

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1364 Session of
2025

INTRODUCED BY NEILSON, FIEDLER, SCHLOSSBERG, HILL-EVANS, WAXMAN,
ISAACSON, GIRAL, DOUGHERTY, SAMUELSON, KHAN, SAPPEY, RIVERA,
HADDOCK, McNEILL, MALAGARI, SANCHEZ, T. DAVIS, WARREN,
GALLAGHER, DELLOSO, O'MARA, D. WILLIAMS, FLEMING, CIRESI,
FREEMAN, SHUSTERMAN, BOYD, HANBIDGE, FRANKEL, SIEGEL,
SCHWEYER AND WEBSTER, APRIL 30, 2025

AS AMENDED ON SECOND CONSIDERATION, HOUSE OF REPRESENTATIVES,
JUNE 11, 2025

AN ACT

1 Providing for Public Transportation Trust Fund transfers and
2 increases; ESTABLISHING THE ROAD AND BRIDGE PROJECT FUND AND <--
3 THE ROAD AND BRIDGE PROJECT SINKING FUND; AUTHORIZING THE
4 COMMONWEALTH FINANCING AUTHORITY TO ISSUE BONDS FOR ROAD AND
5 BRIDGE PROJECTS; PROVIDING FOR ALLOCATION ADJUSTMENT;
6 ESTABLISHING THE TRANSPORTATION FUNDING ADVISORY COMMISSION;
7 AND IMPOSING DUTIES ON THE DEPARTMENT OF TRANSPORTATION.

8 The General Assembly of the Commonwealth of Pennsylvania
9 hereby enacts as follows:

10 Section 1. Short title.

11 This act shall be known and may be cited as the Public
12 Transportation Trust Fund Transfer and Increase Act.

13 Section 2. Definitions.

14 The following words and phrases when used in this act shall
15 have the meanings given to them in this section unless the
16 context clearly indicates otherwise:

17 "AUTHORITY." THE COMMONWEALTH FINANCING AUTHORITY. <--

18 "BOARD." THE BOARD OF DIRECTORS OF THE AUTHORITY.

1 "COMMISSION." THE TRANSPORTATION FUNDING ADVISORY COMMISSION
2 ESTABLISHED UNDER SECTION 8 (A) .
3 "DEPARTMENT." THE DEPARTMENT OF TRANSPORTATION OF THE
4 COMMONWEALTH.
5 "Local transportation organization." As defined in 74
6 Pa.C.S. § 1503 (relating to definitions).
7 "PROJECT FUND." THE ROAD AND BRIDGE PROJECT FUND ESTABLISHED <--
8 UNDER SECTION 4 (A) .
9 "PROJECT SINKING FUND." THE ROAD AND BRIDGE PROJECT SINKING
10 FUND ESTABLISHED UNDER SECTION 4 (B) .
11 "Secretary." The Secretary of Transportation of the
12 Commonwealth.
13 "Tax Reform Code." The act of March 4, 1971 (P.L.6, No.2),
14 known as the Tax Reform Code of 1971.
15 Section 3. Transfers.
16 ~~Notwithstanding 74 Pa.C.S. § 1506(c)(1) (relating to fund),~~ <--
17 SUBJECT TO SECTION 7, NOTWITHSTANDING 74 PA.C.S. § 1506(C)(1) <--
18 (RELATING TO FUND):
19 (1) 6.15% of the amount collected under Article II of
20 the Tax Reform Code shall be deposited into the Public
21 Transportation Trust Fund annually by the 20th day of each
22 month for the preceding month.
23 (2) SUBJECT TO SECTION 4(C)(2), 0.25% OF THE AMOUNT <--
24 COLLECTED UNDER ARTICLE II OF THE TAX REFORM CODE SHALL BE
25 DEPOSITED INTO THE PROJECT SINKING FUND ANNUALLY BY THE 20TH
26 DAY OF EACH MONTH FOR THE PRECEDING MONTH.
27 SECTION 4. FUNDS.
28 (A) ESTABLISHMENT AND PURPOSE OF PROJECT FUND.--THE ROAD AND
29 BRIDGE PROJECT FUND IS ESTABLISHED IN THE STATE TREASURY FOR THE
30 PURPOSE OF FUNDING PROJECTS RELATED TO THE CONSTRUCTION,

1 RECONSTRUCTION, REHABILITATION, MAINTENANCE AND REPAIR OF ROADS
2 AND BRIDGES IN THIS COMMONWEALTH.

3 (B) ESTABLISHMENT AND PURPOSES OF PROJECT SINKING FUND.--THE
4 ROAD AND BRIDGE PROJECT SINKING FUND IS ESTABLISHED IN THE STATE
5 TREASURY FOR THE PURPOSE OF THE REPAYMENT OF BONDS ISSUED UNDER
6 THIS ACT.

