

Transportation Funding

Presentation to the
PA Chapter
American Planning Association

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October 18, 2011

Presentation Overview

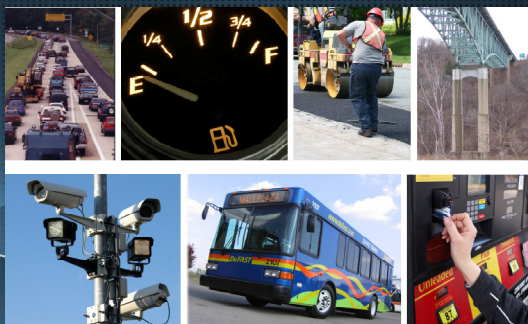
- 1. Introduction/Purpose**
- 2. Current Funding for Highways & Transit**
- 3. Needs Analysis**
- 4. Recommendations**



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Introduction/Purpose



Introduction/Purpose

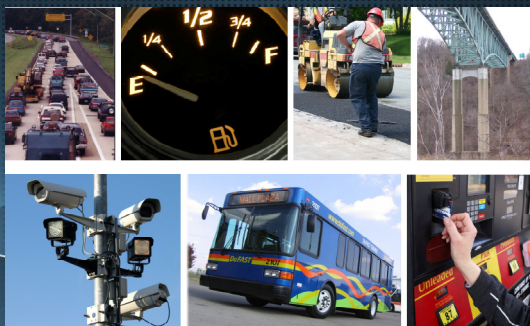
- 1. Transportation critical to mobility, economy, quality of life**
- 2. Increasing volatility and uncertainty**
 - Revenues
 - Maintenance & Operations
- 3. Purpose**
 - Quantify the impact of the problem
 - Offer findings & recommendations
- 4. Update from Transportation Funding & Reform Commission**



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Current Funding for Highways & Transit



Funding for Highways & Transit

- **Uncertainty of Act 44**
 - Federal decision on I-80 tolling
 - Loss of \$472 million
- **Impact of current economic conditions**
- **Long-term viability of current funding sources**



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Federal Funding FFY 2009

- **Highways**
 - \$1.41 billion
 - \$1 billion from ARRA (American Recovery and Reinvestment Act)
- **Transit**
 - \$381 million
 - \$347 million from ARRA



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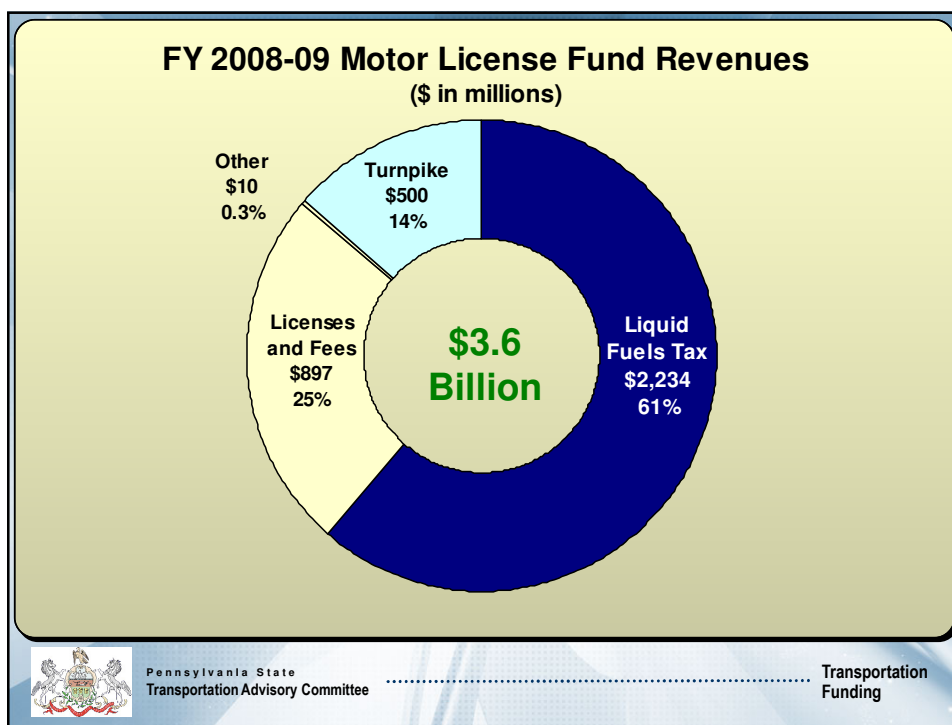
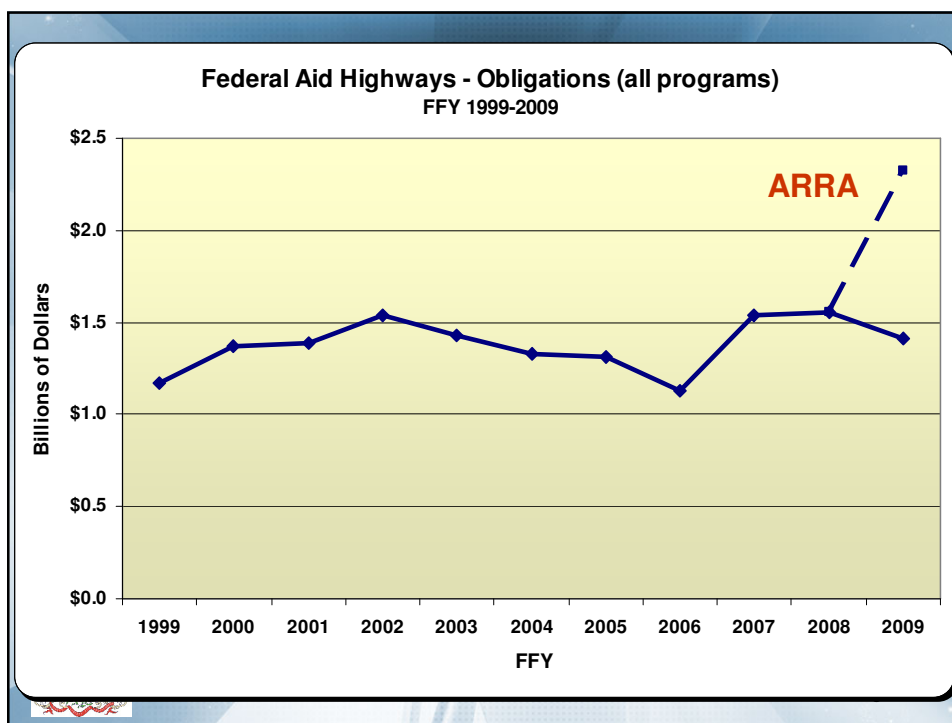
Federal Funding Issues

