



Leasing the Pennsylvania Turnpike *Frequently Asked Questions & Answers*

COMMONWEALTH FOUNDATION & REASON FOUNDATION

1. Does Pennsylvania need more money for its roads, highways, bridges and mass transit systems?

The Pennsylvania Transportation Funding and Reform Commission (November 2006 report) identified the need for an increase of **\$1.7 billion in annual funding** simply to maintain the state's current transportation infrastructure.

The bi-partisan commission recommended an increase of:

- ♦ **\$965 million** for roads, highways, and bridges.
- ♦ **\$760 million** for mass transit.

2. Didn't Act 44 of 2007—which will impose new tolls on the currently free Interstate-80—solve our transportation funding problem?

Act 44 provides **less than half the funding needed** for roads, highways, and bridges, according to the Pennsylvania Transportation Funding and Reform Commission report.

- ♦ **\$450 million** for roads, highways, and bridges in FY 2007-08.
- ♦ **\$300 million** for mass transit in FY 2007-08.

Act 44 provides an average of **only \$946 million over the next 10 years** and **does not reach \$1.7 billion until 2036**. Furthermore, Act 44 funding increases are also *unlikely to keep pace with inflation* and are dependent on federal approval for tolling I-80, which has not been granted by the Federal Highway Administration.

3. What if the Federal Highway Administration rejects Pennsylvania's application to toll I-80?

Act 44 will generate **only \$450 million annually** if the Federal Highway Administration does not approve the tolling of I-80.

- ♦ **\$200 million** for roads, highways, and bridges—*only one-fifth the identified need of \$965 million.*
- ♦ **\$250 million** for mass transit—*less than one-third the identified need of \$760 million.*

4. What are the options available to policymakers for raising additional revenue for transportation projects?

Transportation projects have been traditionally funded through **taxes, fees, and bonded debt**. However, these revenue streams are **no longer sufficient** to simply maintain our existing roads, highways, and bridges, much less build needed new capacity. The problem is nationwide.

A recent Federal Highway Administration report estimated that nationwide annual capital investment is \$6 billion less than what's needed just to properly maintain the condition of our highways and bridges. The Pennsylvania Transportation Funding and Reform Commission's report put the state's annual funding gap for roads, highways, and bridges at \$965 million.

The existing state and federal fuel tax and highway trust fund system is unable to meet these transportation investment needs. Neither Congress nor most state legislatures have increased fuel taxes to levels that would merely offset the effects of fuel efficiency and inflation, let alone fund needed road maintenance and new construction to keep pace with increased travel demand.

Increasingly, states are turning to Public-Private Partnerships to begin to fill the transportation funding gap. **Public-Private Partnerships maximize the strengths of both the public and private sectors, offering taxpayers more efficiency, accountability, and cost- and time-savings.**

5. What is a Public-Private Partnership?

Public-Private Partnerships (P3s) are contractual arrangements between governments and private companies that aim to improve public services and infrastructure in a manner which captures the benefits of private sector involvement (such as cost- and time-savings) while maintaining public accountability.

While P3s can take a variety of forms, in transportation, long-term P3s are increasingly being used for new road construction and modernizing existing roadways. These P3s involve a private company investing risk capital to design, finance, construct, operate, and maintain a roadway for a specific term during which it collects toll revenues from the users. The public agency oversees all aspects of the agreement, from maintenance and performance requirements to setting toll rates. In some cases the private toll company pays the public agency an upfront fee for the contract, and in others the public and private partners share in the revenue generated by the road. When the contract expires, the government can negotiate a new arrangement or take over the facility at no cost.

6. What are the potential benefits of a Public-Private Partnership on the Turnpike?

Lower Tolls on Turnpike

- ♦ The Turnpike Commission plans to increase toll rates on the Turnpike by **25% in January 2009 and 3% every year thereafter**. However, the PTC also enjoys the *unlimited power raise toll rates at any time for any amount*, as Act 44 does not place any restrictions on the Commission's toll rate increases.
 - ♦ **Under the Public-Private Partnership lease agreement on the Turnpike, toll rate increases will be restricted** to 25% in 2009 and 2.5% or the Consumer Price Index (whichever is higher) each year thereafter.