7 (C) OPERATIONS GENERALLY.--

8 (1) ALL MONEY DEPOSITED INTO THE PROJECT FUND AND
9 INTEREST AND OTHER EARNINGS ON THE MONEY IN THE PROJECT FUND
10 ARE APPROPRIATED TO THE DEPARTMENT ON A CONTINUING BASIS TO
11 CARRY OUT THE PURPOSES DESCRIBED UNDER SUBSECTION (A).

12 (2) ALL MONEY DEPOSITED INTO THE PROJECT SINKING FUND
13 AND INTEREST AND OTHER EARNINGS ON THE MONEY IN THE PROJECT
14 SINKING FUND ARE APPROPRIATED TO THE AUTHORITY ON A
15 CONTINUING BASIS TO CARRY OUT THE PURPOSES DESCRIBED UNDER
16 SUBSECTION (B).

17 SECTION 5. ISSUANCE OF BONDS.

18 (A) PRINCIPAL AMOUNTS.--THE AUTHORITY MAY ISSUE ITS BONDS,
19 NOTES OR OTHER OBLIGATIONS IN PRINCIPAL AMOUNTS AS IN THE
20 JUDGMENT OF THE AUTHORITY SHALL BE NECESSARY, BUT NOT TO EXCEED
21 A TOTAL SUM OF \$500,000,000, TO PROVIDE SUFFICIENT MONEY FOR:

22 (1) THE PAYMENT, FUNDING OR REFUNDING OF THE PRINCIPAL
23 OF OR INTEREST OR REDEMPTION PREMIUMS ON ANY BONDS ISSUED BY
24 THE AUTHORITY, WHETHER THE BONDS TO BE FUNDED OR REFUNDED
25 HAVE OR HAVE NOT BECOME DUE.

26 (2) THE ESTABLISHMENT OR INCREASE OF RESERVES TO SECURE
27 OR TO PAY THE BONDS OR INTEREST ON THE BONDS.

28 (3) ALL OTHER COSTS OR EXPENSES OF THE AUTHORITY
29 INCIDENT TO AND NECESSARY TO CARRY OUT THE PURPOSES UNDER
30 THIS ACT.

1 (B) NEGOTIABLE INSTRUMENT DESIGNATION.--WHETHER OR NOT THE
2 BONDS ARE OF A FORM AND CHARACTER AS TO BE NEGOTIABLE
3 INSTRUMENTS UNDER THE TERMS OF 13 PA.C.S. (RELATING TO
4 COMMERCIAL CODE), THE BONDS ARE MADE NEGOTIABLE INSTRUMENTS
5 WITHIN THE MEANING OF AND FOR THE PURPOSES OF 13 PA.C.S.,
6 SUBJECT ONLY TO THE PROVISIONS OF THE BONDS FOR REGISTRATION.

