

April 15 TROC Virtual Meeting

Affinity-Grouped Mentimeter Results (DRAFT)

Open Forum on Mileage-Based User Fees

National/Federal/Regional Initiative (11)

1. It will be hard for PA to this alone. We need to tie it to a federal initiative.
2. Difficult for one state to implement VMT without a national implementation.
3. Need federal leadership.
4. Need federal approval of expanded tolling on interstates which would be mileage based.
5. This needs to be a national effort. Feds continue to drop the funding ball and states are left to pick up the slack.
6. National approach should be considered.
7. National required to balance out of state travelers? How would they contribute?
8. Need neighboring states to participate to make it work.
9. Need federal leadership as well.
10. New Federal Transportation Bill may have a component of this in it.
11. Must be regional.

Collection/Administration (6)

1. How is the charge assessed and how do motorists pay? Will this present a lag compared to current gas tax revenues?
2. Collection costs are very high compared to other sources of revenue - it is complicated and costly. Also consider privacy concerns.
3. Great option but we do not have the infrastructure to collect data and monies which would take some time to create and implement and work with the public to educate.
4. Options of how it may be administered.
5. Unpleasant but necessary. Should use existing EZ Pass technology if possible.
6. How quickly does this revenue hit state coffers?

Compare with Other States/Initiatives (4)

1. Seems to work well in other states.
2. What are the experiences, and lessons learned from the two states that have utilized this option to generate transportation revenue?
3. Benchmark with states already doing this.
4. Can someone speak about the pilot that is underway with the 95 Corridor Commission. How is it working?

Variable Rates (4)

1. Does rate vary by vehicle type, size or energy source?
2. Needs to be structured in a way that does not penalize poor people. Folks who are forced to live in areas that are disconnected from access to essentials should not have to pay more.
3. Think about a floor and maybe a ceiling for residents. Low income and rural issues need to be considered.
4. It can't be all mileage based. That has to be part of the solution though. Some low income people, particularly in rural areas have to drive far for work and other needs. Maybe indexed by region and something on income based?

Public Communication Strategy (3)

1. Need a clear explanation to the public as to how this supplements/replaces gasoline taxes.
2. Need a well-designed public/political comm strategy to explain to the public why this is necessary.
3. There will be privacy concerns from the public. Address those early.

Data Capture (3)

1. Does the data/amount generated take into consideration the size and weight of the vehicle(s)?
2. Can a Mileage-Based User Fee be practically implemented without GPS devices?
3. How do you/we capture out-of-state vehicles?

Transportation Industry Impact (3)

1. Concerns for commercial transportation industry already overburdened with taxes and fees.
2. Concerned about mileage-based user fees adversely affecting the Port's reliance on truck traffic making us less competitive compared to other neighboring states.
3. Important to focus on trucks

Reduced Traveling (2)

1. Index MB Fee to inflation with a floor in place in case another Pandemic occurs and traveling is reduced.
2. Transportation and the Public Transportation model is going to change if remote working becomes the norm. Especially in Urban settings.

Congestion Tax (2)

1. Big state people have to travel to do many things...has to be balanced with a congestion tax or something to level the playing field.
2. Rural issues and longer commute also needs to be offset with congestion pricing in urban areas.

Other (5)

1. This is an important option that PA should not shy away from even if it's new.
2. This should not be offered as a short-term replacement for the gas tax.
3. Implications for older adults currently 25% of population over 60 projected to grow to 30% by 2030.
4. With declining fuel tax and accelerating EVs this is the most effective way to get the most \$ to cover lower gas tax
5. User fees should be important source of income for transportation.

What additional information would help with the analysis of the mileage-based user fee option?

Administration Cost (2)

1. Cost of implementation and administration...
2. Cost of administration.

Technology (2)

1. Status of the technology.
2. How the technology would work.

Collection

1. How to ensure automatic payment of fees incurred.
2. How it will be collected, security of information collected and the timeliness of collecting the fees.

Benchmark with Other States (2)

1. Benchmark with states already doing this. Pay attention to the potential new federal highway bill - may have this in it as it moves through both houses for approval.
2. How other states have balanced distance divide so as not to compound digital divide boundaries rural v urban or wealth driven?

