

No. 1985-61

AN ACT

SB 441

To facilitate vehicular traffic within and across the Commonwealth by providing for the construction, reconstruction, improvement, operation and maintenance of toll roads and the conversion of existing toll-free roads to toll roads in Pennsylvania; conferring powers and imposing duties on the Pennsylvania Turnpike Commission; providing for membership on the Pennsylvania Turnpike Commission; authorizing issuance of turnpike revenue bonds, notes or other obligations of the commission, payable solely from revenues of the commission, including tolls, or from such other funds as may be available to the commission for that purpose, to pay the costs of such toll roads including the acquisition and other costs of toll-free roads and for refunding purposes; providing that no debt of the Commonwealth shall be incurred in the exercise of any of the powers granted by this act; providing for the collection of tolls for the payment of such bonds, notes or other obligations, and for the cost of maintenance, operation and repair of the toll roads including toll-free roads converted to toll roads; making such turnpike revenue bonds, notes or other obligations exempt from taxation; constituting the same legal investments in certain instances; requiring suits against the commission to be brought in the courts in which such actions may be brought against the Commonwealth; prescribing conditions on which toll roads shall be turned over to the Department of Transportation; providing for grade separations, grade changes, relocations, restorations and vacations of public roads and State highways affected by the toll roads; providing for the purchasing or condemnation of land and procedure for determining damages in condemnation; granting certain powers and authority to municipalities and agencies of the Commonwealth to cooperate with the commission; conferring powers and imposing duties on the Department of Transportation; authorizing the Secretary of Transportation to enter into negotiations with the United States Department of Transportation, the Federal Highway Administration or any other Federal agency regarding the conversion of toll-free highways constructed in the Commonwealth using Federal funds to toll roads; and authorizing the Secretary of Transportation to enter into agreements on behalf of the Commonwealth and the commission with the United States Department of Transportation, the Federal Highway Administration or any other Federal agency with respect to obtaining Federal funds for resurfacing, restoring, rehabilitating or reconstructing toll roads in Pennsylvania.

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

Section 1. Short title.

This act shall be known and may be cited as the Turnpike Organization, Extension and Toll Road Conversion Act.

Section 2. Definitions.

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

“Commission.” The Pennsylvania Turnpike Commission created by the act of May 21, 1937 (P.L.774, No.211), referred to as the Pennsylvania Turnpike Commission Act, or, if the commission shall be abolished, any board, commission or officer succeeding to the principal functions thereof or upon whom the power and functions given by this act to the commission shall be given by law.

“Cost of the turnpikes.” Includes the cost of constructing the turnpikes and all connecting roads, storm water management systems, tunnels and bridges; the cost of all lands, property rights, rights-of-way, easements and franchises acquired by purchase or other means, which are deemed necessary or convenient for such construction; the cost of all machinery and equipment, financing charges, interest prior to and during construction and for one year after completion of construction; the cost of traffic estimates and of engineering and legal expenses, plans, specifications, surveys, estimates of cost and of revenues, other expenses necessary or incident to determining the feasibility or practicability of the enterprise, administrative and legal expense, and such other expenses as may be necessary or incident to the financing herein authorized; the construction of the turnpikes and connecting roads, storm water management systems, tunnels and bridges, the placing of the same in operation, and the condemnation or other means of acquisition of property necessary for the construction and operation. Any

obligation or expense contracted for by the commission with the Department of Transportation of this Commonwealth, or with the United States or any agency thereof, for traffic surveys, preparation of plans and specifications, supervision of construction, and other engineering, administrative and legal services and expenses in connection with the construction of the turnpike or any of the connecting roads, storm water management systems, tunnels and bridges, and any costs of reimbursing the Federal Government pursuant to the mandates of the Federal law for Federal funds expended for interstate or other highways which are to be made part of the turnpike system pursuant to this act, shall be regarded as a part of the cost of the turnpikes and shall be reimbursed or paid out of the proceeds of the turnpike revenue bonds, notes or other obligations hereinafter authorized. Payment of any turnpike revenue bonds, notes or other obligations shall be considered payment of the cost of the turnpikes, provided the turnpike revenue bonds, notes or other obligations were issued for such purpose.

“Owner.” An individual, copartnership, association or corporation having any title or interest in any property rights, easements or franchises authorized to be acquired by this act.

“The turnpikes.” The turnpike, turnpike extensions and turnpike improvements to be constructed, and the toll-free roads to be converted to toll roads, as described in section 3 and otherwise provided for in this act. The phrase shall be deemed to include not only the turnpikes and all connecting roads, storm water management systems, tunnels and bridges connected therewith, but also all property rights, easements and franchises relating thereto and deemed necessary or convenient for the construction or the operation thereof, which may also be referred to as constituting a part of the Pennsylvania Turnpike System.

“Toll road conversion.” The inclusion within the turnpike system and the imposition of tolls thereon of a highway that is presently toll free.

Section 3. Authorization for turnpike extensions, turnpike improvements and the conversion of toll-free roads to toll roads.

