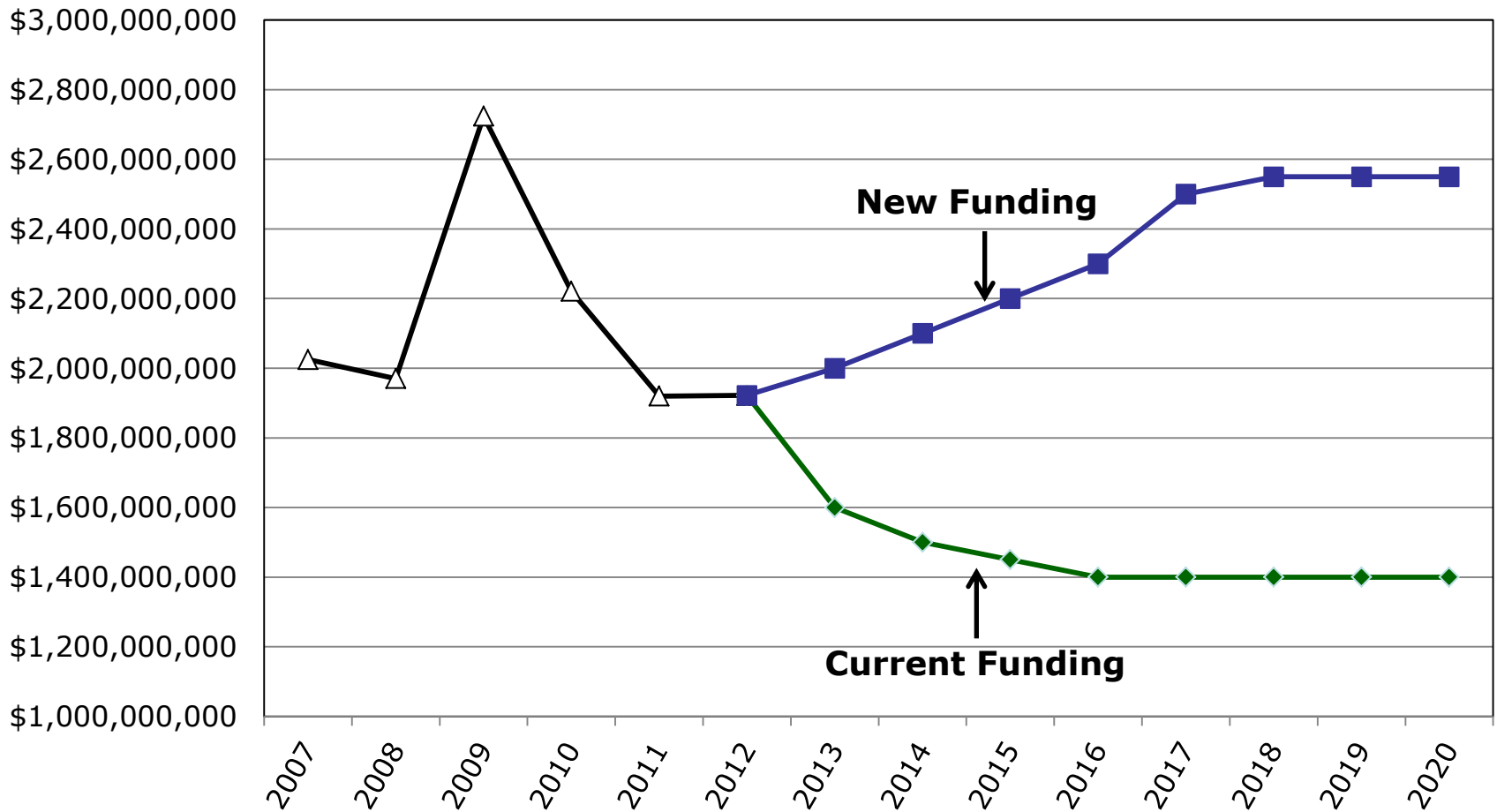
## Modernization Component

- Enhance **customer service**
  - 2-year registration
  - 6-year driver's license
- Improve **public transportation**
- Invest in **local roads and bridges**
- Create a **Multi-Modal Fund**
- Continue **PennDOT Next Generation Initiative**