Other (4)

1. How the current taxes would be abated/offset.
2. Economic analysis of impact on commuters of different income levels. Also, for commercial interstate traffic the impact on our relative cost.
3. Transportation patterns that have changed during the pandemic that may become permanent.
4. What is an estimate of the rate per mile, annually, and how does it adjust for inflation?

How should the TROC address the reduction of PSP funding?

PSP Funding from General Fund (8)

1. Legislators need to address it in the General Fund and yes that may mean raising taxes.
2. Commonwealth should pay from general fund like other states.
3. Shift to General Fund.
4. Impact to the General Fund that already has its own balance issues.
5. Move to General Fund.
6. Seems like it should be a general fund category.
7. Support for PSP to be funded through general government operations without any other connections to other entity budgets or funding sources.
8. PSP funding only for actions directly related to transportation.

Municipalities/Those without Local Police (6)

1. Recommend funding by municipalities and those that benefit from PSP protection without local police forces.
2. Pass legislation requiring municipalities using "free" PSP coverage to help pay for it.
3. Make Municipalities cover these costs.
4. Lobby legislature to pass HB1165 regarding PSP fees for municipalities without their own police force.
5. Communities that don't have their own police departments should contribute \$\$.
6. Charge a per capita fee to areas with no police coverage. Local governments have balanced their budgets by cutting police forces.

Another Source (4)

1. Strongly recommend PSP funding be moved to another source and taken out of MLF.
2. TROC should work to remove the PSP funding asap.
3. Need to pay for PSP elsewhere and support legislation to cover the cost regardless of where from.
4. Transportation funding and Police funding should be separate... Funding for each should be decided in advance and dissuaded from borrowing from one another without extreme need.

COVID Relief Money (2)

1. We already have the highest gas tax of any state. Yet, I believe we also have the most diversions from the fund. Use Covid relief money.
2. Use American Rescue Plan monies to backfill General Fund in short term. Address the immediate downturn in capital construction and design work.

Other States' Methods (2)

1. Use California model with state highway patrol fee on every vehicle registration as a means of traffic safety.
2. How do other states fund this program?

Vigorous Support (2)

1. Vigorous support.
2. Vigorously make the case.

Other (7)

1. Recommendation of a safety/policing annual fee.
2. Legalize marijuana and use that to pay for education and police.
3. The gas tax exceeds all other states already.
4. TROC should include reference to the issue in recommendations. It should be started before TROC report is completed.
5. We need to partner with PSP to ensure the right message is communicated. We support their great work and need to find ways together to find future funding.
6. There is no need for PSP to build a new building every 10 years.
7. PSP pension costs contribute to most of their total budget.

Open Forum on Vehicle Registration Fee.

Elimination of Gas Tax (3)

1. Eliminating the gas tax is premature. That revenue is still needed and will continue to generate dividends for the foreseeable future. It will also help disincentivize gas-powered cars-- which is needed to move people to electric.
2. Maybe we should kill discussion on eliminating gas tax and let it die its natural death? For those who think it will go away anyway. Cars still need tires and rubber hoses and plastics, so petroleum products are still going to be used.
3. Lowest in country can help make up governor's proposed elimination of the gas tax.

Public Perception (2)

1. A Vehicle Registration Fee and a Vehicle Property Tax are essentially the same. The difference is how they are perceived by the public.
2. An increase in a fee paid all at once, or annually, will likely cause more public outcry than an increase in an incrementally paid fee. It's not only people at the low end of the income spectrum that don't like seeing fees all at once.

Escalation for Inflation (2)

1. Any increase still needs to include escalation for inflation. Especially if this is the main revenue source without gas tax.
2. If this happens, benchmark it to inflation.

Charging of Electric Cars (2)

1. There will come a time when electric charging will become solar and those vehicles still need to contribute their share for usage.
2. What do we do if everyone goes electric vehicles? Install home charging? We don't have the electric grid to handle the demand.

Varied Fee (2)

1. Increase to vehicle registration also needs to be a lot higher for trucks.
2. Vehicle registration fees are regressive unless there are exemptions for low-income people, and don't charge according to value or impact of the vehicles on road infrastructure.

