

TO: The Honorable Members of the House Transportation Committee

FROM: Allie Kutz, Manager, Government Affairs

DATE: April 7, 2025

RE: PA Chamber Memo: Support H.B. 1085

Removing the State Police from the Motor License Fund

On behalf of the PA Chamber of Business and Industry, I urge you to vote in support of House Bill 1085, which is scheduled for consideration in the House Transportation Committee this morning.

House Bill 1085 would expedite the removal of PA State Police (PSP) funding from the Motor License Fund (MLF) fully phasing it out by 2026-2027, authorizing one final appropriation of \$125 million next year in fiscal year 2025-2026 and \$0 in each year thereafter. The Governor recently proposed stepping down the PSP's reliance on the MLF by only \$50 million per year until it is completely removed in fiscal year 2029-2030. House Bill 1085 significantly speeds up this timeline to maximize infrastructure funding sooner.

It is well-documented that public investment in transportation infrastructure yields high returns in resulting economic activity. Investment in roads and bridges directly results in increased business competitiveness, job creation, economic development, and enhanced safety and efficiency for commercial, commuter, and leisure transportation.

The MLF is the primary source of funding for maintaining roads and bridges, with revenues generated from the gas tax, motor vehicle fees, driver's license fees, and other Vehicle Code provisions. However, since 1937, a portion of the PSP's annual budget has been drawn from the MLF, diverting significant funds away from greatly needed infrastructure projects. Since 2013 alone, over \$6.3 billion that should have been invested in roads and bridges has instead been allocated to PSP operations.

The PA Chamber strongly supports this legislative effort to fully remove the PA State Police from the Motor License Fund to ensure that these critical resources are dedicated solely to repairing and maintaining Pennsylvania's roads and bridges. We urge legislators to support House Bill 1085 and commend Chairman Neilson and Chairman Benninghoff for their bipartisan leadership on this critical legislation.

For questions or further discussion, please contact Allie Kutz, Manager of Government Affairs, at 717-439-4829 or <a href="mailto:akutz@pachamber.org">akutz@pachamber.org</a>.

<u>Click here</u> to check the PA Chamber Legislative Scorecard.