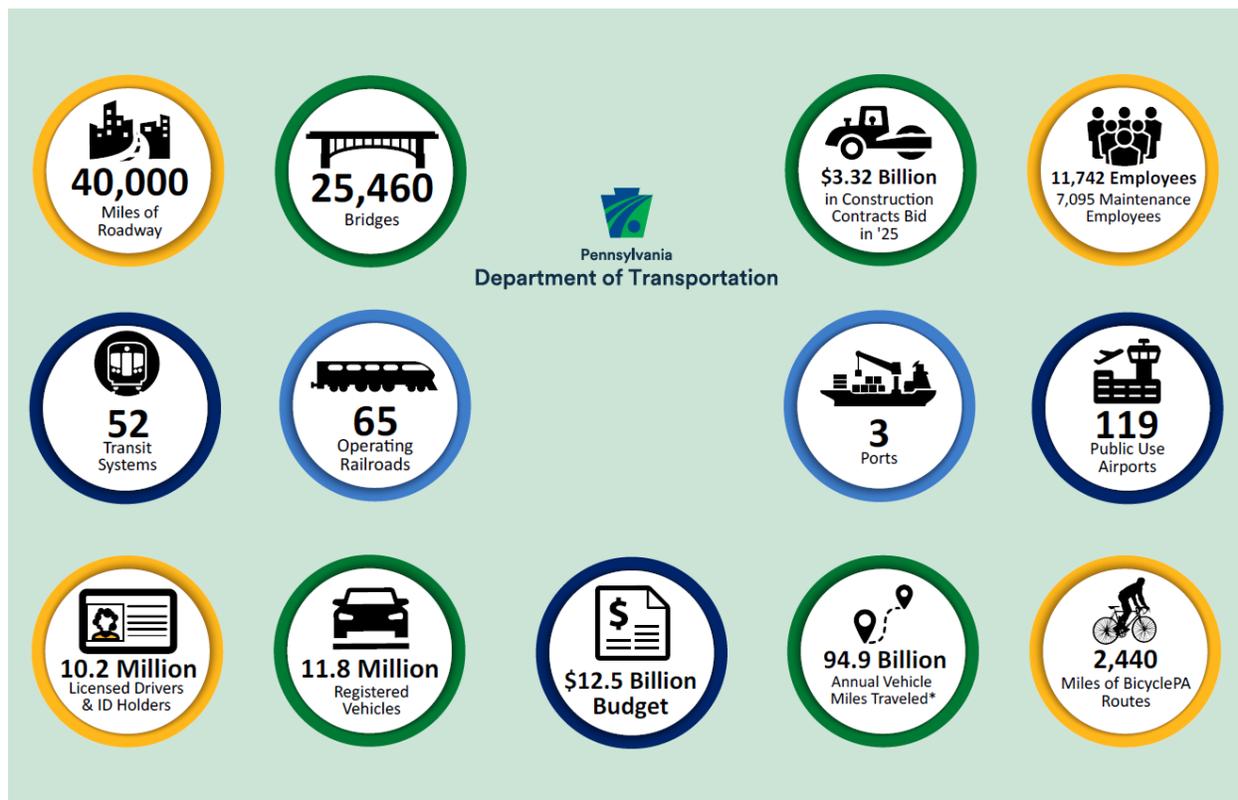


# PennDOT House of Representatives Appropriations Statement



Chairs Harris and Struzzi and members of the House Appropriations Committee, thank you for the opportunity to discuss the Governor’s Budget proposal for the 2026-27 fiscal year for the Pennsylvania Department of Transportation’s (PennDOT) efforts to maintain and improve our state’s transportation system.

Transportation is the backbone of our economy and central to our quality of life. Pennsylvania’s transportation system, as well as PennDOT’s responsibility, is vast. Pennsylvania has the fifth-largest state-maintained road system and the third-largest state-maintained bridge system in the nation. Public transportation exists in some form in all 67 of Pennsylvania’s counties, and more railroads operate in Pennsylvania than in any other state in the country.

As we look ahead to major national and international events coming to Pennsylvania this year – including America’s 250<sup>th</sup> anniversary celebration, the FIFA World Cup, NFL draft, and more – continued investment in our state’s extensive transportation network will be crucial to help ensure that visitors to Pennsylvania – as well as 13 million Pennsylvanians – can travel safely and reliably throughout the state. Despite ongoing federal uncertainty, PennDOT continues to

show up for Pennsylvanians, working hard every day to meet our mission to deliver quality transportation to the people of Pennsylvania.