7 (C) RESOLUTION AND TERMS OF BONDS.--BONDS SHALL BE
8 AUTHORIZED BY RESOLUTION OF THE BOARD, MAY BE ISSUED IN ONE OR
9 MORE SERIES AND SHALL BEAR ANY DATE OR DATES, MATURE AT ANY TIME
10 OR TIMES, BEAR INTEREST AT ANY RATE OR RATES OR AT VARIABLE
11 RATES, BE IN ANY DENOMINATION OR DENOMINATIONS, BE IN ANY FORM,
12 EITHER COUPON OR REGISTERED, CARRY ANY CONVERSION OR
13 REGISTRATION PRIVILEGES, HAVE ANY RANK OR PRIORITY, BE EXECUTED
14 IN ANY MANNER, BE PAYABLE FROM SUCH SOURCES IN ANY MEDIUM OF
15 PAYMENT AT ANY PLACE OR PLACES WITHIN OR WITHOUT THIS
16 COMMONWEALTH AND BE SUBJECT TO ANY TERMS OF REDEMPTION, PURCHASE
17 OR TENDER BY THE AUTHORITY OR THE HOLDERS THEREOF, WITH OUR
18 WITHOUT PREMIUM, AS THE RESOLUTION OR RESOLUTIONS MAY PROVIDE. A
19 RESOLUTION OF THE AUTHORITY AUTHORIZING THE ISSUANCE OF BONDS
20 MAY PROVIDE THAT THE BONDS BE SECURED BY A TRUST INDENTURE
21 BETWEEN THE AUTHORITY AND A TRUSTEE, VESTING IN THE TRUSTEE ANY
22 PROPERTY, RIGHTS, POWERS AND DUTIES IN TRUST CONSISTENT WITH THE
23 PROVISIONS OF THIS ACT AS THE AUTHORITY MAY DETERMINE. SUCH
24 RESOLUTION MAY FURTHER PROVIDE FOR THE ACQUISITION OF CREDIT
25 ENHANCEMENT DEVICES SUCH AS BOND INSURANCE, LETTERS OF CREDIT OR
26 ANY OTHER INSTRUMENTS TO CARRY OUT THE PROVISIONS OF THIS
27 SECTION.

28 (D) PUBLIC OR PRIVATE SALE.--BONDS SHALL BE SOLD INITIALLY
29 AT PUBLIC SALE AT ANY PRICE OR PRICES AND IN ANY MANNER AS THE
30 AUTHORITY MAY DETERMINE, SUBJECT TO THE REQUIREMENT THAT THE

1 CHAIRPERSON SHALL ENSURE THAT MINORITY-OWNED OR MINORITY-
2 CONTROLLED FIRMS SHALL HAVE AN OPPORTUNITY TO PARTICIPATE TO A
3 SIGNIFICANT DEGREE IN ANY BOND SALE ACTIVITIES. ANY PORTION OF
4 ANY BOND ISSUE SO OFFERED AND NOT SOLD OR SUBSCRIBED FOR MAY BE
5 DISPOSED OF BY PRIVATE SALE BY THE AUTHORITY IN THE MANNER AND
6 AT THE PRICES AS THE AUTHORITY SHALL DIRECT.

7 (E) NO PRIOR PRECONDITIONS ON BOND ISSUANCE.--BONDS MAY BE
8 ISSUED UNDER THE PROVISIONS OF THIS ACT WITHOUT OBTAINING THE
9 CONSENT OF ANY DEPARTMENT, DIVISION, BOARD, BUREAU OR AGENCY OF
10 THE COMMONWEALTH AND WITHOUT ANY OTHER PROCEEDING OR THE
11 HAPPENING OF ANY OTHER CONDITIONS OR OTHER THINGS THAN THOSE
12 PROCEEDINGS, CONDITIONS OR THINGS WHICH ARE SPECIFICALLY
13 REQUIRED BY THIS ACT.

14 (F) LIMITATION ON OBLIGATIONS.--BONDS ISSUED UNDER THE
15 PROVISIONS OF THIS ACT SHALL NOT BE A DEBT OR LIABILITY OF THE
16 COMMONWEALTH OR OF ANY OF ITS POLITICAL SUBDIVISIONS OTHER THAN
17 THE AUTHORITY AND SHALL NOT CREATE OR CONSTITUTE ANY
18 INDEBTEDNESS, LIABILITY OR OBLIGATION OF THE COMMONWEALTH OR OF
19 ANY POLITICAL SUBDIVISION. ALL BONDS SHALL BE PAYABLE SOLELY
20 FROM REVENUES OR FUNDS PLEDGED OR AVAILABLE FOR THEIR PAYMENT AS
21 AUTHORIZED IN THIS ACT, INCLUDING THE PROCEEDS OF ANY ISSUE OF
22 BONDS. EACH BOND SHALL CONTAIN ON ITS FACE A STATEMENT TO THE
23 EFFECT THAT THE AUTHORITY IS OBLIGATED TO PAY THE PRINCIPAL
24 THEREOF OR THE INTEREST THEREON ONLY FROM ITS REVENUES, RECEIPTS
25 OR FUNDS PLEDGED OR AVAILABLE FOR THEIR PAYMENT AS AUTHORIZED IN
26 THIS ACT, THAT NEITHER THE COMMONWEALTH NOR ANY POLITICAL
27 SUBDIVISIONS ARE OBLIGATED TO PAY THE PRINCIPAL OR INTEREST AND
28 THAT NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE
29 COMMONWEALTH OR ANY POLITICAL SUBDIVISION IS PLEDGED TO THE
30 PAYMENT OF THE PRINCIPAL OF OR THE INTEREST ON THE BONDS.