(a) Improvement and extension authorizations.—In order to facilitate vehicular traffic within and across this Commonwealth, the Pennsylvania Turnpike Commission heretofore created by virtue of the provisions of the act of May 21, 1937 (P.L.774, No.211), referred to as the Pennsylvania Turnpike Commission Act, and the supplements and amendments thereto and reorganized by this act, is hereby authorized and empowered to construct, operate and maintain turnpike extensions and turnpike improvements at such specific locations and according to such schedule as shall be deemed feasible and approved by the commission, together with connecting roads, storm water management systems, tunnels and bridges, subject to the waiver of the Federal toll prohibition provisions where applicable, as follows:

(1) Widen turnpike to six lanes between the Northeast Extension and the Delaware River Interchange.

(2) Construct turnpike interchange with Interstate Route 95 in Bucks County.

(3) Construct turnpike interchange with Interstate Route 476 in Montgomery County.

(4) Construct turnpike interchange with Keyser Avenue in Lackawanna County.

(5) Construct extensions to the existing turnpike from a point westerly of existing Interchange 2 extending northerly to a connection with the existing interchange between U.S. Route 422 and proposed State Route 60 in Lawrence County and extending southerly to a connection with existing State Route 60 in Beaver County at or near State Route 51.

(6) Construct an extension to the turnpike from a point at or near Interchange 8 in Westmoreland County extending northerly to an interchange with State Route 66 northwest of Greensburg and continuing northerly to an interchange with U.S. Route 22 south of Delmont.

(7) Construct an additional Lehigh Tunnel on the Northeast Extension of the turnpike.

(8) Immediately enter negotiations with the United States Department of Defense for the construction and operation of a private turnpike interchange directly connected to the New Cumberland Army Depot.

(b) Subsequent extension authorization.—The commission is also hereby authorized and empowered to construct, operate and maintain further extensions and improvements of the turnpike at such specific locations and according to such schedules as shall be deemed feasible and which shall be approved by the commission, subject to the waiver of the Federal toll prohibition provisions where applicable, as follows:

(1) From an interchange with Interstate Route 70 between existing interchanges at Lover and Speers extending northerly to an interchange with Interstate Route 376 in Pittsburgh and also extending southerly connecting with the existing interchange between U.S. Route 40 and the Mon Valley Expressway (L.R.1125).

(2) From an interchange with the turnpike at or near Interchange 10 extending northerly generally following and coincident where feasible with existing U.S. Route 219 to an interchange with Interstate Route 80 at or near Interchange 16.

(3) Construction of an interchange for access to the International Distribution Center at the Wilkes-Barre-Scranton International Airport in Luzerne County on the Northeastern Extension of the Pennsylvania Turnpike System.

(c) Additional subsequent extension authorization.—Upon substantial completion of the turnpike extensions and improvements set forth in subsections (a) and (b), the commission is hereby authorized and empowered to construct, operate and maintain further extensions and improvements of the turnpike at such specific locations and according to such schedules as shall be deemed feasible and which shall be approved by the commission, subject to the waiver of the Federal toll prohibition provisions where applicable, as follows:

(1) From a point at or near the existing interchange between U.S. Route 40 and the Mon Valley Expressway (L.R.1125) in Fayette County

southeasterly along U.S. Route 40 to Uniontown and continuing southerly along State Route 857 to the West Virginia border.

(2) From a point at or near Turnpike Interchange 10 southerly generally along U.S. Route 219 to the Maryland border.

(3) From a point at or near Interstate Route 80 Interchange 16 northerly generally along U.S. Route 219 to a connection with the existing U.S. Route 219 Expressway south of Bradford in McKean County.

(4) Construct from a point at or near Interstate Route 80 Interchange 23 at Milesburg southwesterly generally along U.S. Route 220 to a connection with the existing U.S. Route 220 Expressway south of Bald Eagle.

(d) Further subsequent authorizations.—Upon completion of the turnpike extensions and improvements set forth in subsections (a), (b) and (c), the commission is hereby authorized and empowered to construct, operate and maintain further extensions and improvements of the turnpike at such specific locations and according to such schedules as shall be deemed feasible and which shall be approved by the commission, subject to the waiver of the Federal toll prohibition provisions where applicable, as follows:

(1) From a point at or near the intersection of State Route 65 and Crows Run Road in Beaver County, in a southeasterly direction to a point at or near the Perry Highway Interchange of the Pennsylvania Turnpike.

(2) From a point at or near Exit 5 of the turnpike northerly to Brookville, Jefferson County, to a point at the intersection with Interstate Route 80.

(3) From a point at or near the Pennsylvania Turnpike System into various areas of Berks County in order to complete the construction of the inner loop system and outer loop system of highways surrounding the City of Reading and to complete the missing links on Routes 222 to 422 to 1035.

(4) From a point at or near the intersections of Interstate Route 70, Interstate Route 76 and T.R.119 in the Borough of Youngwood, Westmoreland County, in a northerly direction along T.R.119 and T.R.66 to the intersection of T.R.22 with a bypass around the City of Greensburg, Westmoreland County; thence north on T.R.66 to T.R.356; thence north on T.R.356 to the intersection with T.R.28.

