PENNSYLVANIA DEPARTMENT OF THE
AUDITOR GENERAL
FACT SHEET

Pennsylvania Turnpike Commission Performance Audit Fact Sheet

Background

Every four years, the department is required to conduct a performance audit of the Pennsylvania Turnpike Commission to look at its procedures, operating and capital budgets, and debt and accounts. This most recent performance audit covered the period of June 1, 2022, through May 31, 2025.

The audit had two objectives: determine if the Commission's revenue collections are meeting projected expectations to cover its payment obligations and planned capital improvement projects; and evaluate the Commission's process for collecting tolls, determine the amounts of paid and unpaid tolls, and access whether all applicable enforcement mechanisms are being properly utilized to collect unpaid tolls.

What did the audit find?

The audit had **five findings**:

In Finding 1, we found that the Commission continues to face significant challenges to raise toll revenue to make future payments to PennDOT under the Act 44/89 financial structure, associated debt payments, and capital contributions.

In Finding 2, we found toll increases driven by Act 44/89 continue to burden travelers, including the need for the Commission to annually increase toll rates through 2055. However, since the annual payment to PennDOT decreased, the Commission's credit rating has improved, and they have been able to invest in the Turnpike's future improvement beyond maintenance.

In Finding 3, we found the implementation of Open Road Tolling (ORT) resulted in a mix of increases and decreases to both passenger and commercial vehicles' toll rates. However, by implementing the new formula, the Commission aligned the Turnpike with the industry standards that base tolls on the number of vehicle axles and vehicle height.

In Finding 4, we found that the Commission has seen a significant increase in bad debt expense and the amounts reported for uncollected and unbillable tolls since the implementation of all electronic tolling in June 2020. The increase was due to non-payment from both in and out-of-state travelers.

In Finding 5, we found that the Commission must continue to seek new ways to collect tolls from travelers. Although the Pennsylvania General Assembly and the Commission implemented additional toll collection enforcement methods since our prior audit report, we found those efforts did not result in the actually collecting outstanding tolls.

What did the auditors recommend to fix these issues?

Auditors provided 19 recommendations; 12 directed to the Commission, two to the Pennsylvania General Assembly and five to both the Commission and the General Assembly. We recommend the General Assembly put together a task force to develop and enact legislation that will help mitigate the Turnpike's massive debt; recommend the Commission closely monitor the performance of the two debt collection agencies to help recover the money it is owed and adjust the number of agencies accordingly if higher collection rates are not achieved; and recommend the Commission make it easier to pay toll bills through tools like Venmo or Cash App. Auditors even recommend finding ways to attach unpaid bills to the individual's credit score like any other creditor. Read the full list of recommendations.

Where does the Turnpike Commission get its money from?

The Commission generally receives its operating revenue from customer tolls and fees, which accounts for 84% or more of the total revenue. It also receives funding from the Commonwealth's oil company franchise tax revenues and the motor license registration fee revenues in annual capital contributions.

What is Act 44/Act 89?

Act 44 was enacted to generate revenue for road and bridge repairs and for public transit agencies across the state. Under Act 44, the Commission was required to make significant annual payments to PennDOT through 2057.

Act 89 amended Act 44. It reduced the payment amount the Commission must pay PennDOT and allowed those payments to be dedicated to support transit capital, operating, multi-modal and other non-highway programs.

What is a performance audit?

A performance audit looks at whether state-funded programs and activities are meeting their goals and objectives, and if tax dollars are being spent efficiently and effectively.

Where can I see the full audit report?

Read the entire audit report.

Where can I find more information about the audits you perform and how to read an audit?

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