## Overall System Status, Needs

### GETTING STUFF DONE: RECORD ROAD AND BRIDGE IMPROVEMENTS UNDER THE SHAPIRO ADMINISTRATION

Under the Shapiro Administration, 19,313 miles of roadway have been improved. During the same timeframe, work advanced on 1,661 state and local bridges, compared to 998 during the previous two years. Additionally, under this Administration, PennDOT and our industry partners repaired more poor-condition bridges than any other state in the nation in 2023 and improved more miles of roadway than any time in the past decade.

In 2025 alone, 6,262 roadway miles were improved statewide, 352 more than last year. Work was also advanced on 443 state and local bridges, and 476 construction contracts for highway, bridge, and other improvement projects were completed statewide through PennDOT's private-sector partners in 2025.

You can track this progress at [www.pa.gov/DOTresults](http://www.pa.gov/DOTresults).

These improvements were largely made possible by federal funds through the Infrastructure Investment and Jobs Act (IIJA) and action in previous budgets that established an accelerated reduction of Motor License Funds to the Pennsylvania State Police (PSP). The PSP allocation is proposed at \$250 million for this fiscal year and for the following four fiscal years. Reducing these expenditures under the Shapiro Administration has resulted in \$625 million in additional Motor License Funds to support roads and bridges across the state.

However, gas tax revenues are decreasing, and will continue to decrease, as vehicles become more efficient. These reduced revenues have only highlighted how dependent we are on the gas tax – to a much higher degree than other states. For example, New York only relies on gas tax for 18% of its transportation funding, while gas tax revenues fund over 71% of PennDOT's roadway and bridge budget. The locally owned roadway and bridge network is also reliant on gas tax revenues and is impacted by these shortfalls, as PennDOT's annual liquid fuels distribution (over \$460 million in 2025, down from \$467 million the previous year) helps local governments pay for important day-to-day expenses, like snow removal and road repaving.

We are proud of the progress that we've made, but our work is far from over. It is crucial that we continue this momentum to ensure our roadway and bridge network is safe, reliable, and efficient.

### Bridges

Pennsylvania is home to a large network of state and locally- maintained bridges. The average age of the 25,400 bridges in PennDOT's purview, for example, is 55 years—in many cases, nearing or exceeding their 60-year design life span. Around 250 of the state-maintained bridges move into the "poor-condition" category each year due to their age and deterioration. With a

system of aging bridges, we expect this to increase. We must maintain and improve more than that number each year because if bridges must be weight restricted or closed, it severely impacts commerce, emergency services, and quality of life.

We have made considerable progress, as the number of state-owned bridges in poor condition has decreased from a high of 6,034 in 2008 to just over 2,000 today.

Because we have a large aging bridge population, we cannot rest on this progress. In fact, we anticipate this number rising as bridges we have maintained and preserved cycle back to needing full replacements or more extensive repairs. In the local system, we have 1,505 bridges that are in poor condition, so the needs extend beyond the state system.

## **Roadways**

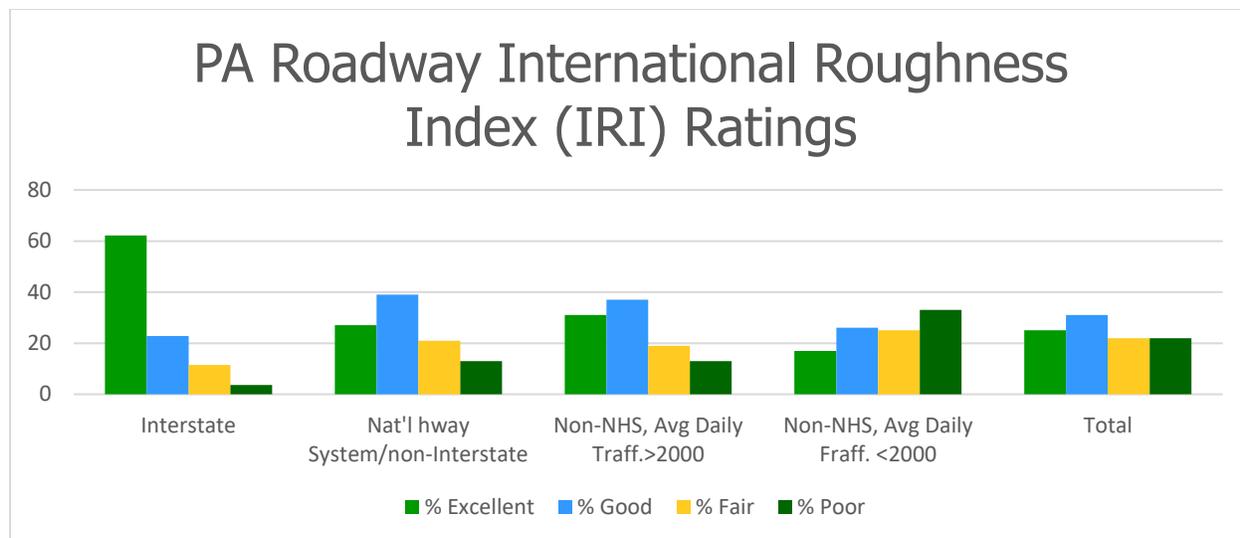
With PennDOT directly responsible for approximately 40,000 roadway miles in Pennsylvania, maintaining our transportation network takes strong partnership among the Department, federal and local governments, planning partners, the construction industry, and our communities.