# ▶ *Cost of Inaction*

## Annual Construction Lettings

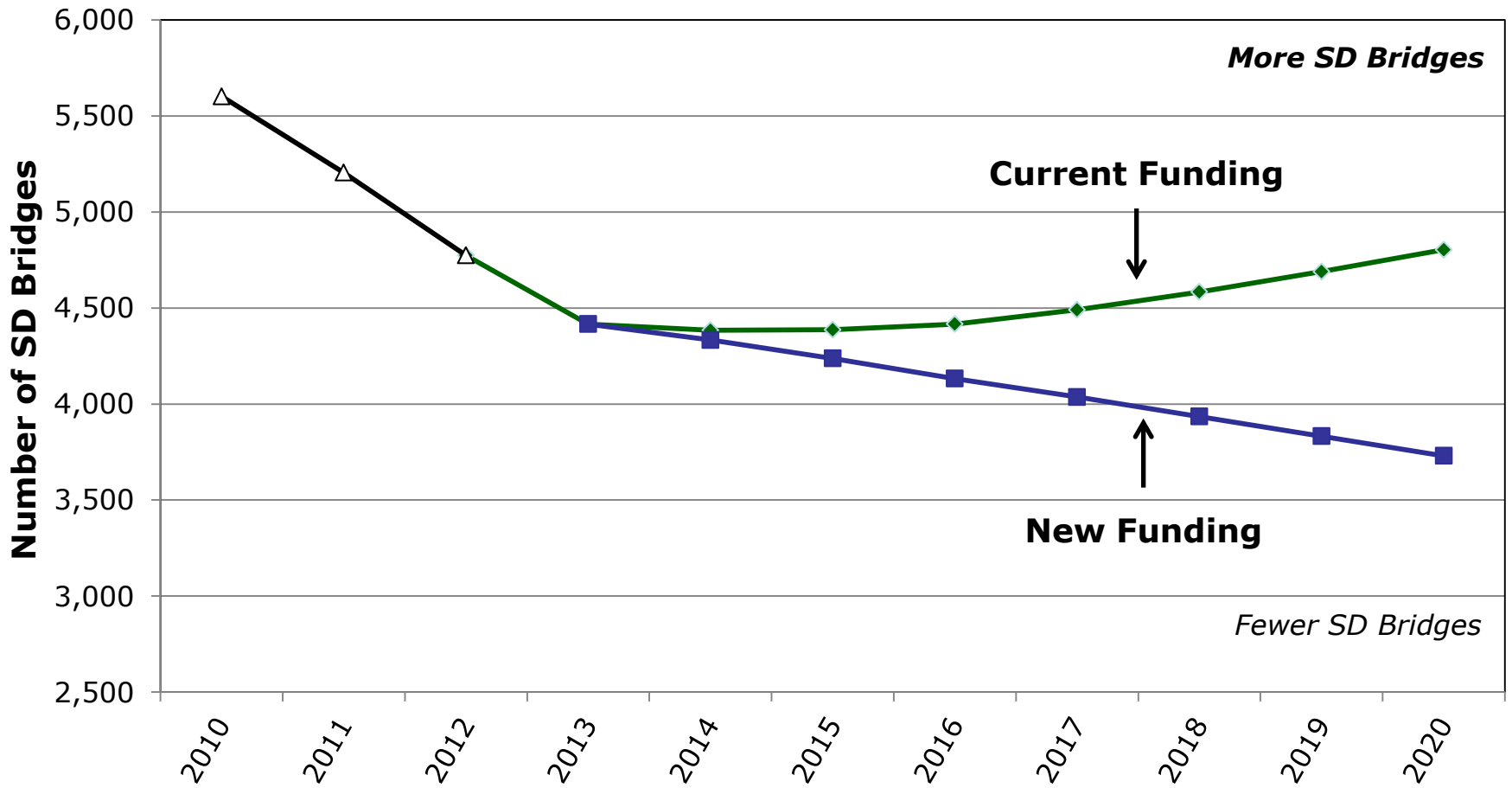


Note: The sharp rise in 2009 is attributed to the American Recovery and Reinvestment Act.