Other (6)

1. Any tax or fee increase will carry political risks. Might as well make it worth it and focus on the bigger revenue sources.
2. Broad-based carbon taxes across more sectors beyond transportation should be considered.
3. Vehicle property taxes should be implemented instead.
4. What is the legislative (bipartisan) climate change plan? oh wait.
5. Would phasing in a 100% increase over a period of years be better than implementing the increase right away?
6. Wouldn't eliminating PSP contributions alleviate the need for this to some extent? I feel they should be handled separately.

Open Forum on Tolling Options

Congestion Pricing/Express Lanes Tolling (8)

1. Congestion pricing is used elsewhere to raise funding for mass transit services in the immediate area.
2. Congestion tolling dedicated to mass transit replacement dollars but capped.
3. I think congestion pricing and express lanes are preferable options to simply increasing statewide tolling
4. Full tolling would likely never be approved. Tolling something that provides a value added service (like the Virginia hot lanes) - congestion pricing, etc., is the way to go.
5. Doesn't our experience with HOV lanes create some skepticism about tolling express lanes? I would worry that the restrictions on use of the lanes to people who paid the toll would be unpopular and difficult to enforce.
6. There is limited physical space for express lane development in many parts of the state and should remain an option but, not the only one.
7. Congestion pricing is not a long-term solution, especially as people in the two "big cities" in PA continue returning to commuting and heavier use of transit again post pandemic.
8. If tolling for additional roads is pursued, could PA ensure that the majority of funds go to transportation needs for those specific regions first and the rest elsewhere?

Maintaining the Network for Use (5)

1. Put the fees on now! These are users of the transportation system which MUST be maintained.
2. We (as a country and state) have built an elaborate expensive network of roads and highways that have to be maintained somehow. Asking/Telling motor vehicle owners who use the roads to pay a fee is not unreasonable.
3. Tolling revenues should be restricted to maintain the road/bridge tolled.
4. Tolling is a very good way to get thru traffic to pay for road and bridge usage. This is extremely important for adequately supporting the Commonwealth's infrastructure and economy at the borders, especially with the exponential growth in freight.
5. The interstate highway system in Pa is 15 years newer than the Pa Turnpike. The Pa Turnpike began its rebuild program 20 years ago. We need tolling to pay for the rebuild.

Full Tolling (5)

1. Full tolling could be combined with congestion tolling. The toll could be very low for people who choose to use local roads and higher for people who choose to use the faster interstates in limited access routes.
2. If the feds don't want to raise the fees to actually fund the interstates then Toll ALL interstates and keep the money in PA.
3. You get more money tolling I-81 than 80. Toll them ALL.
4. Surprising that full tolling has little support. From the end user's perspective it's not much different from MBUF.
5. What is "full tolling"? Every road and bridge? Just state owned roads?

Consumer Impact (4)

1. Tolling heavily impacts local commuters who rely on a major road for daily travel.
2. All tolls paid by trucking and other commodity industries will ultimately be driven down to the consumer/citizen.
3. The transparency in tolling is an added plus - people can see what they are paying for (literally).
4. It's important to think of these taxation mechanisms not just by how they raise revenue, but also how they impact behavior.

Legislature Approval (3)

1. The Legislature will never approve tolling by road segment or bridge. Give PennDOT the authority to make the decision based on data and need not politics.
2. Taxing/tolling of interstates should be approved by the state legislature before being implemented.
3. The Governor could declare a transportation emergency and avoid the politics of the Legislature?

Transportation as a Public Good (2)

1. Public highways are indeed a public good. They are a primary function of government, and we pay taxes and user fees to support them.
2. It's going to be hard to make a good faith argument that transportation is not a public good.

Rail Freight (2)

1. How about more investment in rail and get more trucks off the Interstates?
2. We need to rekindle rail freight.

I-80 Tolling (2)

1. Tolling I-80 was supposed to be the linchpin of previous state transportation funding packages. This must be pursued once again with the federal government.
2. Tolling I-80 will balance traffic on the Turnpike and I-80 and will likely capture revenue from out-of-state truckers that have a disproportionate impact on our infrastructure.

Other (7)

1. Tolling of all types needs to be included in the infrastructure funding options package. The need varies by region.
2. If we aren't going to raise taxes, then user fees/tolls are needed instead.
3. These are easy options to start to raise revenues. Seems easy.
4. The federal government doesn't provide enough revenue to even pay of our Interstates.
5. It's tough to be on 95 anywhere else in the country without paying a toll.
6. Responding to Ms. Oylar question was whether or not limited tolling could be a potential funding solution rather than her view of supporting the idea.
7. Would tolling revenues be spent in the local area where the revenues are raised?