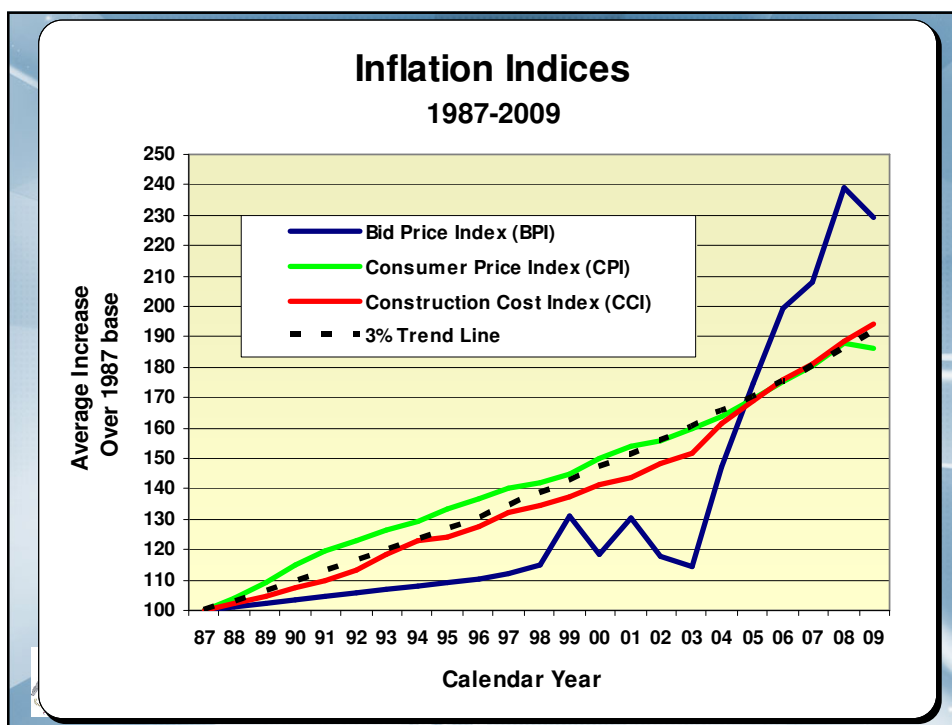
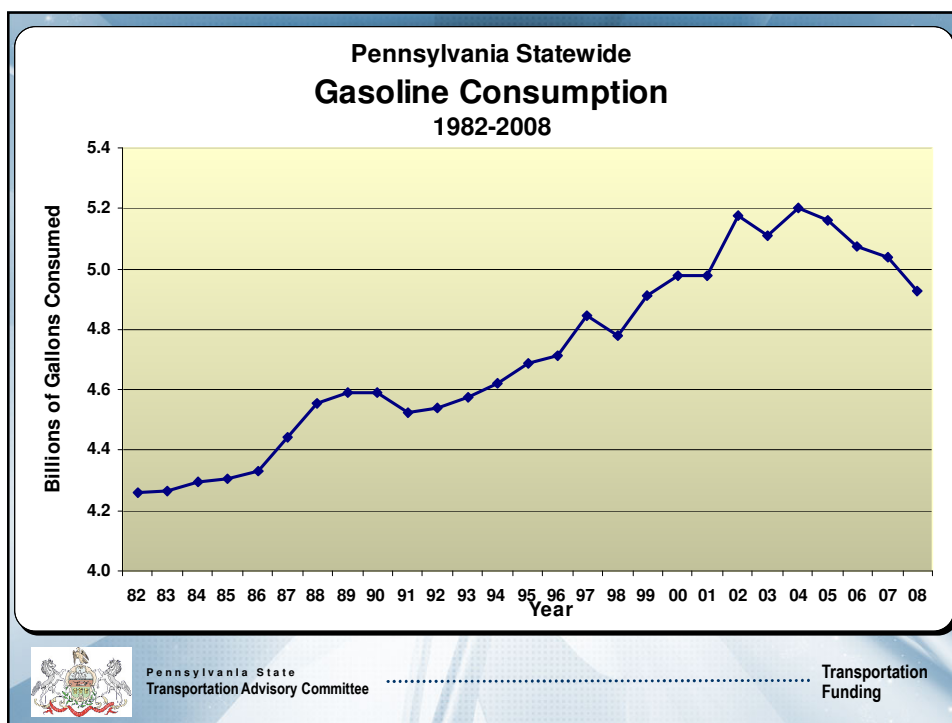
1. **Long-term solvency of Highway Trust Fund**
 - 3 transfers from General Fund over past 3 years
 - Federal gas tax last increased in 1993
2. **Reauthorization of SAFETEA-LU**
 - 8 short-term extensions to March 2012

