



HARRISBURG REGIONAL CHAMBER™

CAPITAL REGION ECONOMIC  
DEVELOPMENT CORPORATION

## STATEMENT OF RECOMMENDED CONSIDERATIONS

### Transportation Funding and Reform

**Chair: Jim Szyborski**

**Vice-Chair: Glen Hair**

**Committee: Transportation**

**DATE: May 10, 2006**

#### **Background:**

In recognizing that the Pennsylvania public transportation system needs funding, “flex funding” proposals were made in 2005 to support funding for transit agencies through December of 2006. At the end of the 2006 calendar year, transit agencies may not be able to balance their Fiscal Year 2006-07 budgets, as the flex funding will be exhausted.

In addition to public transportation, the transportation infrastructure in Pennsylvania has also been recognized for its significant importance. In Pennsylvania, there are over 40,500 miles of state roads and highways and 25,000 bridges, with 1,530 miles of highway and 1,234 bridges in our tri-county area that require maintenance.

Under Executive Order 2005-1 by Governor Ed Rendell, the Transportation Funding & Reform Commission was formed to make recommendations on the Commonwealth’s public transportation system and transportation infrastructure. The commission has convened meetings across Pennsylvania in 2006, with the goal of collecting public feedback to find a consensus on possible funding solutions.

#### **Summary:**

The general transportation infrastructure plays a vital role in Pennsylvania’s economy, and the Harrisburg Regional Chamber & CREDC applauds Gov. Rendell and the Commission for their work on seeking funding for public transportation, and our highways and bridges. We also find this issue to be very timely for the Commission to review as the cost of energy, particularly gasoline, continues to rise without a long-term solution as usage increases.

The Harrisburg Regional Chamber & CREDC offers the following to the Commission for their consideration:

- Public transportation is linked very closely to the economy of Pennsylvania by offering a means for moving goods, employees’ travel, and recreational travel/tourism. This acts as an economic driver for the flow of commerce as a financial transaction is made at each destination

- Affordable public transportation will help as a greater demand for service continues
- Public transit agencies are employers for many individuals, in our tri-county area (Cumberland, Dauphin, and Perry Counties) alone employing 269 employees
- A dedicated funding source is needed for operation and capital of mass transit in our tri-county area to accommodate the 2.5 million riders that use the current operating service
- Adequate funding is needed to stabilize operations and meet the need for repair and capital investments
- With a predictable dedicated source of funding, transit operations will be able to better plan for the future and meet growing demands for service. Also, funding should grow at a rate that is at least equal to the rate of inflation
- In creating a dedicated source of funding to rural and suburban areas, legislation should allow for services in rural areas other than fixed-route services, and funding should not subsidize or replace Medical Assistance Transportation Program funds (MATP)
- Support and use of public transportation reduces traffic congestion and improves air quality in service areas and their surrounding area
- Consider investing more in advanced technology, intelligent transportation systems (ITS), for highways and bridges for safe travel and congestion mitigation
- As the cost for maintaining and building highways and bridges is very costly, the possibility of using private and public partnerships may be a viable funding option

**Guidelines:**

To help the Transportation Funding & Reform Commission in their discussions, we recommend the following as guidelines:

- 1) Develop a permanent and reliable source of funding for public transportation in rural, suburban, and urban areas of service
- 2) Support funding for programs that achieve community redevelopment and sustainable development objectives to support local infrastructure
- 3) Take into consideration the partnership that transit agencies have formed with other organizations for employees to travel to and from work, in addition to recreational travel
- 4) Encourage the use of more intelligent land use planning (“smart growth”) for transportation and economic development needs
- 5) As the need for maintaining and building our highways and bridges continues to increase, there is a need for the public to be educated to understand the cost and process involved with maintaining and building infrastructure
- 6) Continue to focus on creating a sustainable and interconnected multi-modal system of transportation to ensure efficient, reliable, and convenient travel