More Money for Transportation Needs

- ♦ The projected return on investment from a Turnpike lease payment could generate more funding than Act 44, without tolling I-80 or new bonded debt.
 - ♦ The PTC will provide **only \$450 million** per year to the state—\$200 million for roads, highways, and bridges, and \$250 million for mass transit –if the tolling of I-80 is denied.

Earning Interest Rather than Paying Interest

- ♦ Upfront cash from a Turnpike lease could generate **nearly one billion dollars in interest** every year for transportation projects.
- ♦ Under Act 44, the bonded debt of the Turnpike Commission will cost the taxpayers and motorists more than **\$11 billion in interest alone**.

Reduced Taxpayer Risk, Lower Taxes

- ♦ A lease **shifts the financial risk** from taxpayers to the private-sector partner.
- ♦ If the Turnpike Commission fails to generate the expected toll revenues from the Turnpike and I-80, ***taxpayers will be forced to make up the difference.***
- ♦ The Turnpike Commission began borrowing ***before*** all revenue streams were assured, placing the taxpayers at even greater risk.
- ♦ **A gas tax increase may be necessary** to pay back Turnpike bonds that are leveraged against the Motor License Fund if the federal government denies permission to toll I-80.
- ♦ ***Even with the tolling of I-80, a gas tax increase may be necessary*** because Act 44 does not fully fund Pennsylvania transportation infrastructure needs.

7. Aren't Public-Private Partnerships, particularly leases of existing assets, new and unproven?

Public-Private Partnerships (P3s) are neither new nor unproven. They are commonplace around the world. The entire motorway systems of countries like Italy, Spain, France, Portugal, Greece, and Ireland are done with P3s. More recently P3s have also become commonplace in Australia, Canada, Brazil, Chile, China, Hungary, India, Mexico, South Korea, Taiwan, Thailand, and many other countries.

P3s are less common but not unknown in the United States. In Detroit, the Ambassador Bridge and the Detroit-Windsor tunnel were built and have been operated under long-term concessions by different private companies for 80 years. The Dulles Greenway in Northern Virginia, 91 Express Lanes and South Bay Expressway in Southern California, and the Camino Columbia Toll Road in Laredo, Texas were developed under P3 toll concessions. Several new, large-scale P3 highway projects are underway or in negotiation in Texas, Virginia, Florida, Georgia and several other states.

In Virginia, the Pocahontas Parkway in Richmond was leased under a long-term concession in 2006, and a similar leasing is under way for the Northwest Parkway in Colorado. These are all in addition to the much-discussed long-term leases of the Chicago Skyway and Indiana Toll Road. Over 20 states now have legislation encouraging concessions for toll roads, and many are actively considering proposals.

8. Isn't a 75-year lease to a private interest equivalent to the selling of a public asset? Isn't 75 years far too long to lease a valuable road? The Commonwealth would be committing future generations when we cannot predict what the needs will be.

No. States always maintain ownership of the roads in these leases; roads are never sold. A sale involves the transfer of ownership (title) in perpetuity and usually without conditions. Under the long-term leasing of a toll road, the state maintains ownership of the road; the lease is for a finite period of time; and the contract involves whatever set of conditions and controls that the state chooses to put in the concession agreement.

The distinction between a sale and a lease is very real. For example, if a homeowner sells his/her house to a homebuyer, the purchaser can do whatever he/she wants with it, irrespective of the former owner's wishes. The purchaser can tear the house down, remodel it, add on to it, re-sell it, or even do nothing with it. But if that same homeowner leases the house to a lessee, the ownership of the property is not in dispute and the lessee is legally bound to adhere to the terms and conditions of the contract.

