



**PENNSYLVANIA TRANSPORTATION FUNDING ISSUES 2011**  
**- Need for Long-Term Solution -**

**A. The Federal Recovery Package was a welcome supplement to last year's budget, however, Pennsylvania's Transportation needs far exceed the level of resources that were committed by the Federal Stimulus package.**

- The Recovery Package was a one time allocation of Federal Funds.
- Pennsylvania is receiving approximately \$1.027B. This amount is less than one year's normal allocation of Federal Funds to Pennsylvania.
- Pennsylvania responded very well and almost all of the projects are finished or will be finished in 2011. The focus of these projects was on sustaining and creating jobs while providing some stimulus to address the infrastructure needs. The scope of these projects include: bridge rehabilitation and replacement, resurfacing, enhancements, guiderail updates, ADA modifications and ITS features such as variable message signs. These projects did not generally address "smart transportation," congestion mitigation and capacity expansion. The economic benefit is ending, and the Transportation Industry is facing a bleak future.

**B. Pennsylvania's Infrastructure Size and Needs**

- In 2006, the Transportation Funding and Reform Commission estimated the transportation funding gap at \$1.5 billion per year for incremental improvement and very limited capacity expansion projects, and \$2.1 billion per year for improved mobility including limited capacity expansion projects (including projected savings).
- The more recent Transportation Advisory Committee (TAC) Report has updated the current annual transportation funding gap to \$3.5 billion. This includes \$2.576 billion for state highways and bridges, \$432 million for local transportation funding and \$484 million for transit.
- The need for maintaining the existing system is a constant challenge as this system continues to age. Asset management, with a preservation focus, requires a significant portion of this budget. Although the roads have already been constructed and paid for, the cost to repair and reconstruct them far exceed available funding.
- Additional highway funding needs must be addressed. Since the tolling of I-80 was not approved by FHWA, total transportation funding dropped by \$450 million on July 1, 2010, as outlined in Act 44. Highway and bridge funding dropped by approximately \$300 million.
- Pennsylvania's highway network (40,000 state and 76,000 local miles) and bridge system (25,000 state and 10,000 to 15,000 local bridges over 8

feet) ranks as fifth largest in the nation for the number of state-owned highways and third largest in the nation for the number of state-owned bridges greater than 20 feet in length. Truck traffic on Pennsylvania's 1754 miles of Interstate roads (including the Turnpike) is more than double the national average.

- The disapproval of tolling on I-80 results in about 300 fewer miles and 100 fewer bridges being repaired each year.
- Currently, many miles of roads are at, or exceed their capacities and that number is projected to increase over the next 10 years. As a result, average commute times in congested urban areas are expected to increase.
- The measures that have been proposed over the past few years, including Act 44 and the lease of the Turnpike, have not succeeded. Additional funding gaps remain and at this time, Pennsylvania is borrowing money to fix approximately 400 of the approximately 5600 structurally deficient bridges, while capacity expansion projects are delayed or eliminated.
- "Smart Transportation," congestion mitigation and selective capacity expansions are all important components to achieve an improved network.

### **C. Long-Term Economic Benefits**

- Transportation investment spurs economic activity and job creation, both in direct and indirect jobs. The positive initial steps of the Recovery Package are lost without sustainable and enhanced funding.
- Infrastructure investment fueled America's economic growth through the last half of the 20<sup>th</sup> Century, but that capacity has been used up.
- Other countries are spending a significantly larger proportion of their gross domestic product on infrastructure; consequently the U.S. is in danger of losing our historical competitive edge.
- A comprehensive solution must not pit geographic regions or classifications of motorists against one another.
- We must think of the solution as an investment not merely a cost. The long-term solution must be comprehensive, not piecemeal including:
  - 1) Fewer fatalities;
  - 2) Fewer bridge postings and structurally deficient bridges;
  - 3) Smoother, stronger and longer-lasting pavements;
  - 4) Better accommodations for commercial vehicles including seamless intermodal freight movement;
  - 5) Reduced commuting time and congestion;
- An aggressive transportation solution will position Pennsylvania to:
  - 1) Retain an attractive quality of life;
  - 2) Increase the number of high-paying jobs;
  - 3) Attract high tech industries;
  - 4) Efficiently move goods and services through Pennsylvania to support domestic commerce;
  - 5) Be more competitive in the global market as the world recovers from the current recession.