1 (G) NATURE OF OBLIGATION AND PAYMENT.--EACH ISSUE OF BONDS
2 MAY, IF IT IS DETERMINED BY THE AUTHORITY, BE GENERAL
3 OBLIGATIONS OF THE AUTHORITY PAYABLE OUT OF ANY REVENUES,
4 RECEIPTS OR FUNDS OF THE AUTHORITY, OR SPECIAL OBLIGATIONS
5 PAYABLE OUT OF PARTICULAR REVENUES, RECEIPTS OR FUNDS, SUBJECT
6 ONLY TO AGREEMENTS WITH THE HOLDERS OF THE BONDS. BONDS MAY BE
7 SECURED BY ONE OR MORE OF THE FOLLOWING:

8 (1) PLEDGES OF REVENUES AND OTHER RECEIPTS TO BE DERIVED
9 FROM THE PAYMENT OF THE INTEREST ON AND ANY PRINCIPAL OF
10 NOTES AND BONDS ISSUED BY ONE OR MORE GOVERNMENTAL UNITS AND
11 PURCHASED BY THE AUTHORITY, AND ANY OTHER PAYMENT MADE TO THE
12 AUTHORITY PURSUANT TO AGREEMENTS WITH ANY GOVERNMENTAL UNIT
13 OR A PLEDGE OR ASSIGNMENT OF ANY NOTES AND BONDS OF ANY
14 GOVERNMENTAL UNITS, AND THE RIGHTS AND INTEREST OF THE
15 AUTHORITY THEREIN.

16 (2) PLEDGES OF LOAN PAYMENTS, RENTALS, OTHER REVENUES TO
17 BE DERIVED FROM LOAN AGREEMENTS, LEASES OR OTHER CONTRACTUAL
18 ARRANGEMENTS WITH ANY PERSON OR ENTITY, PUBLIC OR PRIVATE, OR
19 A PLEDGED OR ASSIGNMENT OF ANY OF THE LOAN AGREEMENTS, LEASES
20 OR OTHER CONTRACTUAL ARRANGEMENTS, AND THE RIGHTS AND
21 INTEREST OF THE AUTHORITY THEREIN.

22 (3) PLEDGES OF GRANTS, SUBSIDIES, CONTRIBUTIONS,
23 APPROPRIATIONS OR OTHER PAYMENTS TO BE RECEIVED FROM THE
24 FEDERAL GOVERNMENT OR ANY INSTRUMENTALITY THEREOF OR FROM THE
25 COMMONWEALTH, ANY COMMONWEALTH AGENCY OR OTHER GOVERNMENTAL
26 UNIT.

27 (4) PLEDGES OF ALL MONEYS, FUNDS, ACCOUNTS, SECURITIES
28 AND OTHER FUNDS, INCLUDING THE PROCEEDS OF THE BONDS.

29 (5) MORTGAGES AND SECURITY INTERESTS COVERING ALL OR
30 PART OF ANY PROJECT OR OTHER PROPERTY OF ANY PERSON OR

1 ENTITY, REAL OR PERSONAL, THEN OWNED OR THEREAFTER TO BE
2 ACQUIRED, OR A PLEDGE OR ASSIGNMENT OF MORTGAGES AND SECURITY
3 INTEREST MADE OR GRANTED TO THE AUTHORITY BY ANY PERSON OR
4 ENTITY, AND THE RIGHTS AND INTERESTS OF THE AUTHORITY
5 THEREIN.

6 (H) EXEMPTION FROM TAXATION.--ALL BONDS AND NOTES ISSUED
7 UNDER THE PROVISIONS OF THIS SECTION SHALL BE EXEMPT FROM
8 TAXATION FOR STATE AND LOCAL PURPOSES.