Concession contracts are often several hundred pages long and may incorporate other documents (e.g., detailed performance standards) by reference. The public interest is protected by incorporating enforceable, detailed provisions and requirements into the contract to cover such things as:

- ◆ Who pays for future expansions, repairs and maintenance;
- ◆ How decisions on the scope and timing of those projects will be reached;
- ◆ What performance will be required of the private toll company (i.e., safety, maintenance, plowing, and many other requirements);
- ◆ How the contract can be amended without unfairness to either party;
- ◆ How to deal with failures to comply with the agreement;
- ◆ Provisions for early termination of the agreement;
- ◆ What limits on toll rates or rate of return there will be.

Indeed, under the contractual arrangement there will be many restrictions on what can be done to the property, requirements for maintenance and care, and financial penalties for failing to abide by lease terms. So it will be with a lease agreement between the state and a private operator of the Turnpike.

Changing circumstances will probably require revisions to the leases. That is why all concession agreements have detailed provisions to permit changes during their term. Concession agreements lay down procedures for negotiating changes and arbitrating disputes, and employing independent parties to make fair financial estimates. The only limit to changes in the terms of the concession is normally that neither side—public nor private—should be disadvantaged financially by the changes.

State governments regularly make commitments that impact taxpayers for longer than 50 years. Bonding for infrastructure and changing pension benefits are two examples. Because the capital costs for major infrastructure projects are so high, it is necessary to finance them over long periods of time.

9. Where does the value of the Turnpike come from?

The value of a toll road comes not from toll revenues, as such, but from the surplus—if any—of revenues over costs. When costs consume most of the revenues of the Turnpike, there is little left to invest in new projects or provide a return on investment. The trapped or inherent value of government-run toll road—the value that is unlocked by going into a concession—lies in the ability of the private sector to operate the roads more efficiently and to provide better service at lower cost. The private sector has the proven advantage of being focused single-mindedly on customer service and containing costs. Moreover, as a state agency, the Turnpike Commission is unable to operate across state lines. Private companies achieve major efficiencies through operating nationally and internationally.

10. Isn't public financing cheaper than private financing, thereby lowering the costs to taxpayers and toll-payers?

The claim that public financing is cheaper than private financing is not entirely accurate. Yes, the interest rate on a taxable toll revenue bond is slightly higher than that on an equivalent (same amount, same term, etc.) tax-exempt toll revenue bond. But that is not the relevant comparison. What counts is the overall “weighted average cost of capital—or WACC.”

Private firms use equity funding, which can be less expensive than debt, given that there is no guaranteed rate of return. Private firms can also deduct interest paid and depreciation from their tax liability, essentially reducing the cost of their financing. These benefits make the WACC much more competitive, and may be roughly equivalent to that of state toll agencies. In addition, since the enactment of SAFETEA-LU in 2005, companies involved in long-term public-private partnership toll road deals can gain access to tax-exempt Pri-

vate Activity Bonds. Yet concession deals in Texas, where tax-exempt bonds were pre-approved, thus far have not made use of private activity bonds. Operating on a global scale, these concession companies can raise capital at very competitive cost.

Even if the claim that the financing by a public entity is less costly, this offers no benefit to taxpayers and motorists. Debt incurred by the Turnpike Commission is ultimately owed by taxpayers and toll-payers. The debt of a private operator is not.

The public versus private financing argument also ignores the operating efficiency of a private operator, as it assumes the Commission's costs of operation, maintenance, and capital expenditures will be equal. As the Pennsylvania Turnpike Commission could tell you, this is not the case—which is why the Commission *is currently seeking its own public-private partnership* to complete construction, and operate, the Mon-Fayette Expressway, bringing in private sector capital and efficiency.

11. Isn't the Turnpike an efficiently run toll road?

An excellent measure of efficiency for a toll road agency is the fraction of toll revenues consumed by operating and maintenance costs (the “cost-take”). According to a recent analysis by the Reason Foundation, the Pennsylvania Turnpike Commission's “cost-take” from its latest annual report is 62.4% (\$369.9 million out of \$592.6 million revenue)—third highest among the 35 public and private toll facilities studied.