(5) From a point at or near the intersection of T.R.66 and T.R.22 in Salem Township, Westmoreland County; thence in a westerly direction paralleling T.R.22 to Exit 6 of Interstate 76.

(e) Conversion to toll roads.—In order to facilitate vehicular traffic within and across the Commonwealth, and after completion of the turnpike extensions and improvements authorized in subsection (a), and subject to prior legislative approval by the General Assembly and the United States Congress, the Pennsylvania Turnpike Commission is hereby authorized and empowered to convert to toll roads such portions of Pennsylvania's interstate highway system as may be required in order to facilitate the completion of the turnpike extensions and improvements authorized in subsections (b), (c) and (d) and to operate and maintain such converted interstates as toll roads upon the approval by the Congress of the United States of America and the General Assembly of this Commonwealth of legislation expressly

permitting the conversion of such interstates to toll roads. Such conversions shall take place at a time and manner set forth in the plan for the conversion prepared by the Pennsylvania Department of Transportation. The provisions authorizing the commission to construct, operate and maintain the turnpike routes in subsections (b), (c) and (d) shall be subject to:

(1) the prior passage by the Congress of the United States and the General Assembly of this Commonwealth of legislation permitting the conversion of certain interstates to toll roads; or

(2) the availability of such other funds as might become available in amounts that would be sufficient to fund to completion any of the individual turnpike extensions and improvements set forth in subsections (b), (c) and (d) so long as no turnpike extension or improvement authorized by subsection (d) is undertaken until after all the turnpike extensions authorized by subsection (c) are completed and no turnpike extension authorized by subsection (c) is undertaken until after all the turnpike extensions and improvements authorized by subsection (b) are completed. The commission is authorized to use Federal funds which may be available for toll roads only pursuant to the approval of the Secretary of Transportation and only pursuant to the authority granted in section 19.

(f) Turnpike system.—The turnpikes and the future toll road conversions authorized by this act are hereby or shall be made part of the Pennsylvania Turnpike System, as provided in the act of August 14, 1951 (P.L.1232, No.282), referred to as the Pennsylvania Turnpike System Financing Act.

Section 4. Status of turnpike revenue bonds, notes or other obligations.

The turnpike revenue bonds, notes or other obligations issued under the provisions of this act shall not be deemed to be a debt of the Commonwealth or a pledge of the faith and credit of the Commonwealth, but such bonds, notes or other obligations shall be payable solely from the revenues of the commission, including tolls, or from such funds as may be available to the commission for that purpose. All such bonds, notes or other obligations shall contain a statement on their face that the Commonwealth is not obligated to pay the same or the interest thereon except from revenues of the commission, including tolls, or from such funds as may be available to the commission for that purpose and that the faith and credit of the Commonwealth is not pledged to the payment of the principal or interest of such bonds, notes or other obligations. The issuance of turnpike revenue bonds, notes or other obligations under the provisions of this act shall not directly or indirectly or contingently obligate the Commonwealth to levy or to pledge any form of taxation whatever therefor or to make any appropriation for their payment.

Section 5. Pennsylvania Turnpike Commission membership and term of office.

(a) Appointments prior to June 4, 1987.—Notwithstanding any other law to the contrary, vacancies in the membership of the commission existing on or after the effective date of this section until June 4, 1987, shall be filled as provided in paragraph (1) or (2), whichever is applicable:

(1) (i) Any vacancy which:

(A) has occurred prior to the effective date of this section because of the expiration of the term of a member, and as to which vacancy either:

(I) the member continues to serve pending the appointment and qualification of his successor; or

(II) the member, having held over, departs the commission after September 17, 1985, but prior to the appointment of a successor; or

(B) occurs after the effective date of this section for a reason other than the expiration of the term of a member; or

(C) has occurred between September 17, 1985, and the effective date of this section for a reason other than the expiration of the term of a member;

shall be filled by appointment of the Governor by and with the advice and consent of two-thirds of the members elected to the Senate.

(ii) A member whose term has expired:

(A) prior to the effective date of this section; or

(B) after the effective date of this section but prior to June 4, 1987, shall continue to hold office until his successor is appointed and qualified, or for 90 days following June 4, 1987, whichever period is shorter.

(iii) Members appointed under the provisions of this paragraph shall serve for a term of four years. Upon the expiration of that term, such appointed member may continue to hold office for 90 days or until his successor shall be duly appointed and qualified, whichever period is shorter, but shall not continue to hold office thereafter unless reappointed in accordance with law.

(2) (i) Any other vacancy not described in paragraph (1) shall be filled by appointment of the Governor without the advice and consent of the Senate. Any member appointed in this manner shall serve for a term ending June 4, 1987.

(ii) Upon the expiration of his term, an appointed member may continue to hold office for 90 days or until his successor shall be duly appointed and qualified, whichever period is shorter, but shall not continue to hold office thereafter unless reappointed in accordance with the provisions of subsection (b) of this section.

(iii) Any vacancy occurring with respect to the office of a member appointed pursuant to this paragraph shall be filled as provided by this paragraph.