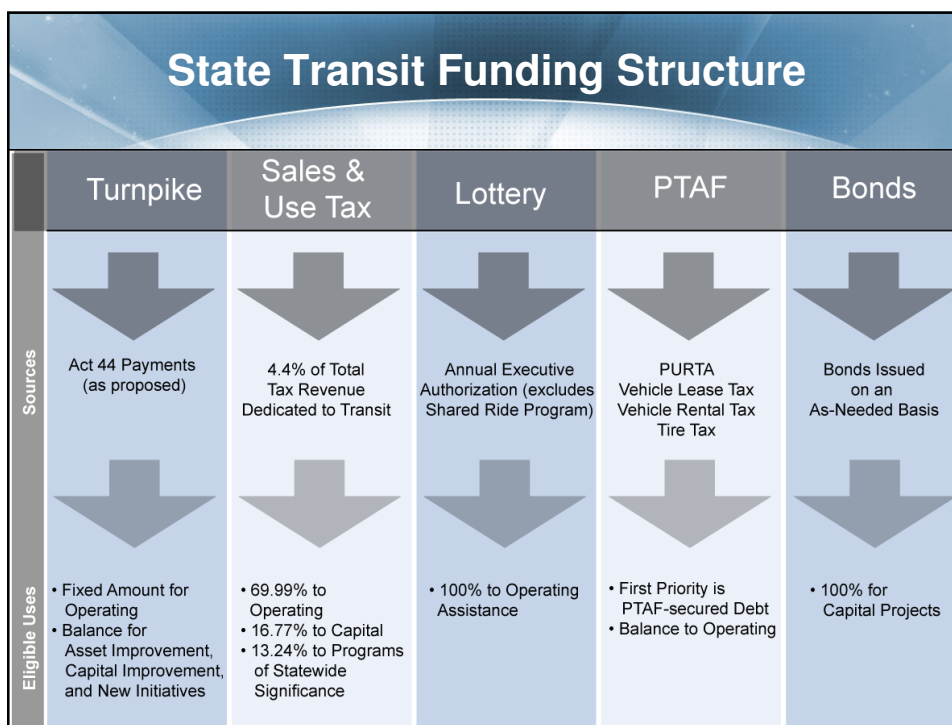
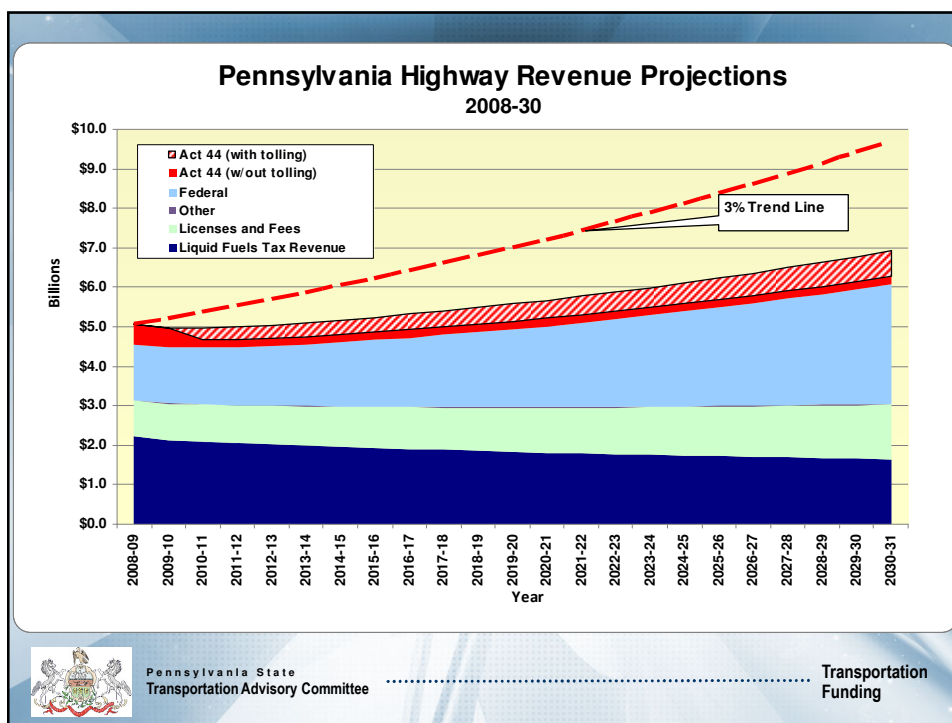