9 Section ~~4~~ 6. Annual increase. <--

10 Notwithstanding 74 Pa.C.S. § 1513(c)(3) and (d)(2) (relating
11 to operating program), the total financial assistance provided
12 to each local transportation organization may exceed 20% of the
13 prior year allocation and the secretary may adjust and hold
14 harmless the amount of annual increase in local match under 74
15 Pa.C.S. § 1513(d)(2) for a period of five fiscal years beginning
16 in fiscal year 2025-2026.

17 SECTION 7. ALLOCATION ADJUSTMENT. <--

18 NOTWITHSTANDING SECTION 3 AND 74 PA.C.S. § 1506(C)(1)
19 (RELATING TO FUND), BEGINNING JUNE 30, 2028, 7.9% OF THE AMOUNT
20 COLLECTED UNDER ARTICLE II OF THE TAX REFORM CODE SHALL BE
21 DEPOSITED INTO THE PUBLIC TRANSPORTATION TRUST FUND ANNUALLY BY
22 THE 20TH DAY OF EACH MONTH FOR THE PRECEDING MONTH.

23 SECTION 8. TRANSPORTATION FUNDING ADVISORY COMMISSION.

24 (A) ESTABLISHMENT AND PURPOSE.--THE TRANSPORTATION FUNDING
25 ADVISORY COMMISSION IS ESTABLISHED WITHIN THE DEPARTMENT FOR THE
26 PURPOSE OF DEVELOPING A COMPREHENSIVE, STRATEGIC PROPOSAL FOR
27 ADDRESSING THE TRANSPORTATION FUNDING NEEDS OF THIS
28 COMMONWEALTH.

29 (B) COMPOSITION.--THE COMMISSION SHALL CONSIST OF THE
30 FOLLOWING MEMBERS:

1 (1) THE SECRETARY, WHO SHALL SERVE AS THE CHAIRPERSON OF
2 THE COMMISSION.

3 (2) A MINIMUM OF 30 INDIVIDUALS AND A MAXIMUM OF 40
4 INDIVIDUALS WHO ARE APPOINTED BY, AND SERVING AT THE PLEASURE
5 OF, THE GOVERNOR AND WHO REPRESENT, AMONG OTHER THINGS, THE
6 INTERESTS OF ALL TRANSPORTATION MODES, THE ENVIRONMENTAL,
7 ENERGY AND INDUSTRY SECTORS, THE COMMONWEALTH AND LOCAL
8 GOVERNMENTS.

9 (3) THE CHAIRPERSON AND MINORITY CHAIRPERSON OF THE
10 APPROPRIATIONS COMMITTEE OF THE SENATE.

11 (4) THE CHAIRPERSON AND MINORITY CHAIRPERSON OF THE
12 APPROPRIATIONS COMMITTEE OF THE HOUSE OF REPRESENTATIVES.

13 (5) THE CHAIRPERSON AND MINORITY CHAIRPERSON OF THE
14 TRANSPORTATION COMMITTEE OF THE SENATE.

15 (6) THE CHAIRPERSON AND MINORITY CHAIRPERSON OF THE
16 TRANSPORTATION COMMITTEE OF THE HOUSE OF REPRESENTATIVES.

17 (C) TERMS OF MEMBERSHIP.--

18 (1) THE MEMBERS OF THE COMMISSION UNDER SUBSECTION (B)
19 (2) SHALL SERVE FROM THE DATE OF THEIR APPOINTMENT UNTIL
20 JANUARY 1, 2026, OR THEIR REMOVAL FROM THE COMMISSION BY THE
21 GOVERNOR, WHICHEVER OCCURS FIRST.

22 (2) THE GOVERNOR MAY FILL VACANCIES THAT OCCUR IN THE
23 COMMISSION AND MAY REMOVE ANY MEMBER FROM THE COMMISSION.

24 (D) COMPENSATION AND REIMBURSEMENT.--

25 (1) MEMBERS OF THE COMMISSION SHALL NOT RECEIVE
26 COMPENSATION FOR THEIR SERVICE AS MEMBERS OF THE COMMISSION.

