THE GOVERNOR

Title 4—ADMINISTRATION

PART I. GOVERNOR'S OFFICE [4 PA. CODE CH. 6]

[EXECUTIVE ORDER NO. 2005-1]

Transportation Funding and Reform Commission

February 28, 2005

Whereas, there exists a structural imbalance between operating funds available to Pennsylvania's transit agencies and the operating costs of these agencies; and

Whereas, unless rectified this shortfall will lead to major reductions to transit service, increases in transit fares and employee layoffs, and these dislocations would harm the Commonwealth's business climate, damage its competitiveness and disrupt the lives of many of its citizens; and

Whereas, the pressing shortfall of operating funding for transit is the result of many factors, including: growth rates for tax sources dedicated to transit well below the rate of inflation; heavy dependence on State general fund appropriations with little growth in these appropriations from year to year; low levels of support from local government; and dramatic reductions in Federal operating support for transit; and

Whereas, steps to be taken early in 2005, either through legislative or executive action, are likely to provide at least temporary relief for this operating shortfall, but structuring a permanent, long term solution to this problem will be difficult without a fuller understanding of its causes, its magnitude and the full range of options addressing it; and

Whereas, other issues of transportation funding and management issues merit similar investigation, including the structure and magnitude of State funding for roads and bridges and the management of the State's transit agencies.

Now, Therefore, I, Edward G. Rendell, Governor of the Commonwealth of Pennsylvania, by the authority invested in me by the Constitution of the Commonwealth of Pennsylvania and other laws, do hereby order and direct that a Transportation Funding and Reform Commission (hereinafter referred to as "the Commission") be established to investigate and make recommendations as provided in this order.

Governor

Edund G. Rendal

Fiscal Note: GOV 05-2. (1) General Government Operations;

		Public Transportation	Motor
	Federal Funds	Assistance Fund	License Fund
(2) Implementing Year 2004-05 is	\$0	\$1,000	\$0
(3) 1st Succeeding Year 2005-06 is	\$385,000	\$250,000	\$20,000
2nd Succeeding Year 2006-07 is	\$0	\$200,000	\$20,000
3rd Succeeding Year 2007-08 is	\$0	\$0	\$0
4th Succeeding Year 2008-09 is	\$0	\$0	\$0
5th Succeeding Year 2009-10 is	\$0	\$0	\$0
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(4) 2003-04 Program—N/A; 2002-03 Program—N/A; 2001-02 Program—N/A; (8) recommends adoption.

Annex A

TITLE 4. ADMINISTRATION

PART I. GOVERNOR'S OFFICE

CHAPTER 6. ADDITIONAL COUNCILS AND COMMITTEES Subchapter N. TRANSPORTATION FUNDING AND REFORM COMMISSION

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§ 6.211. Composition.

- (a) The Transportation Funding and Reform Commission (Commission) consists of nine members appointed as follows:
 - (1) One by the Speaker of the House of Representatives.
 - (2) One by the Minority Leader of the House of Representatives.
 - (3) One by the President Pro Tempore of the Senate.
 - (4) One by the Minority Leader of the Senate.
 - (5) Five by the Governor.
 - (b) Members of the Commission will be appointed by March 28, 2005.
- (c) Of those members appointed by the Governor, at least one shall be a resident of the County of Philadelphia and at least one shall be a resident of the County of Allegheny. One of the appointees of the Governor shall be the Secretary of Transportation, who serves as the Chairperson of the Commission.
- (d) To the greatest degree possible, appointees should have a background in transportation policy and management, public finance, or institutional management and reform.
- (e) Members of the Commission receive no compensation for their service as members. Nongovernment members will be reimbursed for travel and related expenses in accordance with Commonwealth policy. See Chapter 40 (relating to travel and subsistence).

§ 6.212. Powers and duties.

- (a) The Transportation Funding and Reform Commission (Commission) shall conduct or cause to be conducted an operational audit of the Southeastern Pennsylvania Transit Authority, the Port Authority of Allegheny County and other transit agencies receiving funding from the Commonwealth as it deems appropriate. The audits must determine if opportunities exist to implement cost efficiencies, revenue enhancements and service improvements that would be in the best interest of the users of these systems and of the Commonwealth and its citizens. The audits must include an assessment of employee roles, responsibilities and compensation.
- (b) The Commission shall study and make recommendations regarding appropriate levels of funding and sources of funding for transportation in this Commonwealth for the coming years, for transit and for roads and bridges, and for operating costs and capital investments. Regardless of what levels of funding are recommended, the Commission shall assess the need for adjustment to the methods by which funding is provided, the appropriate mix of State and local funding, and the structure of State funding programs.
- (c) The Commission shall assess the structure of this Commonwealth's transit agencies and assess whether changes to their underlying structure can improve service, reduce costs and increase efficiency. This review shall include board structure and responsibilities and options for changes to asset ownership and operations, including competitive contracting.
- (d) The Commission shall assess the relationship of growth and development patterns and policies to this Commonwealth's transportation systems,

particularly fixed rail systems. In metropolitan areas around the United States, policies are being put in place to encourage development patterns that are easily served by transit and lead to fewer car trips and less congestion, and the Commission shall assess the opportunity to implement similar policies in this Commonwealth.

- (e) In addition to the items enumerated in subsections (a)—(d), the Commission may investigate other related matters as it deems appropriate.
- (f) Public agencies receiving transportation funding from the Commonwealth shall, to the greatest extent possible, assist the Commission in carrying out its responsibilities and make available to the Commission records and information as are needed by the Commission to fulfill its responsibilities.

§ 6.213. Responsibilities of other State agencies.

All agencies of the Commonwealth shall cooperate as necessary with the Transportation Funding and Reform Commission (Commission) to assure it is able to carry out its responsibilities. The Secretary of Transportation shall assure that the Department of Transportation provides technical and logistical support to the Commission. This may include provision of meeting space and other logistical support, staff resources and payment of expenditures for consultants.

§ 6.214. Reporting.

At the close of its deliberations, but no later than November 15, 2006, the Transportation Funding and Reform Commission shall issue a final report to the Governor and the General Assembly containing its analysis and recommendations. The final report must, at a minimum, recommend specific funding sources and amounts for transit and for highways.

§ 6.215. Duration.

The Transportation Funding and Reform Commission shall commence its work as soon as possible after its members are appointed and disband upon the issuance of a final report.

 $[Pa.B.\ Doc.\ No.\ 05\text{-}1766.\ Filed\ for\ public\ inspection\ September\ 23,\ 2005,\ 9\text{:}00\ a.m.]$