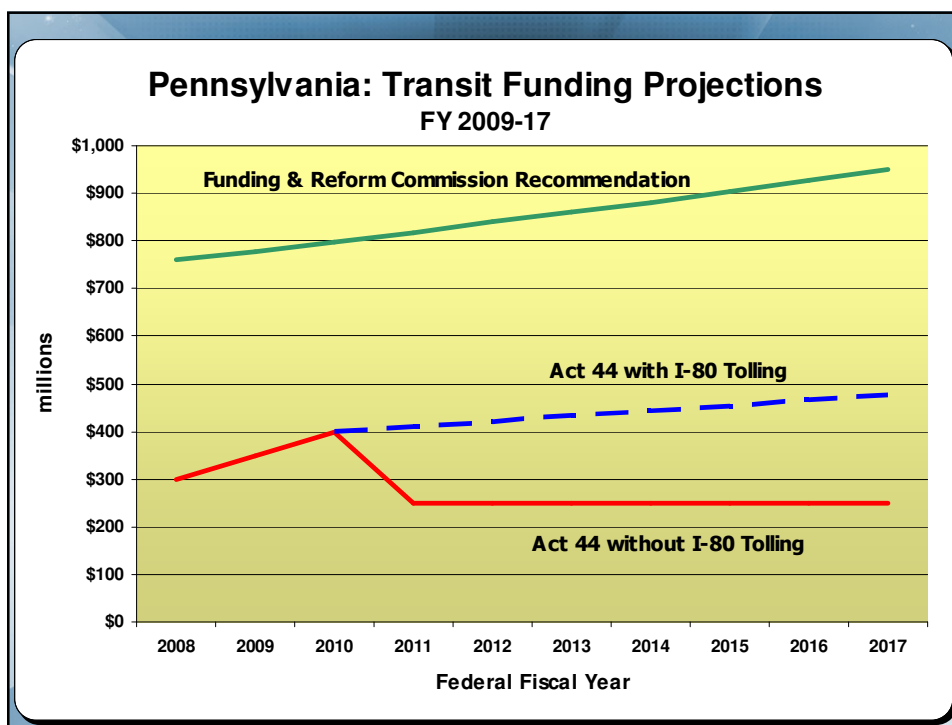
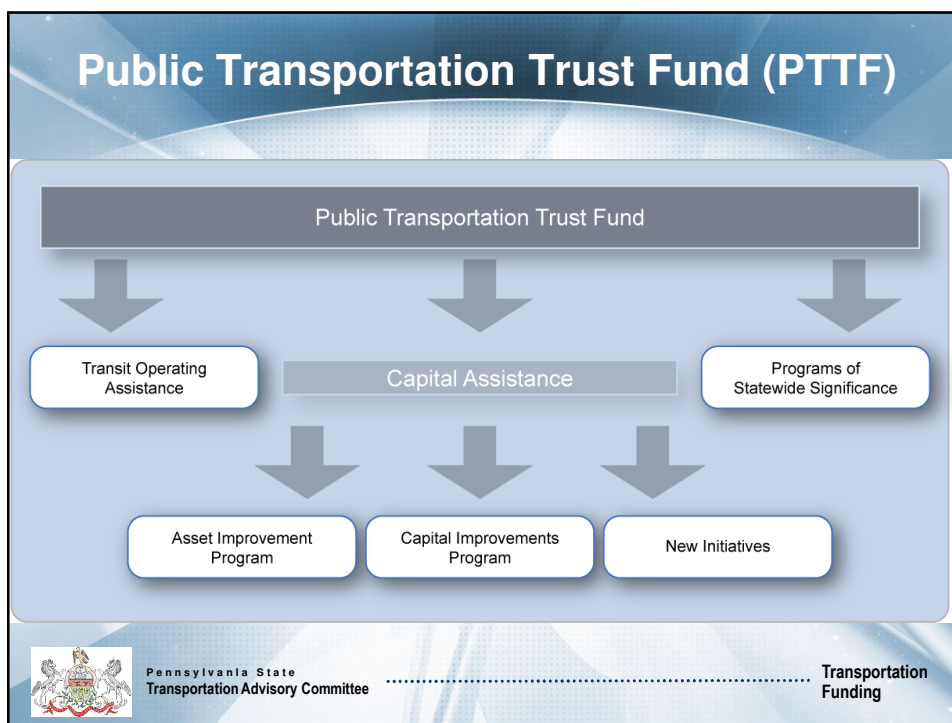
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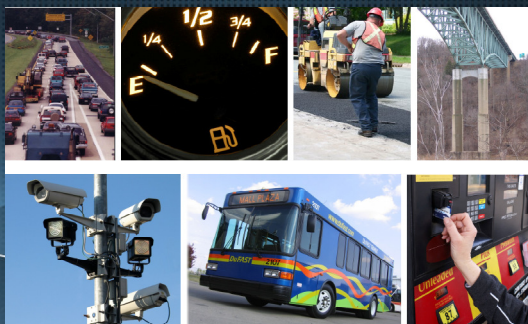








Needs Analysis



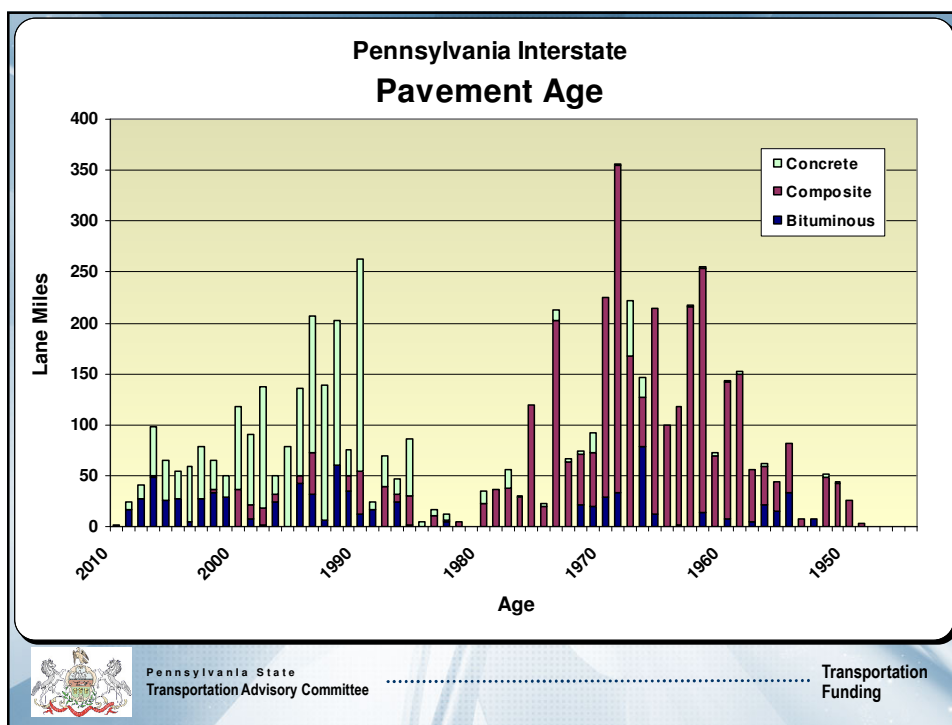
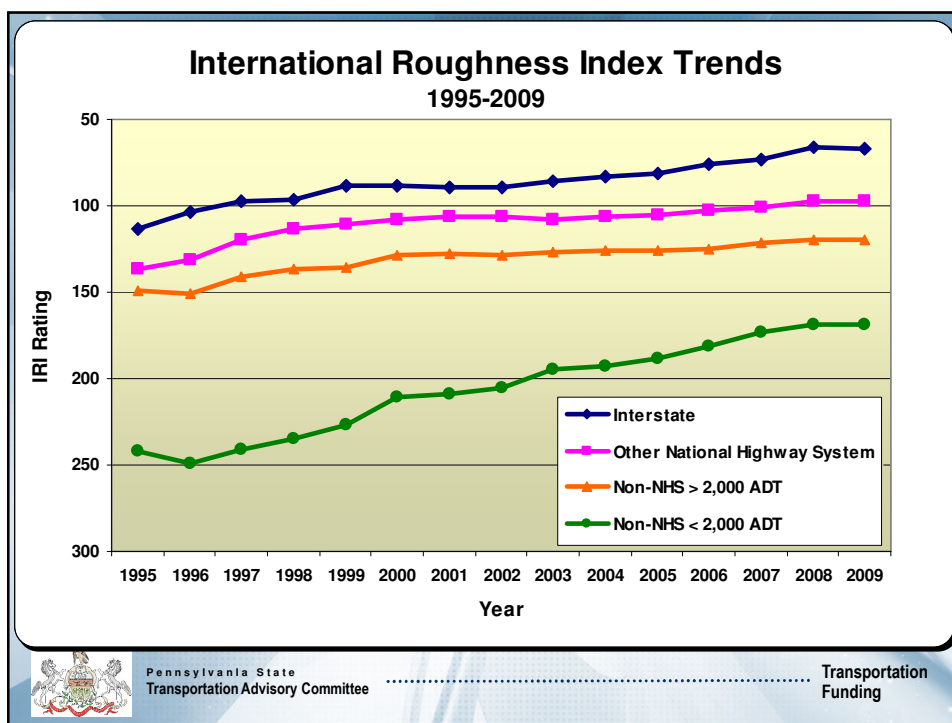
Highway Needs