(b) Appointment after June 4, 1987.—Notwithstanding any other law to the contrary, after June 4, 1987, any vacancy in the membership of the commission shall be filled by appointment of the Governor by and with the advice and consent of a majority of the members elected to the Senate. Such appointed member shall serve for a term of four years. Upon the expiration of this term, an appointed member may continue to hold office for 90 days or until his successor shall be duly appointed and qualified, whichever period

is shorter, but shall not continue to hold office thereafter unless reappointed in accordance with law.

(c) Appointment of additional temporary member.—Notwithstanding any other law to the contrary, the Governor shall appoint, without the advice and consent of the Senate, one additional member to serve on the commission. The term of the temporary additional member shall expire on June 4, 1987, and an appointment to replace such member shall not be made to the commission on or after June 5, 1987. Any vacancy occurring with respect to the office of the temporary additional member prior to June 4, 1987, shall be filled as provided by this subsection. The additional temporary member shall not continue to hold office in any capacity after June 4, 1987.

(d) Secretary of Transportation.—The provisions of subsections (a) and (b) of this section shall not apply to the appointment of the Secretary of Transportation who shall continue to be appointed and to serve as a member of the commission ex officio in accordance with law.

(e) Chairman.—Upon the effective date of this section and until and including June 4, 1987, the Governor shall appoint from among the members of the commission a member to serve as chairman of the commission for a term extending until June 4, 1987. On and after June 5, 1987, a majority of the members of the commission shall elect a member of the commission to serve as chairman. On or after June 5, 1987, upon the appointment and qualification of any new member to serve on the commission, the office of chairman, and the positions of all other officers created by law, shall be deemed vacant and a new chairman and other officers shall be elected by a majority of the members of the commission.

(f) Actions by the commission.—Notwithstanding any other law, court decision, precedent or practice to the contrary, any and all actions by or on behalf of the commission shall be taken solely upon the approval of a majority of the members to the commission. Upon the effective date of this section and until and including June 4, 1987, “a majority of the members of the commission” shall mean four members of the commission. Thereafter, a majority of the members of the commission shall mean three members of the commission. The term “actions by or on behalf of the commission” means any action whatsoever of the commission, including, but not limited to, the hiring, appointment, removal, transfer, promotion or demotion of any officers and employees; the retention, use or remuneration of any advisors, counsel, auditors, architects, engineers or consultants; the initiation of any legal action; the making of any contracts, leases, agreements, bonds, notes or covenants; the approval of requisitions, purchase orders, investments and reinvestments; and the adoption, amendment, revision or rescission of any rules and regulations, orders or other directives. The chairman, vice chairman or any other officer or employee of the commission may take no action by or on behalf of the commission except as expressly authorized by a majority of the members of the commission.

Section 6. Exercise of commission powers deemed essential governmental function.

The exercise by the commission of the powers conferred by this act in the construction, operation and maintenance of the turnpikes and in effecting toll road conversions shall be deemed and held to be an essential governmental function of the Commonwealth.

Section 7. Commission powers and duties enumerated; payment of maintenance.

(a) Powers and duties of commission.—The commission is authorized to:

(1) Maintain a principal office at such place as shall be designated by the commission.

(2) Contract and be contracted within its own name.

(3) Sue and be sued in its own name, plead and be impleaded. Any and all actions at law or in equity against the commission shall be brought only in the courts in which such actions may be brought against the Commonwealth.

(4) Have an official seal.

(5) Make necessary rules and regulations for its own government.

(6) Acquire, hold, accept, own, use, hire, lease, exchange, operate and dispose of personal property, real property and interests in real property, and to make and enter into all contracts and agreements necessary or incidental to the performance of its duties and the execution of its powers under this act, and to employ engineering, traffic, architectural and construction experts and inspectors, attorneys, and other employees as may in its judgment be necessary, and fix their compensation.

(7) Provide grade separations, at its own expense, with respect to all public roads, State highways and interstate highways intersected by the turnpikes and to change and adjust the lines and grades thereof so as to accommodate the same to the design for such grade separation. The damages incurred in changing and adjusting the lines and grades of public roads, State highways and interstate highways shall be ascertained and paid by the commission in accordance with the act of June 22, 1964 (Sp.Sess., P.L.84, No.6), known as the Eminent Domain Code. If the commission shall find it necessary to provide a grade separation or change the site of any portion of any interstate highway, State highway or public road, or vacate the same, it shall cause it to be reconstructed and restored forthwith, at the commission's own proper expense, on the most favorable location and in as satisfactory a manner as the original road, or vacate it, as the case may be. The method of acquiring the right-of-way and determining damages incurred in changing the location of or vacating such road, State highway or interstate highway shall be ascertained and paid for in accordance with the act of June 22, 1964 (Sp.Sess., P.L.84, No.6), known as the Eminent Domain Code.

(8) Petition the court of common pleas of the county wherein is situate any public road or part thereof affected by the location therein of the turnpikes, for the vacation, relocation or supply of the same, or any part thereof, with the same force and effect as is now given by existing laws to the inhabitants of any township or such county, and the proceedings upon

such petition, whether it be for the appointment of viewers or otherwise, shall be the same as provided by existing law for similar proceedings upon the petitions.