What is most informative is that the average “cost-take” for private toll operators is only 27.6%—about half the costs of the Turnpike Commission. Private toll companies are able to hire and retain experienced management talent, whereas in a public authority the chief executive is likely to change with every change in political administration. Many chief executives of public toll authorities come to the job with no toll road experience at all, as is the case of the current Turnpike Commission CEO who is a political appointee. Not only are they forced to make decisions in ignorance of the industry, but they find it difficult to retain experienced people. If the top position is virtually guaranteed to a politician, the managers immediately below lack an incentive to make a career of toll road management.

Contributing to the Pennsylvania Turnpike Commission's inefficiencies is its well-documented record as a patronage playground for politicians and the extraordinary efforts of the agency to fight the Governor's proposal to lease the toll road.

- ♦ According to a 139-count federal indictment of Senator Vince Fumo, Turnpike consultant Mike Palermo—who earned \$220,000 over two years—apparently completed no work for the PTC, but did find time to manage the senator's 100-acre Harrisburg farm. The indictment also alleges that when he was no longer able to put his no-work contracts on the state senate payroll, Fumo *used the Turnpike payroll* instead.
- ♦ The Turnpike Commission used toll revenues to pay \$26,000 per month lobbying state legislators to pass Act 44, and spent \$280,000 lobbying the federal government.
- ♦ The Turnpike Commission has used hundreds of thousands of dollars in toll revenues to buy radio and newspaper ads across the state to deflect criticism of I-80 tolling.

12. Wouldn't a lease of Pennsylvania Turnpike just be a short-term fix with long-term problems?

Long-term leases are not just a quick fix. They offer the prospect of better service for the long as well as the short term. By putting the toll road in investor ownership, they bring the benefits of professional business management, greater operating efficiency, lower operating and maintenance costs, better customer service, less political patronage, access to equity markets for capital, shareholders who will hold management accountable, opportunities for network economies by operating across state lines, and many other benefits.

The argument that a private operator of the Turnpike will transform the original mission of the toll road from mobility to profit is a false dichotomy. All organizations exhibit self-interested behavior, whether they are for-profit, not-for-profit, employee-owned or government-owned like the Turnpike. America has abundant and affordable airline service, freight railroads, and trucking companies, all operated by for-profit companies. Major roads, bridges, and tunnels in numerous other countries are operated by for-profit companies, under long-term concession agreements. Mobility is being well-served in all of these cases.

The Turnpike as presently constituted is not single-mindedly focused on mobility. It is a naïve, idealized view of government agencies that they are solely concerned with the public interest and with their customers. They are also concerned with the careers, incomes, and power of their managers and staff. In the particular case of the Turnpike, there is a long and well-known history of using that power to reward friends and allies with jobs and contracts at the expense of merit-based selection.

Private concessionaires must certainly look to their self-interest, too. A business must generate enough revenues to recover its costs and earn a return on investment, since it doesn't have the power to tax the citizenry to make up for a shortfall. For a business to be profitable operating a toll road, it must focus on providing superior mobility services. That's where its revenue comes from.

Given that maximum toll rates will be set by formula in the lease agreement, the toll road company will earn a profit based on its ability to improve service, attract additional customers and its ability to contain costs.

13. Why should the users of the Turnpike pay for the transportation costs of the rest of the state? Why not spread that burden to the users of I-80?

Act 44 of 2007 will increase toll rates on the Turnpike and erect new tolls on the currently free Interstate-80 to help pay for Pennsylvania's transportation infrastructure needs. Only in the year 2036, will this plan will begin generate the full \$1.7 billion per year in additional funds needed to fill the transportation funding gap identified in 2006. Act 44 clearly falls short of the meeting the funding need.