Your thoughts on Electric Car Fee, Vehicle Rental Fee, TNC Fee and Vehicle Sales Tax?

All Are Potential Parts of the Solution (14)

1. Support all these. We benefit from a broad toolkit of funding that is better able to weather recessions, pandemics, etc.
2. All potential options for increase funding
3. Support these items.
4. Small dollars but all good approaches.
5. All are options. Definitely need to think about behavior impacts and even health impacts.
6. These have the potential for revenue growth over time.
7. These are all options that seem easy to implement quickly and will add the closing the transportation funding gap and set up the Commonwealth for the future of transportation.
8. All of these fees (Taxes) will remarkably impact the lower income citizens of our Commonwealth.
9. These should remain in our conversations for consideration.
10. As a lot of these are new technologies also need to think how we invent jobs related to manufacturing components. Encouraging use of the technologies helps attract jobs
11. All fair sources of revenue for transportation
12. Since PennDOT funds and has roles in nearly all types of transportation, revenues have to be considered from all sources.
13. These are all of generating additional revenues. It's part of using our transportation system too. User fees. It's a given that none of these in and of themselves solves the crisis.
14. As Rep. Carroll suggested, perhaps have a starting point for fees or charges on any of these with indexed increases for __years that aren't currently contributing funds now.

TNC Fee (10)

1. Get that money from the TNCs. AVs and sidewalk drones while we're at it.
2. We should avoid layering taxes on emerging industries such as TNCs.
3. TNCs and delivery vehicles suppress mobility and drain capacity on transportation assets and should play a financial role in providing additional mobility options.
4. Fees of this scale should be implemented to discourage behavior...only TNC usage out of this could conceivably be something to discourage.
5. TNCs already pay the same taxes and fees that all other cars do. Why should TNC users need to pay more than other all cars?

6. TNCs increase congestion and diminish mass transit usage. They should be taxed for their disproportionate and harmful impacts, and are used by very high earners.
7. TNCs have exacerbated the issues of limited curb space in high demand areas, along with more delivery vehicles during the pandemic. These are usually local conversations-- should there be a state recommendation that municipalities price access?
8. TNC cars are registered and taxed as personal assets, not shared vehicles that clog up high demand areas as they wait for a ride. They absolutely should subsidize their own use.
9. On the other hand, the TNC companies should pay.
10. Ride share is dead in post-COVID world let's not waste more taxpayer \$ on private companies who drive people to jobs in New Jersey. Support honest to God transit. That's the real public good.

Electric Car Fee (9)

1. Electric Cars - the very best place to pilot or begin MBUF.
2. Electric car fee needs to be more realistic as well as projections on volume rather than downplaying it as "not that much money!"
3. Carefully weigh cost/benefit on electric car fee - low gain on \$, and don't want to disincentivize the direction we need to go as a state to remain competitive. Some amount of fee is fair.
4. It's important to put any proposal in the context of a climate change plan. We should be generating funding in a manner that does not disincentivize people who want to transition to electric vehicles.
5. Electric vehicles are being subsidized by the government. In the past, new technologies were marketed on their own and not subsidized.
6. If you are going to have an electric car fee you need to plan for upgrading the PA electric grid to support the demand
7. Can't lose sight of fuel savings on electric vehicles and not fall prey to the false narrative of penalizing climate change goals.
8. Creating fee parity between the electric car tax and aver gas tax makes sense and should not discourage behavior patterns or bias to use electric vehicles
9. Let's incentivize EVs and ride sharing; not penalize them.

Vehicle Sales Tax (5)

1. An additional 2% sales tax on vehicles would raise the total tax on a vehicle in Philadelphia to 10%.
2. Support all except vehicle sales tax increase. Heaviest lift as well
3. An additional 2% on vehicle sales tax would help the money go to transit when Act 44 sunsets without negatively impacting the General Fund. Could look at option to make maximum sales tax be 8% so Philadelphia residents don't have to pay 10%

4. Dedicate part of existing vehicle sales tax to replace MLF /PSP reduction
5. Maryland provides 100% of vehicle sales tax to transportation. Such a move in PA would require a review of the Commonwealth's entire tax structure.