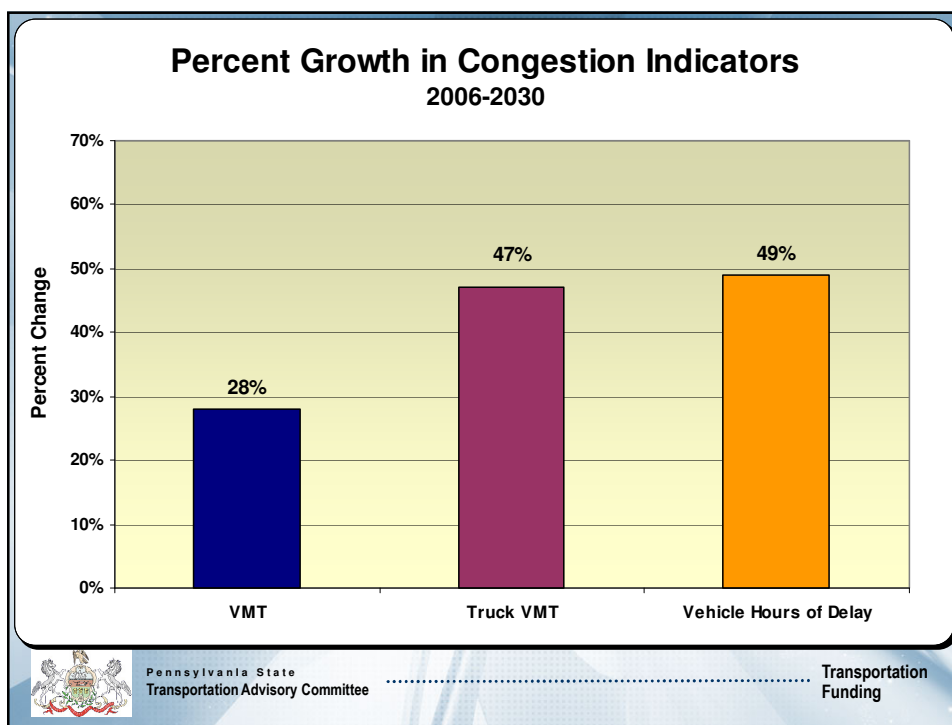
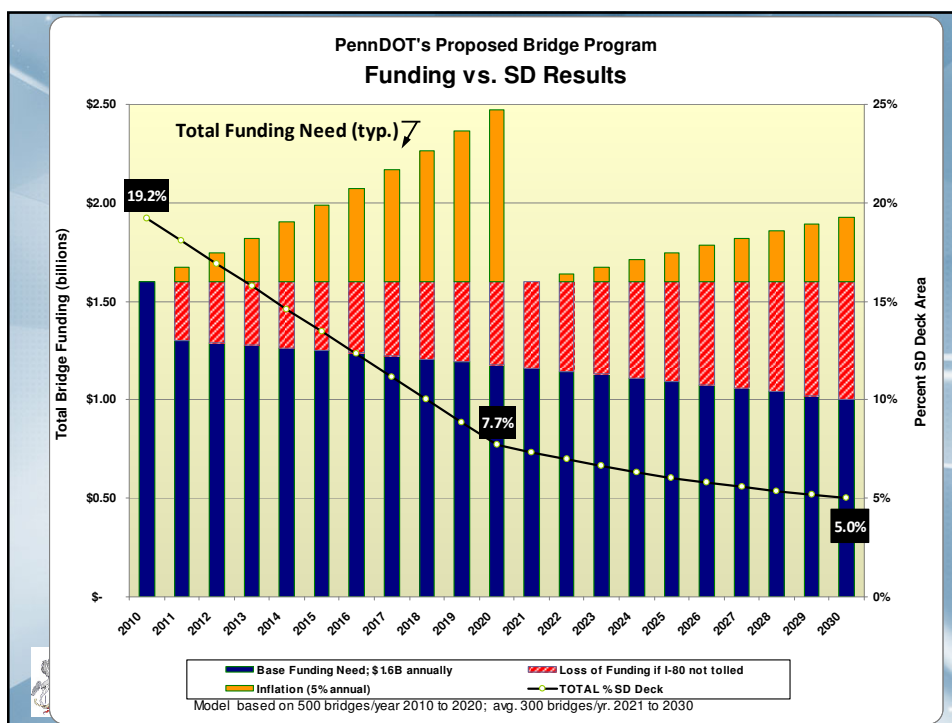
- Pavements
- Bridges
- Congestion
- Safety
- Capacity