Defenders of Act 44 believe that placing tolls on the drivers of I-80 at the same rate as those on the Turnpike is "fairer" because it spreads the burden of having to pay for our transportation infrastructure. But we can generate more revenue from the leasing of the Turnpike alone than we will generate with toll increases on the Turnpike AND the tolling of I-80. The choices are pretty simple: Pennsylvanians pay more under Act 44, or get more from a Turnpike lease. No matter who has to shoulder the burden, it is clear that a Turnpike lease is the lighter of the two.

14. Won't the Governor and General Assembly misspend the billions of dollars from a lease deal?

It is true that the Governor and General Assembly will be tempted to spend an upfront lease payment immediately and on non-transportation related programs—to the detriment of Pennsylvania's long-term infrastructure. But this same concern is possible under Act 44, as neither the new funding for highway maintenance nor the mass transit fund is constitutionally protected—a simple majority can vote to use this money elsewhere in the next budget. In order to protect the revenue from an upfront lease payment, legislators should create a new fund and pass a Constitutional amendment to define how this revenue may be used, much as the Motor License Fund is now.

15. What if the private company breaches the contract or goes out of business?

Under a lease agreement, there will be explicit requirements for performance and penalties for non-performance. Violations or breaches of the contract will result in penalties ranging from financial payments to the termination of a contract; in which case the state can regain control and bring the operations in-house again

or issue another Request for Proposals. Likewise if the private operator goes out of business. Indeed, in a sort of perverse way, the taxpayers would benefit from this scenario because the state would have already received its upfront lease payment from the company. This would not be returned, and the state could go right back into the marketplace again for another upfront cash bid.

Under Act 44, it is the taxpayers who are put at risk if the Turnpike Commission is unable to fulfill its debt obligations. Under a lease agreement, all the risk is shared by the private operator and its investors.

16. Won't tolls skyrocket under a privately managed Turnpike?

Under Act 44 of 2007, there are no limits on the Turnpike Commission's ability to raise tolls either on the Turnpike or on I-80, if it receives federal approval to convert the highway into a toll road. The Turnpike Commission has stated their intention to increase tolls by 25% in 2009 and 3% each year thereafter, and implement similar tolls on I-80; however, nothing prevents the Commission from dramatically increasing toll rates on either the Turnpike or I-80.

Under a long-term lease, toll rate increases will be limited, unlike in Act 44—the final lease agreement will place a strict cap on toll rate increases of 25% in 2009 and 2.5% or the Consumer Price Index (whichever is higher) each year thereafter. It is also important to note that the toll rate increase allowance in the contract will be a maximum, not a minimum, and a toll operator would likely keep tolls under the cap to maximize traffic on the Turnpike.

17. Won't a private operator neglect the maintenance of the Turnpike to maximize profits?

Performance standards for the maintenance and care of the Turnpike will be specified in the lease agreement. The contract will set minimum requirements for road conditions (with financial penalties for the private operator if these are not met) and will require minimum levels of capital expenditures on the Turnpike itself (in addition to the lease payment). In the examples of the Indiana Toll Road and Chicago Skyway leases, private operators are already pouring millions into repairing and modernizing the facilities.

Only toward the very end of a lease could a toll road company have a conceivable self-interest in no longer properly maintaining it. However, strong provisions are required in the contract to ensure that the road is turned over in good condition. Long concession terms also minimize the end-of-lease problem of perverse incentives.

18. Won't higher Turnpike tolls divert traffic to parallel roads?

While toll increases would result in more motorists choosing to use free roads, which may increase the cost of maintaining these roads, there would be *greater* diversion under Act 44 than a Turnpike lease. First, a Turnpike lease would keep Turnpike tolls at or below what is expected under Act 44. But far more traffic diversion will occur under the tolling of I-80, which is currently free.

The effect of Act 44 on residents and businesses in the I-80 corridor was never assessed during the debate over that legislation. A 2005 study by the Pennsylvania Department of Transportation (PennDOT) recommended against tolling I-80, in part because of the expected diversion to other roads.