(9) Have all of the powers and perform all the duties prescribed by the act of May 21, 1937 (P.L.774, No.211), referred to as the Pennsylvania Turnpike Commission Act.

(b) Maintenance to be paid out of tolls.—The turnpike extensions and improvements and the conversion of toll-free roads to toll roads when completed and open to traffic shall be maintained and repaired by and under the control of the commission. All charges and costs for the maintenance and repairs actually expended by the commission shall be paid out of tolls. The turnpike, the turnpike extensions and improvements and the toll-free roads converted to toll roads shall also be policed and operated by a force of police, toll takers and other operating employees as the commission may, in its discretion, employ.

Section 8. Expenses and bonding of commission members.

(a) Payment of expenses.—All compensation and salaries and all expenses incurred in carrying out the provisions of this act shall be paid solely from funds provided under the authority of this act, and no liability or obligation shall be incurred hereunder beyond the extent to which money shall have been provided under the authority of this act.

(b) No additional bond required.—The issuance of any turnpike revenue bonds, notes or other obligations under the provisions of this act shall not cause any member of the commission to be required to execute a bond that a member of the commission is not otherwise required to execute.

Section 9. Acquisition of property rights by commission.

(a) Condemnation.—The commission is hereby authorized and empowered to condemn, pursuant to the provisions of the act of June 22, 1964 (Sp.Sess., P.L.84, No.6), known as the Eminent Domain Code, any lands, interests in lands, property rights, rights-of-way, franchises, easements and other property deemed necessary or convenient for the construction and efficient operation of the turnpikes and the toll road conversions or necessary in the restoration or relocation of public or private property damaged or destroyed.

(b) Purchase.—The commission is hereby authorized and empowered to acquire by purchase, whenever it shall deem such purchase expedient, or otherwise accept if dedicated to it, any lands, interests in lands, property rights, rights-of-way, franchises, easements and other property deemed necessary or convenient for the construction and efficient operation of the turnpikes and toll road conversions or necessary in the restoration of public or private property damaged or destroyed, whether the same had theretofore been condemned or otherwise, upon such terms and at such price as may be considered by it to be reasonable and can be agreed upon between the commission and the owner thereof, and to take title thereto in the name of the commission. The net proceeds of the purchase price payable to a municipality or the Department of Transportation for any real property or interest therein obtained by the commission pursuant to this act, less the cost of retiring any

bonded indebtedness on such property or interest, shall be used exclusively, in the case of a municipality, for road and bridge-related expenses and, in the case of the Department of Transportation, for highway and bridge construction, reconstruction and maintenance in the same engineering and maintenance district wherein the subject property is located.

Section 10. Procedural requirements of acquisition.

(a) Title.—Title to any property condemned by the commission shall be taken in the name of the commission.

(b) Entry.—In addition to the foregoing powers, the commission and its authorized agents and employees may enter upon any lands, waters and premises in this Commonwealth for the purpose of making surveys, soundings, drillings and examinations, as it may deem necessary or convenient for the purpose of this act, and the entry shall not be deemed a trespass, nor shall an entry for such purposes be deemed an entry under any condemnation proceedings which may be then pending. The commission shall make reimbursement for any actual damages resulting to the lands, waters and premises as a result of the activities.

(c) Restoration of property.—All public or private property damaged or destroyed in carrying out the powers granted by this act shall be restored or repaired and placed in their original condition as nearly as practicable or adequate compensation made therefor out of funds provided under the authority of this act.

(d) Powers of public bodies.—All political subdivisions and all public agencies and commissions of the Commonwealth, notwithstanding any contrary provision of law, are hereby authorized and empowered to lease, lend, dedicate, grant, convey or otherwise transfer to the commission, upon its request, upon such terms and conditions as the proper authorities of such political subdivisions or public agencies and commissions of the Commonwealth may deem reasonable and fair and without the necessity for any advertisement, order of court or other action or formality, other than the regular and formal action of the authorities concerned, any real property which may be necessary or convenient to the effectuation of the authorized purposes of the commission, including public roads and other real property already devoted to public use.

Section 11. Entry and possession of property condemned.

Whenever the commission has condemned any lands, rights, rights-of-way, easements and franchises, or interests therein, as provided in this act, the commission may proceed to obtain possession in the manner provided by the act of June 22, 1964 (Sp.Sess., P.L.84, No.6), known as the Eminent Domain Code.

Section 12. Issuance of turnpike revenue bonds, notes or other obligations.