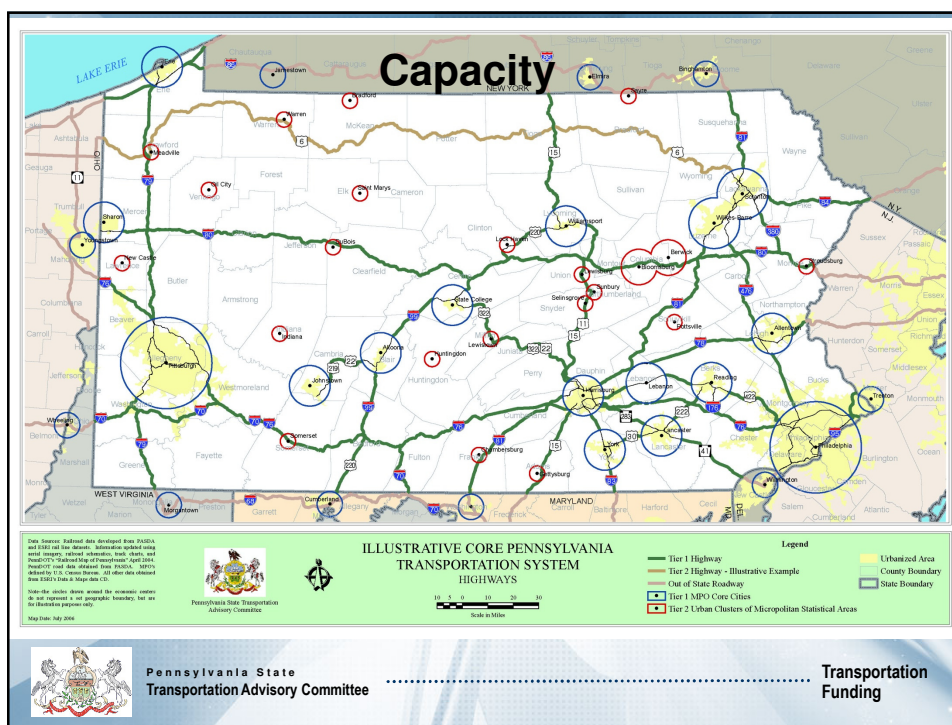
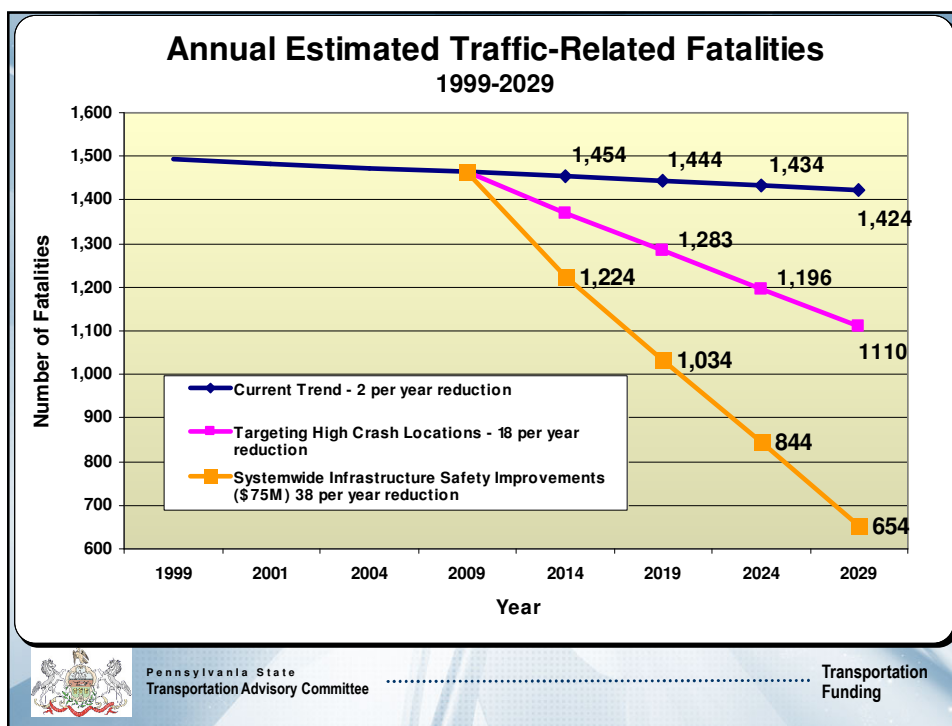