But I-80 traffic diversion may be worse under Act 44 than projected under the 2005 I-80 study, because the tolls required under Act 44 are primarily to be used for payments to PennDOT, not for reinvestment into the road itself. In fact, under Act 44, about 47% of the estimated I-80 toll revenue would be used for payments to PennDOT, while only 36% on I-80 improvements and maintenance (another 17% is considered "surplus revenue").

Claims that no I-80 tolls would be used for mass transit is misleading, as Act 44 provides between \$300 and \$500 million annually for mass transit if I-80 tolling is approved, but only \$250 million annually for mass transit if I-80 tolling is rejected. In essence, the tolls on I-80 constitute not only a “user fee”—i.e. payment for use of the road—but also a tax, as I-80 motorists will pay more for mass transit grants and funding for other roads and bridges than they will for improvements on I-80 itself.

With regard to the Turnpike itself, it is true that drivers may choose alternative routes. The Turnpike mainline is roughly paralleled by U.S. 30, the old Lincoln Highway. For some trips, and in some stretches, U.S. 30 provides a good alternative; in other stretches less good; in still others, bad. It has steeper grades through the mountains and in many places goes through main streets; in other towns, it bypasses. It has little grade separation or access control. Still it will get you there toll-free.

Toll rate increases on the Turnpike will have some impact on traffic on U.S. 30—regardless of who operates the Turnpike. A toll road company depending on toll revenues will have no incentive to drive traffic away. On the contrary, since they earn their income from traffic ON the Turnpike, they will have every incentive to minimize diversion.

19. Isn't it both a national security risk and bad economic policy to allow a foreign company to operate the Turnpike and send its profits elsewhere?

The fear and economic concern of a “foreign” company leasing and managing the Turnpike is misplaced. First, the winning bidder for the Turnpike lease—a partnership of Citi Infrastructure Investors and Abertis Infraestructuras—is best described as an “international” team. Citi Infrastructure Investors is a division of New York City-based Citi, a major American financial services company that invests in North American and European infrastructure assets. Abertis is one of the world’s most experienced toll road operators, directly or indirectly managing over 5,000 miles of toll roads in 10 countries on four continents. Abertis also specializes in other infrastructure areas as well—airports, parking garages, logistics parks, and telecommunications—and it currently has a significant U.S. presence, operating and managing U.S. facilities at Orlando Sanford Airport, Hartfield-Jackson Atlanta International Airport, and Burbank Airport, as well as the Teodoro Moscoso Toll Bridge in San Juan, Puerto Rico. Both companies are publicly traded, with both American and international shareholders.

International companies like Abertis frequently dominate toll road lease discussions because private financing of toll roads has been occurring around the world for decades, but is relatively new in the United States. For example, Abertis has been in the toll road market since the initial construction of Spain’s toll motorway system in the 1960’s, and the company is now the top toll road operator in Spain and one of the top international operators. Hence, international firms have far more experience in this field than U.S.-based firms, given that until recent years toll roads in the United States have been run almost exclusively by public-sector authorities. Even so, many U.S.-based firms are getting involved in infrastructure deals, and were among the bidders on the Pennsylvania Turnpike.

Obviously a private operator cannot ship the Turnpike overseas, nor would they be allowed to shut down the Turnpike on a whim. An international operator would not jeopardize national security, and would have strong financial interest in ensuring security and safety on the Turnpike. The lease agreement requires the concessionaire to provide (at their own expense) the same level of traffic patrol, law enforcement, and emergency services in place today on other Commonwealth highways and the Turnpike itself. Further, the lease agreement requires the concessionaire to grant access to police, fire, emergency, security or armed forces personnel for a broad range of emergency management and homeland security purposes, and in the event of a declaration of a state of emergency in the Commonwealth, the state always reserves the right to temporarily designate the Turnpike as a toll-free highway to facilitate evacuations or for any other emergency purpose.