(a) Issuance of bonds.—The commission is hereby authorized to provide, by resolution, at one time or from time to time, for the issuance of turnpike revenue bonds, notes or other obligations of the commission for the purpose of paying the cost of the turnpikes, as defined in section 2, including the reconstruction of the converted roads as provided for in this act and the repayment to the Federal Treasury of any funds so required to be repaid pur-

suant to any special legislation passed by the Congress of the United States authorizing the conversion of toll-free roads to toll roads. The principal and interest of the bonds, notes or other obligations shall be payable solely from revenues of the commission, including tolls collected on the various turnpike extensions, improvements and toll road conversions authorized by this act and those tolls collected on the Pennsylvania Turnpike System, subject to the terms of any trust indenture heretofore entered into by the commission and any existing bond resolution of the commission or from such funds as may be available to the commission for that purpose. The bonds, notes or other obligations shall be dated, shall bear interest at such rate or rates acceptable to the commission, shall mature at such time or times not exceeding 40 years from their date or dates, as may be determined by the commission, and may be made redeemable before maturity, at the option of the commission, at such price or prices and under such terms and conditions as may be fixed by the commission prior to the issuance of the bonds, notes or other obligations. The principal and interest of such bonds, notes or other obligations may be made payable in any lawful medium. The commission shall determine the form of bonds, notes or other obligations, including any interest coupons to be attached thereto, and shall fix the denomination or denominations of the bonds, notes or other obligations, and the place or places of payment of principal and interest thereof, which may be at any bank or trust company within or without the Commonwealth. The bonds, notes or other obligations shall be approved by and shall bear the facsimile signatures of the Governor and of the chairman of the commission, and the facsimile of the official seal of the commission shall be affixed thereto, and attested by the secretary and treasurer of the commission, and any coupons attached thereto shall bear the facsimile signature of the chairman of the commission. In case any officer whose signature or a facsimile of whose signature shall appear on any bonds, notes or other obligations or coupons shall cease to be such officer before the delivery of such bonds, notes or other obligations, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes, the same as if he had remained in office until such delivery.

(b) Form of bonds.—The bonds, notes or other obligations authorized herein may be issued in bearer or registered form, with or without coupons attached as the commission may determine, and provision may be made for the registration of any coupon bonds as to principal alone and also as to both principal and interest, and registered and coupon bonds, notes or other obligations may be made interchangeable. The commission may sell such bonds, notes or other obligations in such manner and for such price as it may determine to be for the best interest of the Commonwealth.

(c) Use of bond proceeds.—The proceeds of such bonds, notes or other obligations shall be used for the payment of the cost of the turnpikes and the toll road conversions, including the reconstruction of the converted roads as provided for in this act and the repayment to the Federal Treasury of any funds so required to be repaid pursuant to any special legislation passed by the Congress of the United States authorizing the conversion of toll-free roads to toll roads, and shall be disbursed upon requisition of the chairman

of the commission under such restrictions, if any, as the resolution authorizing the issuance of the bonds, notes or other obligations, or any trust indenture or other agreement entered into by the commission, may provide. If the proceeds of the bonds, notes or other obligations shall exceed the cost of the turnpikes and the toll road conversions, including the reconstruction of the converted roads as provided for in this act and the repayment to the Federal Treasury of any funds so required to be repaid pursuant to any special legislation passed by the Congress of the United States authorizing the conversion of toll-free roads to toll roads, such excess proceeds shall be set aside and applied to the payment of the principal and the interest of such bonds, notes or other obligations as are issued pursuant to this act. Prior to the preparation of definitive bonds, notes or other obligations, the commission may, under like restrictions, issue temporary bonds, notes or other obligations with or without coupons, exchangeable for definitive bonds, notes or other obligations upon the issuance of the latter. The commission may also provide for the replacement of any bond, note or other obligation which shall become mutilated or be destroyed or lost. Such turnpike revenue bonds, notes or other obligations may be issued without any other proceedings or the happening of any other conditions or things than those proceedings, conditions and things which are specified and required by this act.

(d) **Power to borrow.**—The commission is hereby authorized to borrow money, from time to time, to provide for preliminary or interim financing, up to, but not exceeding, the estimated total cost of the turnpikes and the toll road conversions, including the reconstruction of said converted roads as provided for in this act and the repayment to the Federal Treasury of any funds so required to be repaid pursuant to any special legislation passed by the Congress of the United States authorizing the conversion of toll-free roads to toll roads, and to evidence such borrowing by the issuance of turnpike notes or other obligations of the commission and, in its discretion, to pledge as collateral for such notes or other obligations, turnpike revenue bonds, notes or other obligations issued under the provisions of this act, and to renew any such notes or other obligations, from time to time, and the payment or retirement of such notes or other obligations shall be considered to be payment of the cost of the projects authorized by this act.

(e) **Bonds as securities.**—The bonds, notes or other obligations authorized herein are hereby made securities in which all State and municipal officers and administrative departments, boards and commissions of the Commonwealth; all banks, bankers, savings banks, trust companies, saving and loan associations, investment companies and other persons carrying on a banking business; all insurance companies, insurance associations and other persons carrying on an insurance business; and all administrators, executors, guardians, trustees and other fiduciaries; and all other persons whatsoever who now or may hereafter be authorized to invest in bonds or other obligations of the Commonwealth, may properly and legally invest any funds, including capital, belonging to them or within their control, and the bonds, notes or other obligations are hereby made securities which may properly and legally be deposited with and received by any State or municipal officer

or agency of the Commonwealth, for any purpose for which the deposit of bonds, notes or other obligations of the Commonwealth is now or may hereafter be authorized by law.