27 (2) NONGOVERNMENT MEMBERS OF THE COMMISSION SHALL BE
28 REIMBURSED FOR TRAVEL AND RELATED EXPENSES IN ACCORDANCE WITH
29 4 PA. CODE CH. 40 (RELATING TO TRAVEL AND SUBSISTENCE).

30 (E) STAFFING.--THE DEPARTMENT SHALL PROVIDE ADMINISTRATIVE

1 STAFF RESOURCES TO SUPPORT THE COMMISSION.

2 (F) COOPERATION BY STATE AGENCIES.--ALL AGENCIES UNDER THE
3 GOVERNOR'S JURISDICTION SHALL COOPERATE WITH AND PROVIDE
4 ASSISTANCE AND SUPPORT AS NEEDED BY THE COMMISSION TO
5 EFFECTIVELY CARRY OUT THE FUNCTIONS OF THE COMMISSION.

6 (G) MEETINGS.--

7 (1) THE CHAIRPERSON OF THE COMMISSION SHALL CONVENE THE
8 FIRST MEETING OF THE COMMISSION NO LATER THAN AUGUST 1, 2025.

9 (2) SUBSEQUENT MEETINGS OF THE COMMISSION SHALL BE
10 DETERMINED BY THE MEMBERS OF THE COMMISSION.

11 (3) A SIMPLE MAJORITY OF THE MEMBERS OF THE COMMISSION
12 SHALL CONSTITUTE A QUORUM TO CONDUCT OFFICIAL BUSINESS.

13 (H) POWERS AND DUTIES.--THE COMMISSION SHALL:

14 (1) STUDY AND PREPARE A COMPREHENSIVE LIST OF POTENTIAL
15 REVENUE SOURCES AVAILABLE FOR CURRENT AND FUTURE FUNDING OF
16 TRANSPORTATION IN THIS COMMONWEALTH FOR ALL MODES OF
17 TRANSPORTATION. THE FUNDING SOURCES MUST BE RELIABLE,
18 DEDICATED, INFLATION SENSITIVE AND ADAPTIVE TO CHANGING
19 ENVIRONMENTAL FACTORS.

20 (2) STUDY AND PREPARE A COMPREHENSIVE LIST OF POTENTIAL
21 COST SAVINGS AS IT RELATES TO THE CURRENT AND FUTURE
22 ADMINISTRATION AND OPERATION OF TRANSPORTATION SERVICES AND
23 INFRASTRUCTURE IN THIS COMMONWEALTH FOR ALL MODES OF
24 TRANSPORTATION. THE COST SAVINGS MAY INCLUDE THE USE OF
25 PUBLIC-PRIVATE PARTNERSHIPS AND OPPORTUNITIES TO FURTHER
26 DEVELOP TRANSPORTATION SERVICES AND INFRASTRUCTURE IN
27 PARTNERSHIP WITH THE PRIVATE SECTOR.

28 (3) PREPARE A COMPREHENSIVE, STRATEGIC COMMONWEALTH
29 TRANSPORTATION FUNDING PROPOSAL.

30 (4) PROVIDE REPORTS IN ACCORDANCE WITH SUBSECTION (I).

1 (5) ADOPT RULES OF PROCEDURE CONSISTENT WITH THE
2 PROVISIONS OF THIS SECTION.

3 (I) REPORTS.--

4 (1) THE COMMISSION SHALL PROVIDE INTERIM REPORTS AND
5 RECOMMENDATIONS, AS DETERMINED TO BE APPROPRIATE BY THE
6 CHAIRPERSON OF THE COMMISSION.

7 (2) NO LATER THAN JANUARY 1, 2026, THE COMMISSION SHALL
8 ISSUE A FINAL REPORT ON THE ACTIVITIES OF THE COMMISSION, AS
9 DETERMINED TO BE APPROPRIATE BY THE CHAIRPERSON OF THE
10 COMMISSION.

11 (3) EACH INTERIM REPORT OR FINAL REPORT UNDER THIS
12 SUBSECTION SHALL BE SUBMITTED TO THE GOVERNOR AND THE GENERAL
13 ASSEMBLY.

14 (J) EXPIRATION.--THIS SECTION SHALL EXPIRE JANUARY 1, 2026.
15 Section 5 9. Effective date. <--

16 This act shall take effect immediately.