Finally, with all the talk about U.S. firms “outsourcing” jobs, Pennsylvania should welcome companies interested in creating job opportunities and investing billions of dollars in the state—essentially the “in-sourcing”

of private capital from around the globe into Pennsylvania's economy. In addition to the lease fee paid to the state, the private operator would hire Pennsylvania workers, contract with Pennsylvania contractors, and pay Pennsylvania taxes.

20. Wouldn't a Turnpike lease agreement include a "non-compete clause" giving the winning bidder protection from competition?

There will be no "non-compete clauses" in the lease agreement on the Turnpike, according to the terms and conditions of Governor Rendell's request for proposals.

21. Will Turnpike employees lose their jobs or see their wages and benefits cut?

According to the terms and conditions of Governor Rendell's request for proposals to lease the Turnpike, all collective bargaining contracts for employees must be honored. Even if this were not a condition in the lease agreement, it is likely that most employees of the Turnpike would be retained the private contractor anyway.

In Indiana, the private operator set up a subsidiary within the state and retained 85% of the public workforce (in addition to hiring many new local employees), the rest of the toll road employees received jobs with the state. In Chicago, all employees were offered jobs with the private contractor, though most accepted jobs with the city. Rank-and-file Pennsylvania Turnpike workers—those who earned and kept their job due to merit—have little to fear from a lease. Those who might be at risk are employees whose employment is linked to political connections or relationships to Turnpike Commissioners.

Additional Information and Resources:

Turnpike Lease/Bid

Pennsylvania Turnpike Concession and Lease Agreement

[ftp://ftp.dot.state.pa.us/Turnpike Final Bid Results/PA Turnpike Concession.pdf](ftp://ftp.dot.state.pa.us/Turnpike%20Final%20Bid%20Results/PA%20Turnpike%20Concession.pdf)

Summary of Turnpike Lease Terms and Conditions

<http://www.tollroadsnews.com/sites/default/files/LeaseTerms.pdf>

TESTIMONY: Concerns about Turnpike lease are misguided

<http://www.commonwealthfoundation.org/commentary/concerns-about-turnpike-lease-misguided>

NEWS RELEASE: Turnpike Commission's implicit "bid" of \$5.3 billion

<http://www.commonwealthfoundation.org/newsreleases/first-turnpike-bid-only-5-3-billion>

Public-Private Partnerships

STUDY: The Emerging Paradigm: Financing and Managing Pennsylvania's Transportation Infrastructure and Mass Transit

<http://www.commonwealthfoundation.org/policy-reports/emerging-paradigm-financing-and-managing-pennsylvania-s-transportation-infrastructure>

STUDY: Leasing State Toll Roads FAQ

http://www.reason.org/pb60_leasing_state_toll_roads.pdf

COMMENTARY: Indiana Toll Road: One Year Later

http://www.reason.org/commentaries/segal_20070725b.shtml

LETTER TO THE EDITOR: Indiana Toll Road Better than Before

http://www.pittsburghlive.com/x/pittsburghtrib/opinion/letters/send/s_533393.html

REPORT: Leasing the PA Turnpike: Response to critics

http://www.reason.org/PA_turnpike_working_paper.pdf

COMMENTARY: Foreigners Create Jobs

<http://www.commonwealthfoundation.org/commentary/foreigners-create-jobs>

Act 44

POLICY POINT: Act 44 & Transportation Policy

<http://www.commonwealthfoundation.org/policy-points/act-44-transportation-funding>

Act 44: No Limits on Turnpike Tolls

<http://cfpolicyblog.blogspot.com/2008/01/act-44-no-cap-on-turnpike-tolls.html>

REPORT: Morgan-Stanley Report

http://www.rideonpa.org/transit/lib/transit/Financial_Analysis_Book_052107.pdf

NEWS: Loans to fix roads begins (Act 44 borrowing)