(f) Negotiable instruments.—All such bonds, notes or other obligations authorized herein shall have and are hereby declared to have all the qualities and incidents of negotiable instruments under the laws of this Commonwealth.

Section 13. Obligation proceeds restricted and lien created.

All moneys received from any bonds, notes or other obligations issued pursuant to this act shall be applied solely to the payment of the cost of the turnpike, the turnpike extensions and improvements and the toll road conversions, including the reconstruction of said converted roads as provided for in this act and the repayment to the Federal Treasury of any funds so required to be repaid pursuant to any special legislation passed by the Congress of the United States authorizing the conversion of toll-free roads to toll roads or to the appurtenant fund, and there is created and granted a lien upon such moneys, until so applied, in favor of holders of such bonds, notes or other obligations or the trustee hereinafter provided for in respect of such bonds, notes or other obligations.

Section 14. Trust indenture authorized.

(a) Security for bonds.—In the discretion of the commission, such bonds, notes or other obligations may be secured by a trust indenture by and between the commission and a corporate trustee, which may be any trust company or bank having the powers of a trust company, within this Commonwealth. Such trust indenture may pledge or assign tolls and revenue to be received but shall not convey or mortgage the Pennsylvania Turnpike System, including the turnpikes and toll road conversions provided for by this act or any part thereof.

(b) Rights of bondholders.—Either the resolution providing for the issuance of such bonds, notes or other obligations or such trust indenture may contain such provisions for protecting and enforcing the rights and remedies of the bondholders or holders of notes or other obligations as may be reasonable and proper and not in violation of law, including covenants setting forth the duties of the commission in relation to the acquisition of properties and the construction, maintenance, operation and repair, and insurance of, the turnpikes, and the custody, safeguarding and application of all moneys. It shall be lawful for any bank or trust company incorporated under the laws of this Commonwealth to act as a depository of the proceeds of bonds, notes or other obligations or revenues and to furnish such indemnity bonds or to pledge such securities as may be required by the commission. The trust indenture may set forth the rights and remedies of the bondholders or holders of notes or other obligations and of the trustee and may restrict the individual right of action of bondholders or holders of notes or other obligations as is customary in trust indentures securing bonds, debentures of corporations, notes or other obligations. In addition to the foregoing, the trust indenture may contain such other provisions as the commission may deem reasonable and proper for the security of bondholders or holders of notes or

other obligations. All expenses incurred in carrying out the trust indenture may be treated as part of the cost of maintenance, operation and repair of the turnpikes and toll road conversions provided for by this act.

Section 15. Commission and obligations tax exempt.

The accomplishment by the commission of the authorized purposes stated in this act being for the benefit of the people of the Commonwealth and for the improvement of their commerce and prosperity, in which accomplishment the commission will be performing essential governmental functions, the commission shall not be required to pay any taxes or assessments on any property acquired or used by it for the purposes provided in this act, and the bonds, notes or other obligations issued by the commission, their transfer and the income therefrom, including any profits made on the sale thereof, shall at all times be free from taxation within the Commonwealth.

Section 16. Collection and disposition of tolls and other revenue.

(a) Establishment and changes in toll amounts.—Subject to the terms of any trust indenture entered into by the commission and any resolution authorizing the issuance of any bonds, notes or other obligations of the commission, the commission is hereby authorized to fix, and to revise, from time to time, tolls for the use of the Pennsylvania Turnpike System and the different parts or sections thereof, including the turnpike, the turnpike extensions and improvements and the toll road conversions authorized by this act, and to charge and collect the same, and to contract with any person, partnership, association or corporation desiring the use of any part thereof, including the right-of-way adjoining the paved portion, for placing thereon telephone, telegraph, electric light or power lines, gas stations, garages, stores, hotels, restaurants and advertising signs, or for any other purpose, except for tracks for railroad or railway use, and to fix the terms, conditions, rents and rates of charges for such use. Tolls shall be so fixed and adjusted as to provide funds at least sufficient with other revenues of the Pennsylvania Turnpike System, if any, to pay:

(1) the cost of constructing, maintaining, repairing and operating the Pennsylvania Turnpike System and the different parts and sections thereof; and

(2) any bonds, notes or other obligations and the interest thereon of the commission, and all sinking fund requirements of the commission, and other requirements provided for by any resolution authorizing the issuance of the bonds, notes or other obligations by the commission, or by any trust indenture to which the commission is a party, as the same shall become due.

(b) Restrictions on toll revenue.—Tolls shall not be subject to supervision or regulation by any other State commission, board, bureau or agency. Subject to the terms of any presently existing trust indenture entered into by the commission and any presently existing resolution authorizing the issuance of any bonds, notes or other obligations of the commission, the tolls and all other revenue derived from the Pennsylvania Turnpike System shall be set aside and pledged as may be provided in any resolutions, trust indentures or any other agreements that the commission may hereafter adopt or

hereafter enter into with respect to the issuance of bonds, notes or other obligations of the commission.