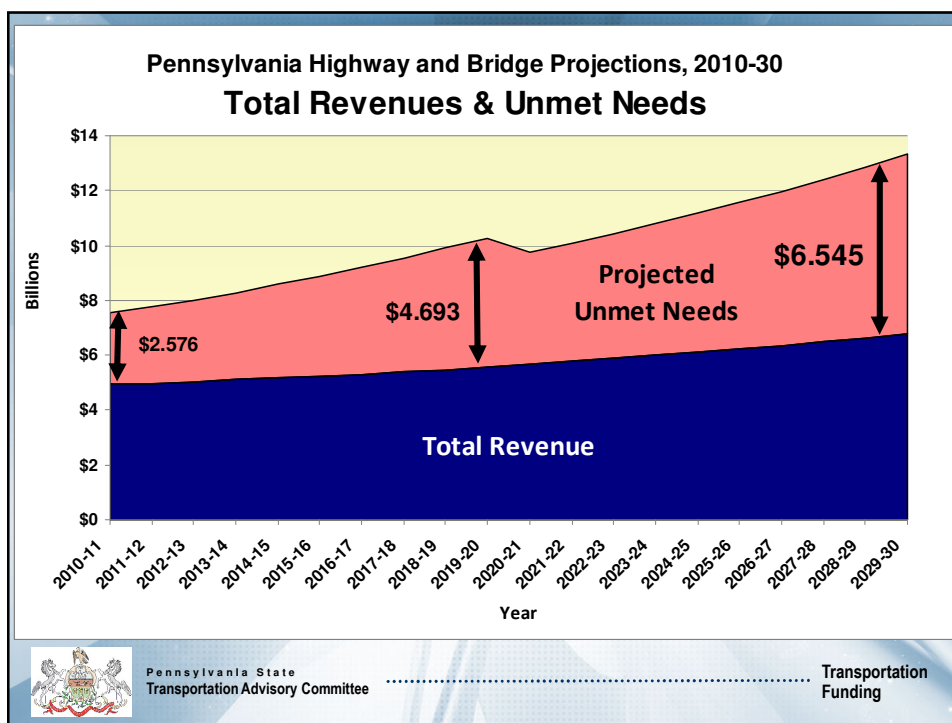
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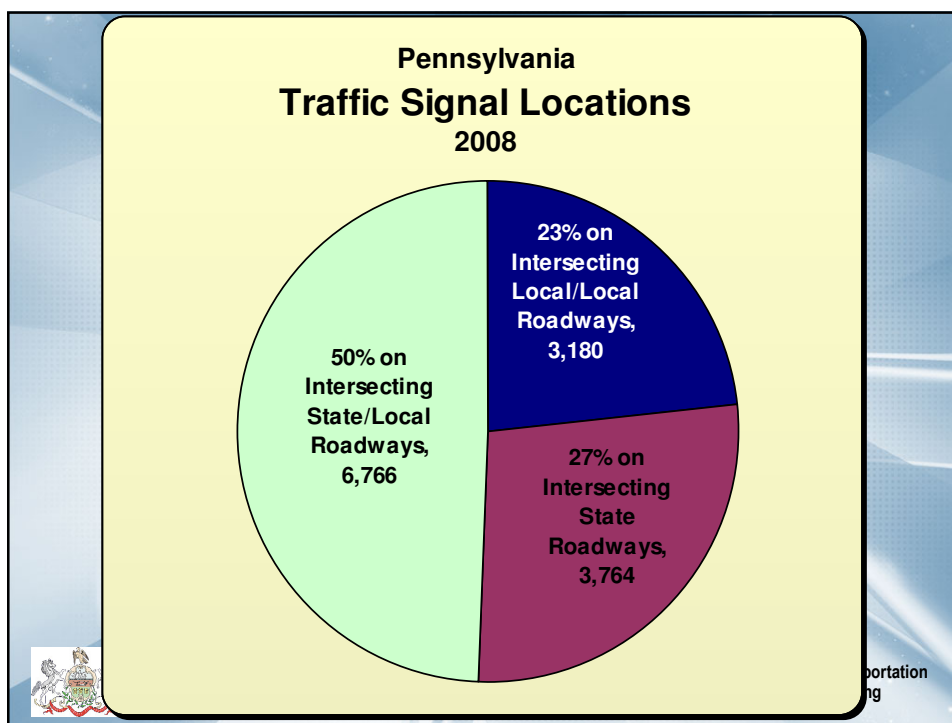




Local System Needs


- Highways
- Bridges
- Traffic Signals

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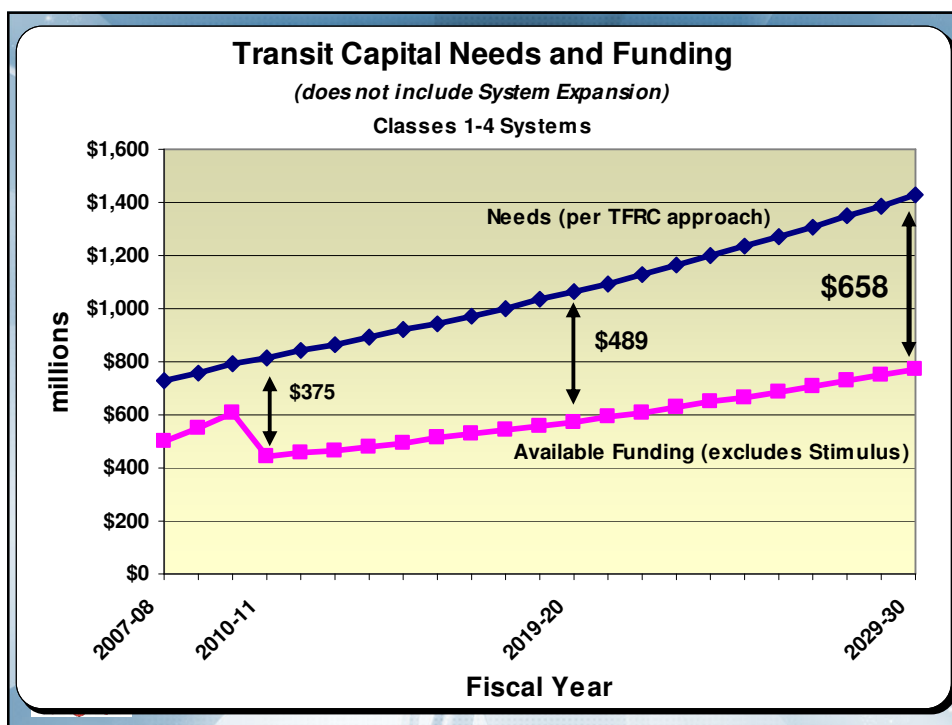
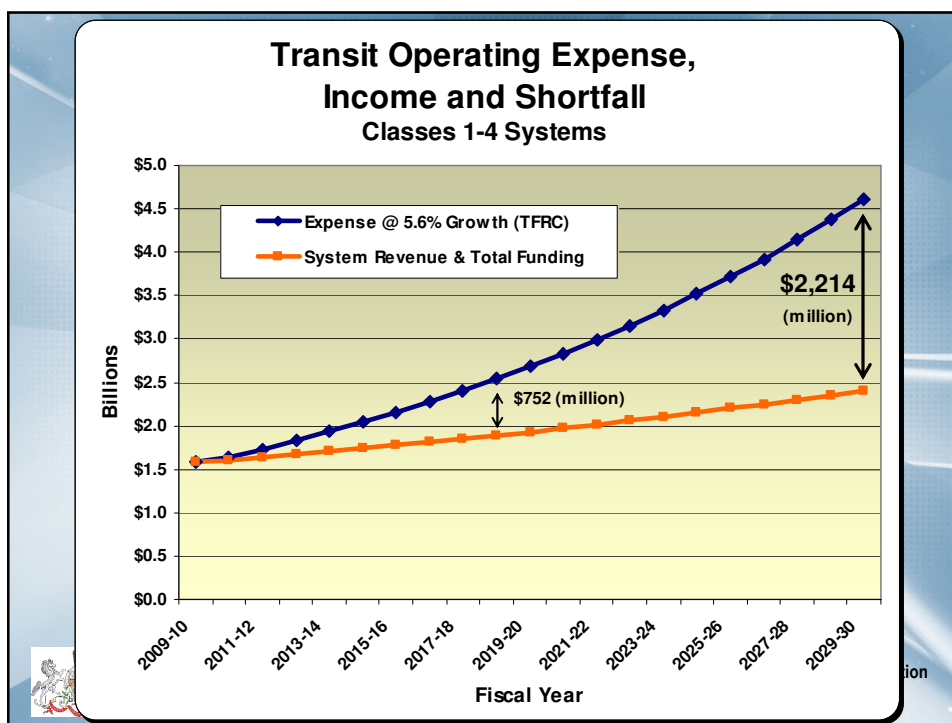