<http://www.post-gazette.com/pg/07295/827438-147.stm>

I-80 Tolling

LETTER: Federal Highway Admin to Rep. Geist regarding I-80 tolling

<http://www.tollroadsnews.com/sites/default/files/Ray-GeistLtr.pdf>

LETTER: Federal Highway Admin clarifying federal approval of I-80 tolling process

<http://www.tollroadsnews.com/sites/default/files/FHWA-PA80.pdf>

STUDY: I-80 Tolling Study by PennDOT in 2005

<http://www.tollroadsnews.com/sites/default/files/I-80TollStdyPnDOT05.pdf>

I-80 Lease and other documents

<http://www.paturndpike.com/i80>

Where will projected I-80 revenue go? No I-80 Tolls = Less money for SEPTA

<http://cfppolicyblog.blogspot.com/2007/12/where-will-projected-i-80-revenue-go.html>

<http://cfppolicyblog.blogspot.com/2007/10/no-i-80-tolls-less-money-for-septa.html>

Turnpike Commission Scandals, Lobbying, Patronage, Efficiency

NEWS: Sen. Orie on the Turnpike Patronage

<http://www.post-gazette.com/pg/07109/779172-109.stm>

NEWS: Sen. Vince Fumo Indictment with PTC references

<http://www.tollroadsnews.com/node/3126>

NEWS: Sen. Vince Fumo's farm and the PTC

http://tollroadsnews.info/artman/publish/article_1724.shtml

NEWS: Patronage hires by PTC CEO Joe Brimmeier

<http://www.post-gazette.com/pg/07105/778196-85.stm>

<http://www.tollroadsnews.com/node/56>

NEWS: Turnpike Commission Lobbying

http://www.pittsburghlive.com/x/pittsburghtrib/news/cityregion/s_517777.html

<http://www.post-gazette.com/pg/07135/786099-147.stm>

<http://cfppolicyblog.blogspot.com/2008/01/bill-for-turnpike-lobbying-700000.html>

NEWS RELEASE: Turnpike propaganda on I-80 tolling

http://www.house.gov/list/press/pa05_peterson/ptcad.html

NEWS: Mon-Fayette promised as bargaining chip

http://www.pittsburghlive.com/x/pittsburghtrib/news/cityregion/s_517782.html

POLICY POINT: Turnpike Commission vs. PennDOT – Who is more efficient?

<http://www.commonwealthfoundation.org/policy-points/pennsylvania-turnpike-commission-vs-penn-dot>

STUDY: Pennsylvania Turnpike is One of Country's Least Efficient Toll Roads

<http://www.commonwealthfoundation.org/commentary/pennsylvania-turnpike-one-countrys-least-cost-efficient-toll-roads>



ABOUT THE AUTHORS

This policy brief contains new and previously published information (see “Additional Information and Resources”) from policy experts and scholars at the Commonwealth Foundation and Reason Foundation. For more information, visit www.Reason.org and www.CommonwealthFoundation.org.

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ABOUT THE COMMONWEALTH FOUNDATION

The Commonwealth Foundation for Public Policy Alternatives is an independent, non-profit research and educational institute that develops and advances public policies based on the nation’s founding principles of limited constitutional government, economic freedom, and personal responsibility for one’s actions.

The Commonwealth Foundation’s research and educational efforts are firmly established on several core values that form the basis of a “civil society.” The activities of the Foundation are therefore committed to:

- Respecting and protecting the lives and property of others.
- Recognizing the inseparability of personal and economic freedom.
- Upholding personal responsibility and accountability for one’s actions.
- Challenging the general perception that government intervention is the most appropriate or most efficient means of solving societal problems.
- Demonstrating the power of private institutions—both for-profit and non-profit—to create a good and civil society.
- Promoting the use of economic reasoning to understand a world of scarcity, trade-offs, and the unseen consequences of governmental solutions to societal problems.

The Commonwealth Foundation is a tax-exempt research and education organization as defined under IRS code 501(c)(3), and is funded by the voluntary contributions from individuals, foundations, and corporations.