Vehicle Rental Fee (1)

1. YES on vehicle rental fee.

None of These (1)

1. Most of these are drops in the proverbial bucket for raising revenue. Why bother adding nickel and dime fees when needs can be paid for in fewer methods?

Other (10)

1. We need a state bipartisan climate change plan. Car manufacturers are phasing out gas vehicles and is PA ready for that new demand?
2. Look at a 2% state infrastructure fee for ALL goods bought and sold. Those products get delivered and yes it will get passed to the consumer.
3. We have to move forward it isn't working staying static.
4. How about a sneaker tax for all shoes sold?
5. What happened to the vehicle real property tax (annual assessment on value of vehicle - --(also matches income levels where those who have more pay more)?
6. The continuation of work from home post pandemic, etc. may impact congestion pricing's ability to generate revenue. Many unknowns at this point.
7. All need to pay for use of the system so therefore it is fair.
8. Any proposal should take into account low-income households. They shouldn't be penalized or unduly burdened.
9. Can we save some time and just ask the legislators what fees they are willing to raise? Doing nothing isn't an option and they know it.
10. Excise tax on deliveries is future oriented and reflective of the new post pandemic behaviors. These deliveries are mostly last mile so should disproportionately assist in funding local infrastructure along with a warehouse door fee.

Thoughts on Driver's License Fee, Tire Tax, and Excise Tax on Goods Delivery

Excise Tax (9)

1. Statewide 2% infrastructure fee on all goods bought and sold and gets delivered in PA . Shipping isn't free even though its offered.
2. Freight (goods delivery) is growing exponentially and will continue to. People should pay for their constant and repeated deliveries. Apply the goods delivery fee to tractor trailers, delivery vans, drone/robot deliveries.
3. Any excise tax for goods delivery will be passed on to the consumer. Is there a strategy to prevent this from happening?
4. The excise tax on goods delivery could help make local businesses competitive to online sales and would incentivize people to bundle their purchases rather than purchasing multiple single items that require multiple single trips.
5. Supportive of excise tax on goods delivery. Goods delivery is growing quickly and adds to the wear and tear on our transportation infrastructure.
6. Excise tax on goods delivery is worth looking into. Need to think about how it would be collected.
7. Excise taxes will absolutely be passed on to the consumer.
8. All viable especially the goods delivery as move to more e commerce
9. All are possibly good. I particularly like excise tax on goods delivery due to the high impact on farmland and open space the numerous warehouses have caused.

Tire Tax (3)

1. Will tire taxes vary by tire size?
2. Tire tax seems more equitable than a driver's license fee, since people need a license as an ID.
3. Tires can be purchased out of state if taxes are raised too high. This is already happening with gas.

Driver's License Fee (1)

1. Driver's license fees should be raised to be more on par with other states.

Tire and Excise Tax (1)

1. Supportive of tire tax and excise tax. I'd like to see the difference in revenue and behavioral impacts between a flat excise tax on vehicle deliveries versus a percentage. How can we structure it to tax the corporations rather than the consumer?

Other (3)

1. Keep in consideration to generate revenue, absolutely. All are tied to direct use of the transportation network; all should play a role in fiscal responsibility for the assets required of the total transportation network for PA.
2. We should be evaluating cost-saving measures and project delivery. Why does it take so long to plan, design and construct highway and bridge projects?
3. I think tolling makes more sense only because non-PA residents will contribute as well.

What recommendations/considerations do you have on personal, corporate, sales or real estate tax increases?

Corporate Tax (11)

1. PA has the 2nd highest corporate tax rate in the country. Any increases would make the Commonwealth less competitive.
2. There is zero political will in the republican controlled general assembly to increase corporate taxes.
3. Gov. Wolf has proposed reducing the corporate income tax in all of his budgets. Not clear he would support an increase.
4. Corporations are making billions and many not paying taxes. Cut the loopholes and start charging a fee for shipping.
5. Corporations are disproportionately benefiting from our transportation infrastructure, especially mass transit. They should pay their fair share. All the other options are regressive.
6. The governor supports cutting the corporate tax rate NOT increasing it.
7. 95% of businesses pay the personal tax rate not the Corporate rate.
8. Would only cause more businesses and people to leave the state.
9. We already have a very high corporate tax. We are a low job growth state. Let's be mindful of the need to generate job growth across the commonwealth.
10. We already have the 2nd highest corporate net income tax in the country. Do we want to make PA even less competitive for business and jobs?
11. The potential federal transportation bill may be funded by corporate tax increases at the federal level. To add an increase at the state level as well would be tough. What is the guarantee transportation benefits from this?