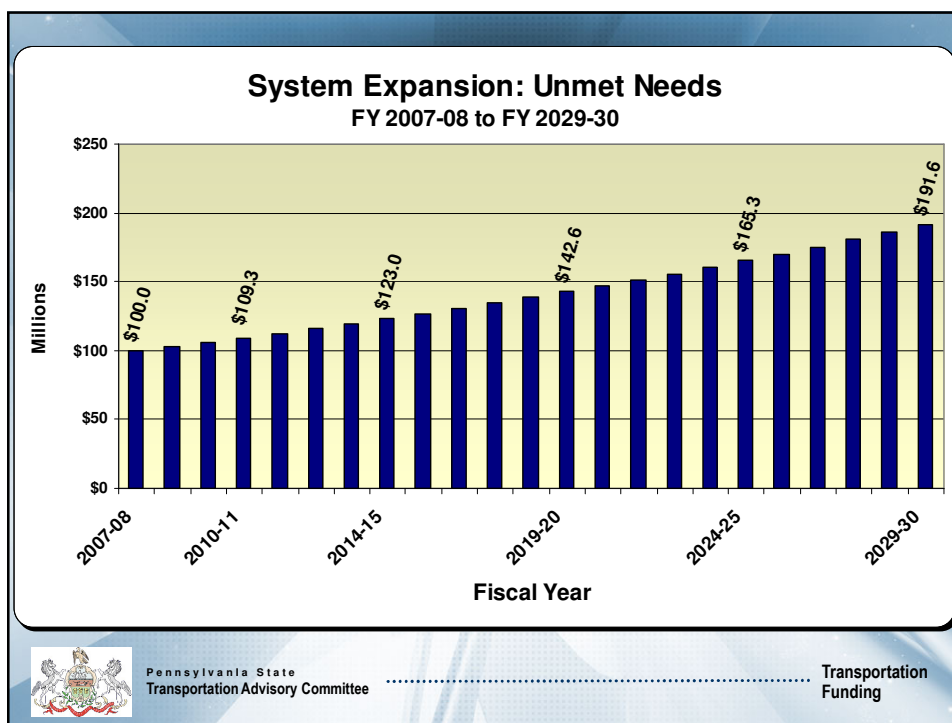
**Local Highways & Bridges
Unmet Needs (millions)**

	FY 2010-11	FY 2019-20	FY 2029-30
Highway & Bridge	\$250	\$388	\$632
Traffic Signals	\$182	\$282	\$460
TOTAL	\$432	\$670	\$1,092

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Projected Unmet Transit Funding Needs (in millions)

Program	FY 2010-11	FY 2019-20	FY 2029-30
Operating Assistance	\$ - - *	\$752	\$2,214
Capital Assistance/ System Expansion	\$484	\$631	\$849
Totals	\$484*	\$1,383	\$3,063

* The level of operating shortfall for FY 2010-11 is uncertain at this time

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Combined Unmet Needs

	2010 Need	2020 Need	2030 Need
Highway & Bridge	\$2,576	\$4,693	\$6,545
Public Transportation	\$484	\$1,383	\$3,063
Local Government	\$432	\$670	\$1,092
TOTAL	\$3,492	\$6,746	\$10,700



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Recommendations



Recommendations – Near-Term Need

- **Generate new revenue to stabilize Pennsylvania's transportation system**
 - \$472 million funding gap
 - Begin a phased, long-term strategy



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Recommendations – Longer-Term Need

- **Establish a new transportation funding framework to ensure sustainable mobility**
- **Predictable and sustainable**
- **Major elements:**
 - More direct User Pay system – VMT Fee
 - Tolling Options
 - Public-Private Partnerships
 - Strategic Borrowing
 - Local Option Taxes



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