Testimony of

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before the

Senate Transportation Committee
in conjunction with
The Senate Majority Policy and Democrat Policy Committees

Public Hearing -- Tolling Interstate Highways

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Thank you for inviting me to discuss the Department's capital and maintenance expenditures on our Interstate highway system. Included as part of my testimony are two tables of information that summarize current annual expenditures and annual funding needs for each interstate highway in Pennsylvania, and potential revenue that might be generated from tolling a particular interstate.

PennDOT is responsible for 1,351 miles of Interstate highway, including associated ramps and bridges. We have spent an average of $545 million annually on our interstates over the last few years. The $545 million annual expenditure includes two components. First, an average of $102 million has been spent annually on maintenance activities the last three years. These activities include:

- roadway and shoulder maintenance (i.e. paving/patching),
- winter services (i.e. anti-icing/snow removal),
- traffic safety (i.e. sign repair/replacement, traffic line painting),
- highway lighting,
- incident management),
- roadside activities (i.e. vegetation control, litter/debris, roadside rest), and
- bridge maintenance work.

Maintenance expenditures include both Department-force and contract maintenance costs. Department-force costs include personnel, material, Department equipment, and rented equipment. Contract costs include work performed by private contractors, but paid under our maintenance budget.

The remaining $443 million are capital project expenditures averaged over the last five years. Capital expenditures on interstate highways and bridges include:

- pre-engineering costs,
- engineering costs, and
- construction costs.

Included on Table 1 is an estimate of the annual funding needed to maintain Pennsylvania's interstate system in acceptable condition. Note that the needs estimates do not include any consideration of capacity expansion. The needs are based upon achieving proper maintenance cycles on the roads to improve levels of smoothness (as measured by the International Roughness Index) and continuing to reduce the percentage of structurally deficient bridges. Total capital repair needs equal $1.3 billion per year. This would be in addition to the current level of maintenance expenditure $100 million per year.

The total needed annual expenditure of $1.4 billion is 2.5 times more than PennDOT has available to spend on Pennsylvania's interstate routes today.

I have also provided Table 2 contains estimates of revenue that could theoretically be generated if all of Pennsylvania's interstate routes could be tolled. Note that current federal law does not permit tolling all routes. The revenue estimates are macro-level estimates. They were prepared using current traffic volumes on each interstate and account for the individual % splits between trucks and cars. The Pennsylvania Turnpike's current toll rates were applied to the traffic volumes and all routes were assumed to have a diversion rate of 20%. The resulting aggregate potential revenue is $1.6 billion per year.

I would be happy to entertain any questions.

Table 1

Pennsylvania Interstate Routes

Annual Expenditures vs. Repair Needs

Interstate Route	Lineal Miles	Number of Bridges	5-Year Average Annual Expenditures			Annual Capital Repair Need (millions)		
			Capital Expenditure	Maintenance Expenditure	**Total Expenditure**	Roadway Need	Bridge Need	**Total Need**
70	81	138	$28.1	$3.3	**$31.4**	$55	$15	**$70**
76	20	42	$15.5	$10.6	**$26.1**	$17	$22	**$39**
78	75	137	$11.8	$1.5	**$13.3**	$40	$15	**$55**
79	178	261	$70.6	$8.4	**$79.1**	$88	$37	**$125**
80	312	430	$73.1	$29.3	**$102.4**	$165	$44	**$209**
81	233	354	$52.6	$9.8	**$62.4**	$142	$66	**$208**
83	51	80	$9.0	$1.1	**$10.1**	$36	$25	**$61**
84	55	93	$4.5	$1.4	**$5.9**	$17	$8	**$25**
86	7	7	$0.1	$0.2	**$0.3**	$2	$0	**$2**
90	46	80	$15.2	$1.9	**$17.0**	$27	$5	**$32**
95	51	139	$60.4	$12.1	**$72.6**	$39	$216	**$255**
99	85	125	$16.6	$2.2	**$18.8**	$27	$22	**$49**
176	11	15	$4.1	$0.1	**$4.2**	$8	$3	**$11**
180	29	58	$7.9	$9.1	**$17.0**	$9	$5	**$14**
279	13	40	$16.2	$1.0	**$17.3**	$5	$25	**$30**
283	3	7	$0.0	$0.1	**$0.1**	$2	$0	**$2**
376	53	34	$22.7	$4.2	**$26.9**	$30	$18	**$48**
380	24	24	$2.0	$0.2	**$2.2**	$8	$2	**$10**
476	20	73	$30.7	$4.1	**$34.8**	$9	$30	**$39**
579	2	8	$1.1	$0.2	**$1.3**	$1	$11	**$12**
676	2	9	$1.1	$1.2	**$2.3**	$3	$3	**$6**
TOTAL	1,351	2,154	$443	$102	**$545**	$730	$572	**$1,302**

Table 2			
Pennsylvania Interstate Routes **Estimated Annual Tolling Revenue**			
Interstate Route	**Total Estimated Revenue**	**Diversion 20%**	**Revenue after Diversion**
70	$87,500,924	$17,500,185	$70,000,739
76	$77,899,188	$15,579,838	$62,319,350
78	$147,052,210	$29,410,442	$117,641,768
79	$174,192,823	$34,838,565	$139,354,258
80	$423,689,111	$84,737,822	$338,951,289
81	$448,861,350	$89,772,270	$359,089,080
83	$111,356,118	$22,271,224	$89,084,895
84	$50,780,884	$10,156,177	$40,624,707
86	$1,136,777	$227,355	$909,422
90	$49,550,779	$9,910,156	$39,640,624
95	$184,369,667	$36,873,933	$147,495,734
99	$56,641,711	$11,328,342	$45,313,369
176	$7,623,522	$1,524,704	$6,098,818
180	$25,444,482	$5,088,896	$20,355,585
279	$25,110,601	$5,022,120	$20,088,481
283	$6,578,971	$1,315,794	$5,263,177
376	$96,440,267	$19,288,053	$77,152,214
380	$23,250,622	$4,650,124	$18,600,498
476	$69,325,734	$13,865,147	$55,460,587
579	$2,841,006	$568,201	$2,272,805
676	$2,745,220	$549,044	$2,196,176
Total	$2,072,391,969	$414,478,394	**$1,657,913,575**