General Fund (4)

1. if we proceed with any of these avenues, they should not be general fund revenues. They should be transportation dedicated revenue streams.
2. These will all go into the general fund if not specifically legislated for PennDOT.
3. We need a dedicated funding source for transportation. We see with the PSP that nobody in legislature wants to address the general fund.
4. A number of us also work on other programs that aren't transportation related. Many programs receive their primary funds from the general fund, so that makes it tougher to go there.

Personal Tax (3)

1. Consider working to break the Uniformity Clause for personal income tax rates.
2. Since we have the poverty exemptions already in place, low-income Pennsylvanians would already be exempted from these increases.
3. Citizens are being continually taxed, while many individuals strive daily to make ends meet while working at low level wage jobs.

Real Estate Tax (3)

1. PA realty transfer tax is already one of the highest in the US and is a serious burden on home and property purchases.
2. I would support a real estate transfer tax increase if dedicated to bikes/trails, as some of that funding already provides. This would lessen the impact of trail funding on the MLF.
3. The real estate transfer tax might be the most palatable option. Typically only paid 2-3 times during a lifetime and it's handled during settlement. Businesses also pay into it - not just citizens.

Align Funding with Transportation (3)

1. If any are pursued, they should be dedicated specifically to transportation rather than being misdirected to other state agencies.
2. No broad-based tax increases. Align funding with transportation.
3. Which taxes do we think are most connected to transportation?

No Interest in Raising Taxes (2)

1. What's the likelihood that the General Assembly would actually assent to anything even remotely near a "tax increase"?
2. There is zero interest in the GOP led assembly to raise any taxes. They know the problem and keep pushing it off and then they retire. Wash and repeat in Washington.

Fair Share Tax (1)

1. Yes, ending the Delaware loophole and enacting the fair share tax is only reasonable.

Other (5)

1. All of these are highly political. If there is political will to act on any of these, we should make sure transportation is included. However, we should not count on this to be a solution and take away from recommendations made by this committee.
- 2.

3. Businesses will pay because they need to get their products to market and their employees to work. They just need to see the value proposition and know that what they are paying for will go to where isn't designated.
4. There is not a close tie between these taxes and funding infrastructure. Perhaps some increases in these areas can free up the PSP funds to help meet our transportation needs.
5. Please provide a presentation on efficiencies and cost saving measures.
6. All of these options should be on the table.

Please provide additional information requests, presentation suggestions or other input.

1. Can we get a more detailed revenue needs breakdown by PennDOT? It remains difficult to assess how much we are looking to raise without understanding what it would be used for. We are supportive of fixing existing infrastructure, not highway expansion.
2. We need to look at what happens if we do nothing at all. If you start having to close bridges on interstates what impacts does that have.
3. We should focus on the usage of Covid relief money more. While this is a one-time event, it can be used to help bond future work, etc.
4. Data on mobile device counts and current fee structures would be helpful in assessing the value and interest in a digital connectivity fee structure.
5. We should be funding mass transit commensurate with its importance to our economic and environmental needs. Why is the bar \$450, when that was the insufficient number 10 years ago?
6. Public transit is broken and heavily subsidized. Rural transit needs more riders, but geography makes it cost prohibitive.
7. For transit, consider providing subsidies to individuals who need them.
8. Breakdown of what people actually pay a year in gas tax.
9. Transit recovers more of its budget from user fees than almost any other mode. It doesn't meet the definition of broken.
10. PennDOT needs to be better stewards of its funds and build/repair roads and bridges that last.
11. Are we prepared to have traffic divert to the side roads if interstates are closed for maintenance?
12. Someone suggested an "outside the box" model blending tolling and convenience and enforcement. Standard toll for travelling speed limit. Convenience fee for speeding 1-10 mph over, normal fines for 11-15 mph over and double fines for 16+ mph over.
13. Cost saving opportunities and mandate relief should not be overlooked.