



## **POSITION STATEMENT**

### **August 2011 Final Report Transportation Funding Advisory Commission**

#### **Background:**

The Transportation Funding Advisory Commission (the Commission) was formed by Governor Tom Corbett to develop a comprehensive and strategic proposal for addressing the transportation funding needs of Pennsylvania. The report was released in early August, 2011. It was explained to the Chamber & CREDC members on August 18<sup>th</sup> by Department of Transportation Secretary Barry Schoch.

#### **Summary:**

The Pennsylvania Department of Transportation lacks the funding it needs to fully construct, maintain, and invest in the State's transportation facilities and infrastructure. The report acknowledges these tremendous problems faced by the Commonwealth and makes recommended solutions for funding in order to rebuild and address deficiencies in all aspects of Pennsylvania transportation infrastructure.

In 2010, the bipartisan Pennsylvania State Transportation Advisory Commission (TAC) reported the state's unfunded transportation needs to be approximately \$3.5 billion. There are no funding sources to fill this gap that will continue to grow wider in years ahead if nothing is done.

Unless major, long-term changes are made the State will see an increase in the number of structurally deficient bridges. Safety concerns will grow, drivers will be inconvenienced by permanent detours, vehicle maintenance costs will rise due to substandard highways, and the quality of life for Pennsylvanians will decrease. Continuing to neglect these systems will also cost local businesses, as they, too, rely on transportation routes to distribute their goods and services to consumers.

As outlined in the report, the Commission developed a funding package that would gradually address the transportation funding problem over a five year-period. According to their calculations, it will cost the typical driver approximately 70¢ per week during the first year and will gradually increase to \$2.54 per week by year 5. For this small cost to Pennsylvanians, State transportation could be completely restored. This Commission's proposal identifies five primary funding sources:

- Capping and/or moving of State Police costs to the General Fund;
- Raising the vehicle and driver fees to inflation;
- Restructuring of Act 44 and the shifting of funds to public transit;
- Uncapping of the Oil Company Franchise Tax; and
- Increasing in fees and fines, as well as modernization and cost savings to benefit the Motor License Fund.

The recommendations brought forward by the Commission should be the basis for finding, and beginning to implement, a solution during this fall legislative session. The Commission's recommendations appropriately focused on those actions could be taken directly by the Commonwealth. Legislative action should also create a climate where the innovation and genius of the private sector (P3s) can also be encouraged.

Pennsylvania must fund its transportation systems. We are a region that depends on transportation. It is our strong recommendation that General Assembly address these issues and Governor Corbett sign legislation implementing the recommendations brought forward by the Commission.

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The Harrisburg Regional Chamber & CREDC supports the August 2011 report issued by the Transportation Funding Advisory Commission.

**Chamber Position:** SUPPORT

This position statement was passed by the following committees and board:

<i>Date</i>	<i>Committee/Board</i>	<i>Chair(s)</i>
31 August 2011	Transportation Committee	Dan Andrews, Chair
1 September 2011	Government Relations Committee	Sheilah Borne, Co-Chair Deb Suder, Co-Chair
14 September 2011	Chamber Board of Directors	Terry Lehman, Chair