



News release

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## **REPORT CALLS FOR MULTI-PRONGED APPROACH TO STATE'S TRANSPORTATION AND TRANSIT WOES**

HARRISBURG (Oct. 11) – A non-partisan study commissioned by a diverse group of Pennsylvania business, industry, environmental, cultural and community groups has concluded that the Commonwealth has a rare opportunity in the coming weeks and months to fix the way transportation investments are made in Pennsylvania.

The Pennsylvania Economy League (PEL), commissioned by the Associated Pennsylvania Constructors; 10,000 Friends of Pennsylvania; the CEO Council for Growth, an affiliate of the Greater Philadelphia Chamber of Commerce; and the William Penn Foundation, benchmarked Pennsylvania transportation conditions and programs against similar industrialized states. The Pennsylvania Environmental Council and the Allegheny Conference on Community Development served on the advisory group for the study.

The study, “Investing in Transportation: A Benchmarking Study of Transportation Funding and Policy”, comes at a time when an IssuesPA/Pew poll shows transportation-related infrastructure to be the biggest infrastructure problem, according to Pennsylvanians. A clear majority of residents – 69 percent – believe efforts should be focused on repairing and upgrading roads, bridges and transit systems, rather than building new.

This independent examination of the challenges facing Pennsylvania and the experiences of other states avoided duplicating work of other recent studies conducted by the American Society of Civil Engineers and the Brookings Institution. The PEL report took a careful look at Pennsylvania’s particular transportation characteristics, compared our situation with that of similar states, and made an effort to uncover promising practices used in other states. The study was designed to complement the work of Pennsylvania’s Transportation Funding and Reform Commission.

“One thing we learned early on in our six-month review was that Pennsylvania’s predicament is not unique,” said LeeAnne Rogers, the PEL project manager. “Most states are in the same boat. They face many competing priorities for government dollars and the major dedicated revenue sources for roads like the flat rate gasoline tax and license fees are slow-growing and can’t keep up with escalating materials and personnel costs. This is true of both transit and road and bridge construction. On top of that, we are working with aging infrastructure that in many cases has outlived the design life cycle.”

The PEL study compared practices and transportation funding in five states in addition to Pennsylvania – Illinois, Michigan, New Jersey, New York and Ohio. “In addition to being major industrialized states with similar growth rates, they share the same seasonal extremes in climate that take a significant toll on infrastructure,” Rogers said.

While the use of public-private partnerships is the new hot idea in transportation finance,” Rogers said, “there is no silver bullet. We will need a combination of solutions. At a minimum, Pennsylvania should identify dedicated, predictable, inflation-sensitive revenue sources for transportation and allow each region to play a greater role in its own transportation decision-making and funding.”

She said, “The experience of other states reinforces the fundamental difficulty of offsetting the ongoing erosion of the purchasing power of federal and state motor fuel taxes by means of toll roads, debt-financing, public-private partnerships, asset sales or more cost-effective methods of designing, building, operating, maintaining and financing roads, highways, bridges and transit facilities.”

Robert Latham, executive vice president of the Associated Pennsylvania Constructors, called the report “an important addition to the critical discussion of the future of transportation and transit in Pennsylvania.” He noted that the sponsors represented “as wide a cross section of the Pennsylvania public that I’ve ever seen coming together to find a common and acceptable solution to a growing problem.”

Janet Milkman, president and CEO of 10,000 Friends of Pennsylvania, said she hoped the report and its endorsement by such a diverse group of sponsors would serve as a model of cooperation for elected officials to emulate. “We all agree that it’s not just about money – it’s about economic competitiveness and how we grow. The report says we need to change the way transportation decision are made, especially with respect to land use and development.”

Laurie Actman, chief policy development officer for the CEO Council for Growth, added, “This report further defines the challenges and opportunities for generating more resources for the state’s infrastructure. We recognize that strategic transportation investments are critical for fostering our continued economic growth and quality of life. We are hopeful that this information will help provide some valuable insights for the discussion about solutions that elected officials must have in Harrisburg.”

Brian Hill, president of the Pennsylvania Environmental Council, said, “transportation touches on a host of issues important to Pennsylvanians – mobility, equity, job creation, and sound land use practices. This study provides a context for what is happening here compared to other similar states, and provides recommendations on new approaches to policy that will serve the Commonwealth well in the long term.”

Ken Zapinski, senior vice president for transportation and infrastructure for the Allegheny Conference on Community Development, said, "The data and analysis in this report will help inform the debate around the state's transportation challenges. The report also identifies innovative options for managing the state's transportation infrastructure that should be explored."

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The report is available at [www.IssuesPA.net/resources/pdf/transportation-study-10-2006.pdf](http://www.IssuesPA.net/resources/pdf/transportation-study-10-2006.pdf) as of October 11, 2006.