Section 17. Refunding bonds.

The commission is hereby authorized to provide, by resolution, for the issuance of turnpike revenue refunding bonds for the purpose of refunding any turnpike revenue bonds, notes or other obligations issued and then outstanding. The issuance of such turnpike revenue refunding bonds, the maturities and other details thereof, the rights of the holders thereof, and the duties of the Commonwealth and of the commission in respect to the same, shall be governed by the provisions of this act insofar as the same may be applicable.

Section 18. Rights of obligation holders and trustees.

Any holder of bonds, notes or other obligations issued under the provisions of this act, or any of the coupons attached thereto, and the trustee under the trust indenture, if any, except to the extent the rights herein given, may be restricted by resolution passed before the issuance of the bonds, notes or other obligations, or by the trust indenture, may, either at law or in equity, by suit, action, mandamus or other proceedings, protect and enforce any and all rights granted hereunder or under such resolution or trust indenture and may enforce and compel performance of all duties required by this act or by such resolution or trust indenture to be performed by the commission or any officer thereof, including the fixing, charging and collecting of tolls for the use of the turnpikes.

Section 19. Authority granted to the Secretary of Transportation.

(a) Agreement with Federal Government.—The Secretary of Transportation is hereby authorized and empowered to enter into an agreement with the United States Department of Transportation, the Federal Highway Administration and any other Federal agency pursuant to section 105 of the Federal-Aid Highway Act of 1978 (Public Law 95-599), in order to obtain Federal funds for projects for resurfacing, restoring and rehabilitating toll roads in Pennsylvania. The commission is authorized to use Federal funds which may be available for toll roads only pursuant to the approval of the Pennsylvania Secretary of Transportation and only pursuant to the authority granted in this section.

(b) Approval by department.—All contracts and agreements relating to the construction of the turnpikes and connecting tunnels and bridges shall be approved by the Department of Transportation.

Section 20. Construction of act.

This act shall be deemed to provide an additional and alternative method for the doing of things authorized thereby and shall be regarded as supplemental and additional to powers conferred by other laws and shall not be regarded as in derogation of any powers now existing and shall be liberally construed to effect the purposes thereof.

Section 21. Repeals.

(a) Absolute repeals.—The following acts and parts of acts are repealed:

Section 18 of the act of May 16, 1940 (1941 Sp.Sess., P.L.949, No.11), known as the Pennsylvania Turnpike Philadelphia Extension Act.

Section 18 of the act of June 11, 1941 (P.L.101, No.53), known as the Western Pennsylvania Turnpike Extension Act.

Section 18 of the act of May 23, 1951 (P.L.335, No.74), known as the Pennsylvania Turnpike Delaware River Extension Act.

Section 18 of the act of September 27, 1951 (P.L.1430, No.348), known as the Pennsylvania Turnpike Northeastern Extension Act.

Section 18 of the act of May 15, 1956 (1955 P.L.1589, No.534), known as the Pennsylvania Turnpike Philadelphia Loop Extension Act.

(b) Inconsistent repeals.—The following acts and parts of acts are repealed insofar as they are inconsistent with this act:

Act of May 21, 1937 (P.L.774, No.211), entitled “An act to facilitate vehicular traffic between the eastern and western sections of the Commonwealth by providing for the construction, operation and maintenance of a turnpike from a point at or near Middlesex in Cumberland County to a point at or near Irwin in Westmoreland County; providing for the creation of the Pennsylvania Turnpike Commission, and conferring powers and imposing duties on said commission; authorizing the issuance of turnpike revenue bonds of the Commonwealth, payable solely from tolls, to pay the cost of such turnpike; providing that no debt of the Commonwealth shall be incurred in the exercise of any of the powers granted by this act; providing for the collection of tolls for the payment of such bonds and for the cost of maintenance, operation and repair of the turnpike; making such bonds exempt from taxation; constituting such bonds legal investments in certain instances; prescribing conditions upon which such turnpike shall become free; providing for condemnation; granting certain powers and authority to municipal subdivisions and agencies of the Commonwealth to cooperate with the commission; and authorizing the issuance of turnpike revenue refunding bonds.”

(c) Partial repeal.—Section 207.1(c)(2) of the act of April 9, 1929 (P.L.177, No.175), known as The Administrative Code of 1929, is repealed to the extent that it requires a vote of two-thirds of the members elected to the Senate to confirm appointments to the Pennsylvania Turnpike Commission made pursuant to section 5(b) of this act and requires the advice and consent of the Senate in any manner for appointments to the Pennsylvania Turnpike Commission made pursuant to section 5(a)(2) and (c) of this act.

(d) General repeal.—All other acts and parts of acts are repealed insofar as they are inconsistent with this act.

Section 22. Effective date.

Except for sections 5 and 21(c) which shall take effect immediately, this act shall take effect 30 days following the commissioning of a member to fill the vacancy existing in commission membership pursuant to section 5(a)(2) at the time of enactment of this act and the appointment of the temporary additional member as provided by section 5(c) of this act.

APPROVED—The 30th day of September, A. D. 1985.

DICK THORNBURGH