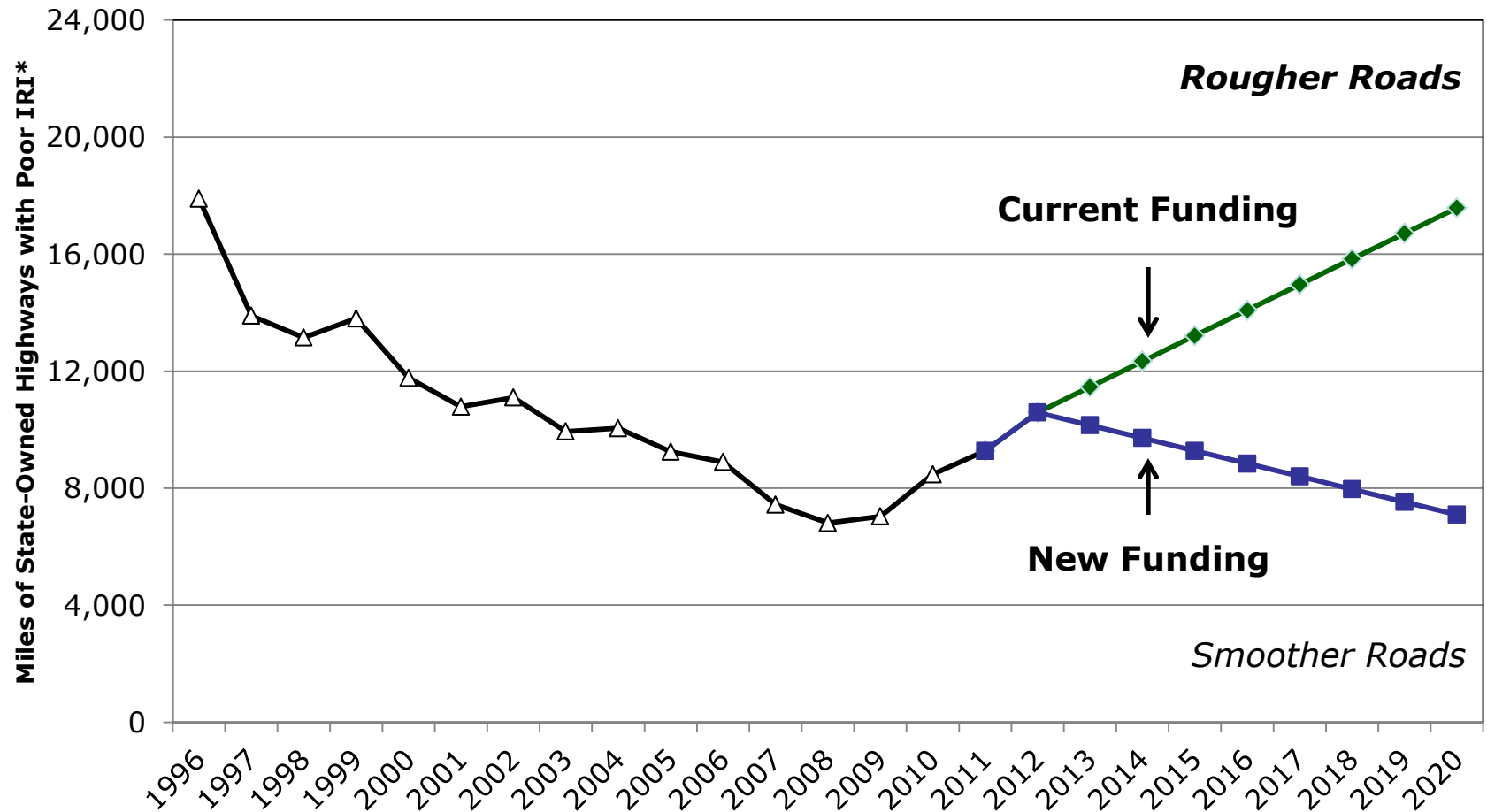
# ▶ *Cost of Inaction*

## Impact on State-Owned Structurally Deficient (SD) Bridges



# Cost of Inaction

## Impact on Roughness of State-Owned Highways



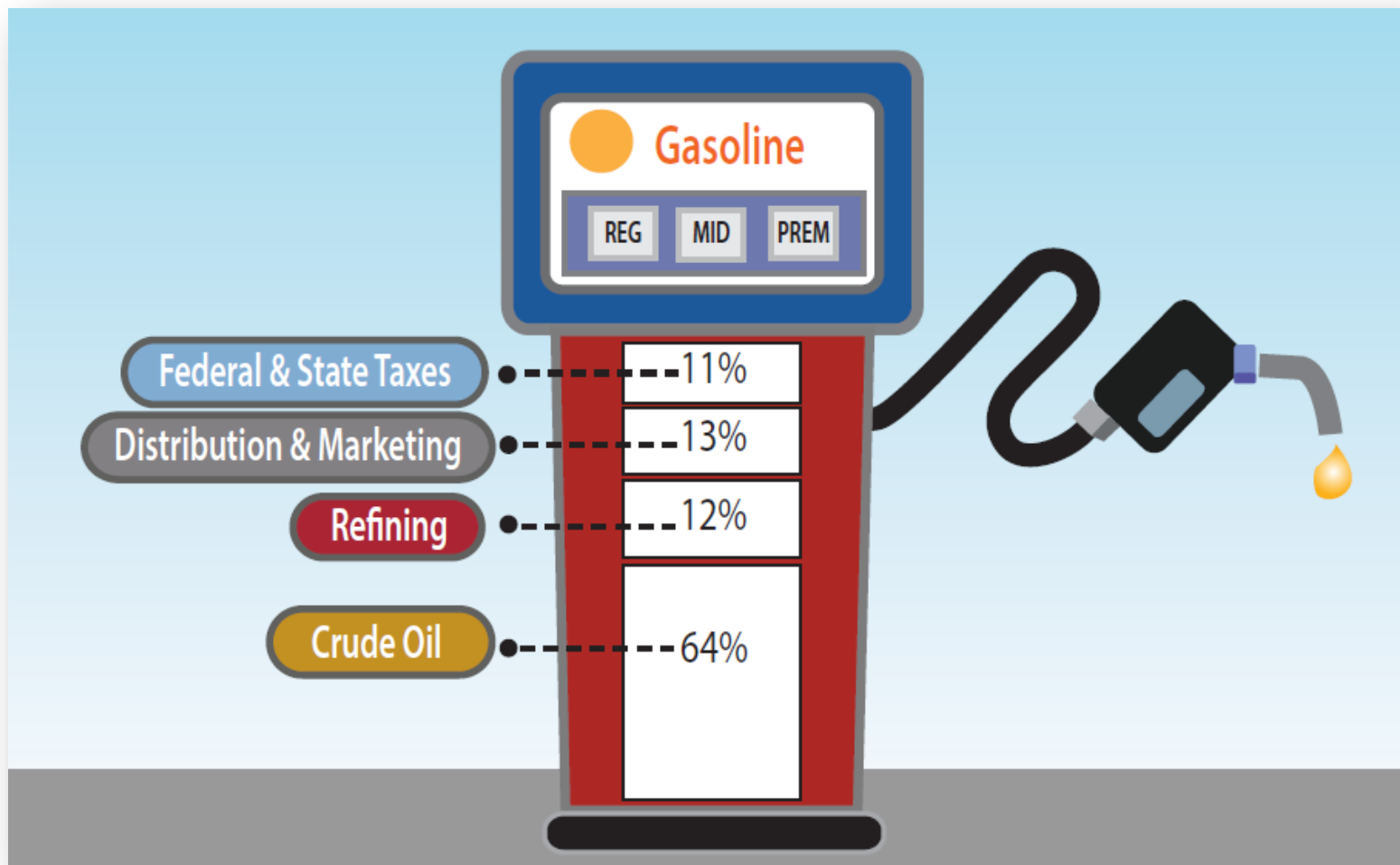
\*IRI: International Roughness Index

# ▶ *Investing in Pennsylvania*

- Enhance **safety** for all Pennsylvanians
  - **31,000** registered school buses
  - **1.5 million** students travel by school bus daily
- Sustain interstate **economic competitiveness**
  - **\$500 billion** worth of goods and services move annually
- Improve **mobility** and **customer service**
- Create **50,000** jobs as opposed to inducing 12,000 job losses

