PA House Transportation Committee members visit to Philadelphia - September 12, 2023

Testimony of Ariella Maron, Executive Director,
Delaware Valley Regional Planning Commission

Good afternoon, and welcome to Philadelphia and the Greater Philadelphia-Southeastern Pennsylvania region. My name is Ariella Maron, and I serve as the Executive Director of the Delaware Valley Regional Planning Commission, or DVRPC. We are the federally-designated Metropolitan Planning Organization for a nine-county, bi-state region, which includes four counties in New Jersey, and the counties of Bucks, Chester, Delaware, Montgomery, and the City of Philadelphia in Pennsylvania. We are governed, as defined in our original legislation, by an 18-member Board comprised of representatives from each of our city and county governments, as well as the state departments of transportation, and Governor appointees from both states. The region's three transit agencies, including SEPTA, participate as critical partners with DVRPC.

Our federally-mandated responsibility as the region's MPO is to prioritize transportation projects and investments that are funded with federal transportation dollars, which we do through the development of a long-range plan and the preparation of a short-term capital program known as the TIP, or Transportation Improvement Program, in partnership with our planning partners.

On July 28th, 2022, the DVRPC Board adopted the latest Transportation Improvement Program for Southeastern Pennsylvania, which identifies projects and funding for the next four years, together with a broader program of projects recommended for PennDOT's twelve-year program. The four-year TIP includes almost 400 highway and transit projects in a financially-constrained program valued at over $7.5 billion. Approximately half of this funding is for SEPTA's capital program, with the remainder for a variety of interstate and local bridge and highway projects to be undertaken by PennDOT, the City, and member governments. The overwhelming majority of this funding - over three-quarters - goes toward rebuilding and maintaining our existing transportation infrastructure.

This current TIP represents the largest investment in transportation infrastructure in the region in decades. But it almost didn't happen. When DVRPC and our partners began development of the TIP in the Fall of 2021, we were faced with a funding shortfall due to reduced gas tax revenue as a result of decreased driving and more fuel-efficient cars, as well as increased costs due to the rising cost of materials and construction. As a result, we began a process to remove over $750 million worth of projects from the twelve-year plan. Fortunately, in November of 2021, the Bipartisan Infrastructure Law, officially called the Infrastructure Investment and Jobs Act (or IIJA), passed, and we were not only able to fill that $750 million hole, but to add almost $750 million to the four-year Highway TIP, and over $1 Billion to the four-year Transit TIP.

This is great news, allowing the region to make progress addressing our backlog of deferred and delayed projects, to improve maintenance, and to invest in new facilities to support economic growth, jobs and opportunities in our region, such as you just heard about from Leslie Richards at SEPTA.

But I am also here today to tell you that while this new investment of federal funds is absolutely necessary and one we should celebrate, it is not sufficient to meet the needs, both here in our region and across Pennsylvania. As part of our regional Long-Range Plan, completed and adopted by the DVRPC Board in 2021, we conducted an in-depth quantitative needs assessment to determine what is required to achieve and maintain a state of good repair for existing infrastructure; improve bicycle, pedestrian and transit services and equipment; make the physical and technological improvements needed to enhance safety and operations; and to invest in a limited number of new facilities to fill-in existing gaps, address congestion, and accommodate future growth.

That analysis identified a need, over the next 30 years, for an investment of over $110 billion in our region's transportation system, but identified available federal, state and local funding of just under $50 billion. This more than 2:1 shortfall in funding is now helped by the IIJA, as we anticipate up to $5 billion in additional formula funds over the five-year life of the bill, but that level of increased federal funding has been eaten away by inflation and also cannot be assured to continue beyond the five-year bill. Closing the gap is also made more difficult by the continued reliance on the gasoline tax, which has put our state in a situation where state revenues are unable to keep pace over time as the nation transitions to more fuel efficient and electric cars.

If we are not able to continue to increase investment in our transportation systems - we will once again be forced to delay, defer, or drop critical projects across the region. Structurally-deficient bridges will need to be weight-posted or even closed; deteriorated roadways will not get paved, and SEPTA will not be able to serve the region's population - especially the lower-income transit-dependent population - with reliable and regular service. These unfunded needs do not just go away, but rather become a debt on future generations and a drag on the economy, impacting the competitiveness of our region and the resilience of our communities.