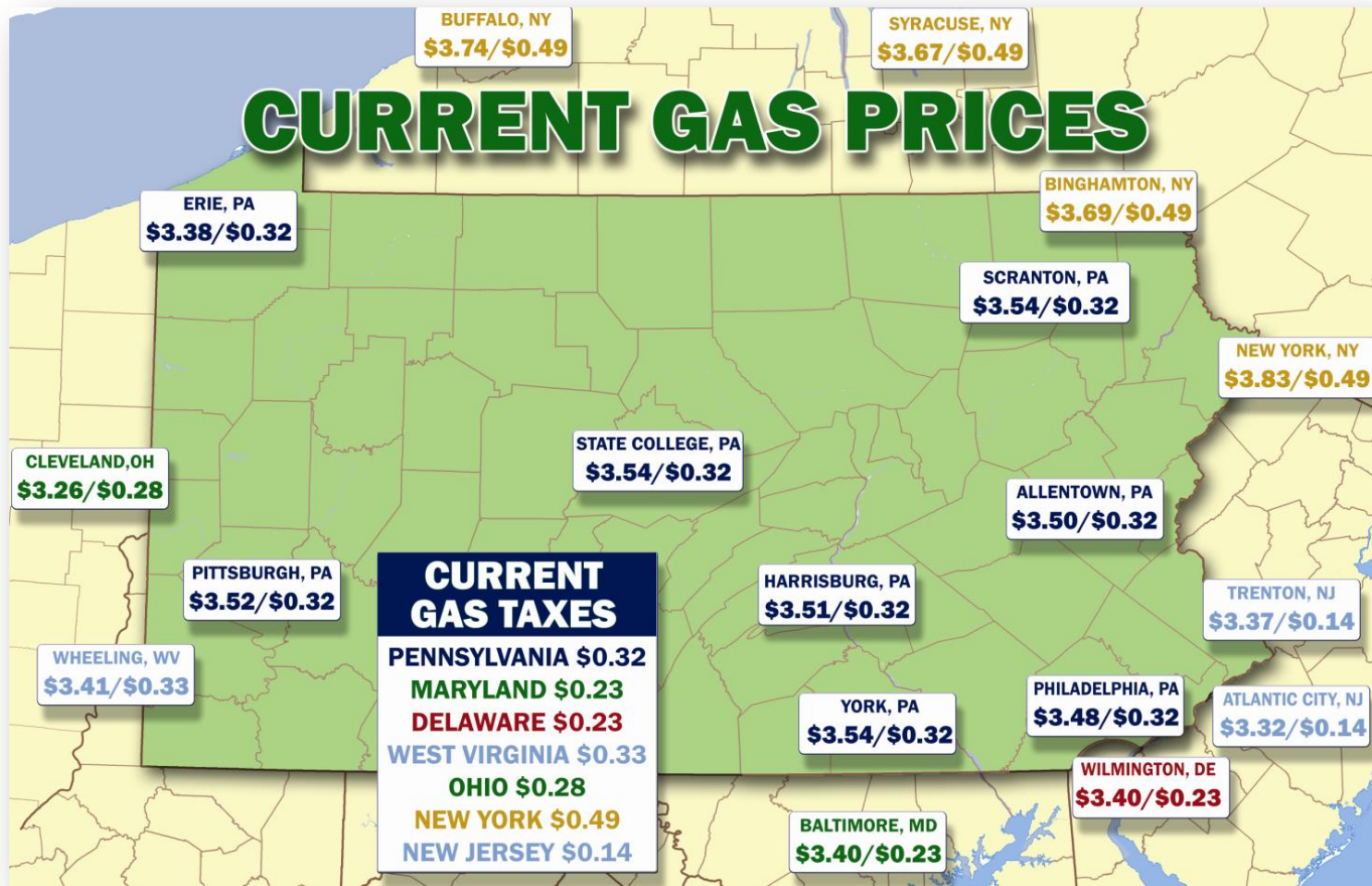
# Oil Company Franchise Tax

2012 Average Retail Price: \$3.75



Source: U.S. Energy Information Administration

# Oil Company Franchise Tax



Source: AAA Fuel Gage Report (January 15, 2013)