For example, in addition to the SEPTA projects you heard about today, there are significant road projects in each of our five Pennsylvania counties that have not yet been able to advance, and likely will not be able to fully advance without additional funding. These include the Street Road bridge over I-95 in Bucks County; improvements along Section 200 of US 202 in Chester County; safety and design improvements along Route 291 in Delaware County; traffic management along US 422 in Montgomery County; and fully funding reconstruction and safety improvements on Roosevelt Boulevard and other streets in the City of Philadelphia.

I do want to reiterate what you have heard today from Leslie Richards and others. Transit is at a particularly vulnerable junction because of the COVID pandemic. Maintaining transit service is critically important to the economy and communities of the region and the state. Without a viable transit system, people will waste more time sitting in congestion, freight deliveries will be delayed and cost more, workers reliant on transit will take longer to get to work - if they can get there at all, our most vulnerable populations will have more difficulty getting to medical appointments and work and school, and our social services will be more overburdened. This is a time when we need to be able to increase service and demonstrate how transit can be the most convenient and accessible way to travel around our region; if service is cut due to budget challenges, even fewer individuals will be able to rely on transit to get to work, home, and other destinations, causing revenues to further decline.

I believe we now need an all-hands-on-deck solution, where the Commonwealth and our local governments all contribute and work in partnership with the federal government to secure predictable and adequate long-term funding to meet our transportation needs. This means support from our Congressional members to continue or expand our current level of funding when the IIJA expires in three years. It also means securing enough state funding to fully take advantage of the IIJA resources and to set Pennsylvania on a stable path for the future. For example, PennDOT has estimated that the agency will need as much as $1 billion in additional match funds over the five years of the IIJA bill just to be able to access the expected increase in formula funds. And PennDOT, SEPTA and our municipal and county governments will need additional funds to serve as matches for the many competitive grant opportunities in the IIJA. There are over $100 billion worth of competitive grants identified in the IIJA, almost all of which require additional non-federal match funding, and we need to be prepared to apply, compete and get our share to benefit this region and State.

While it may never seem a popular idea to raise taxes or impose additional fees, particularly in the current economic climate, transportation services must be viewed as a utility that everyone uses, everyone benefits from, and everyone must pay for. Compared to the costs most of us pay for such as cell phones, cable television or streaming services, quality transportation is not a luxury, but a necessity. Our transportation investment needs are great, and while our options are constrained, we do have options. Over the past several years, DVRPC and the five counties of Southeastern Pennsylvania have been working together to identify potential mechanisms that could be used to raise funds locally in the region to supplement available state and federal funding. We look forward to working with you to help advance that initiative, in order to add more tools to the toolbox to raise funds at the state and local level to invest in our transportation system. These local funding options are crucial for SEPTA as every $1 in local match allows SEPTA to leverage $7 in state funding for operating, and more than $31 for capital improvements. As you heard earlier from Ms. Richards earlier, investments in transit in particular provide multiple benefits for neighborhoods, communities, and the region as a whole.

In closing, there is no question that the price of failure is considerable and the cost of doing nothing is too high. Transportation investment is a public responsibility, providing a public good. It is also a positive investment in our future, with a proven return on that investment, especially, investments in transit as transit:

- Improves health benefits by promoting physical activity;
- Provides economic benefits to all communities it serves;
- Improves fuel efficiency;
- Reduces air pollution;

- Improves road congestion;
- Improves community mobility; and
- Provides an equitable transportation system.

One way to expand the workforce and improve a region's economy is by giving more people the ability to get to their jobs, their schools, and their doctors. Public transit reduces the barrier of needing to be able to afford a car and gasoline — or rely on someone who owns a vehicle — to earn a paycheck.

Those states and regions making that investment in transit systems will have a competitive economic advantage. Countless studies have documented that every public dollar spent on transportation infrastructure yields a positive return in terms of job growth and tax revenue, and there are lots of options on how to pay for that investment.

I urge each of you to work with the Governor and your colleagues to advance a strategy to provide sufficient and sustainable transportation investment for our future.

Thank you for your attention, and I am available to answer any questions you might have.