New programs, federal requirements, and our subsequent funding-distribution changes have brought much attention to our interstate system. Many of the interstates in Pennsylvania were designed in the 1950s and constructed in the 1960s, and many major bridges on the interstate network are nearing the end of their useful life. These bridge assets on the interstate system serve as the economic backbone to communities, local businesses, and interstate commerce. Though rehabilitation or replacement is costly, bridge maintenance and preservation costs only increase over time. Since this network carries 26% of the total vehicle miles traveled in the state, it is imperative to keep these assets in a state of good repair.

Beginning in 2021, PennDOT adjusted its funding formulas to provide increased investment in Pennsylvania's interstate network. We are pleased that over 62% of the interstate network has a condition rating of "Excellent." We know that additional focus on the interstates has made a real difference.

However, of the nearly 40,000 miles of PennDOT-maintained roads, nearly 50% see fewer than 5,000 vehicles per day. Twenty-six percent of the PennDOT-maintained roads that are not on the interstates or the rest of the National Highway System (NHS) are rated as "Poor" on the International Roughness Index (IRI). On non-NHS roadways with an average daily traffic volume of fewer than 2,000 vehicles, 32 percent of the miles are in "Poor" condition on the same scale.

Our lower-volume network is critical to our communities. While some of these roads are only used by a few hundred vehicles per day, they connect people to their jobs, to schools, to healthcare, to their family and friends. We will continue to prioritize this network along with our higher-volume roadways to help keep people and goods moving safely, no matter where they need to go.



Additionally, continued response to winter storms and extreme weather events means that PennDOT's maintenance budget (along with the budgets of our municipal partners) has been repeatedly strained with unanticipated road and bridge repairs. These are ongoing costs that we expect to continue to increase as these types of weather events become more frequent due to a changing climate.

## MULTIMODAL

### Public Transit

Public transportation is available in some form in every county in Pennsylvania and these services are critical in communities across the state. On average, over half of people who use these services say that they have no alternate means of transportation (based on responses in past transit-agency performance surveys). In fiscal year 2024-25, there were over 280 million fixed-route bus trips, including 26 million trips for seniors. There were 4.9 million shared ride trips in 2024-25, most of which were for senior citizens and people with disabilities.

Transit offers low-cost connections to jobs, medical care, and other community resources, while reducing congestion and air pollution. Transit access and mobility are critical in businesses' decisions to locate or expand in our towns and cities. Business partnerships and adaptability are key to getting workers to jobs, especially when workers are not located near those jobs.

Transit ridership continues to rebound, and transit agencies provide millions of dollars in economic benefit to their communities through employment and purchasing, as well as providing an affordable, convenient, reliable transportation option to their residents.

Despite calls for mass transit funding increases in the Governor's last two budget proposals, agencies across the state are still waiting for a sustainable operational funding increase. Governor Shapiro authorized SEPTA and Pittsburgh Regional Transit, the Commonwealth's two largest transit agencies, to use capital assistance funds to support daily operations. This was a

stopgap measure to help the agencies avoid significant service cuts: a long-term solution is still sorely needed.

Agencies are dependent on operating funds to support not only their fixed route services, but critical shared ride programs. Many agencies have been forced to divert operating funds to support shared ride services, which exist in every county. Additional operational support for transit will benefit Pennsylvanians in rural, urban, and suburban communities alike.

The Governor's Budget proposes an additional \$319.6 million in operational funding for these important services, split between Mass Transit Operating and Programs of Statewide Significance (which supports shared ride services), beginning in fiscal year 2027-28. These additional funds would come from an additional 1.75% of the Pennsylvania Sales Tax being deposited into the Public Transportation Trust Fund. Not only would this increase help stabilize fixed route service, but it will benefit critical shared ride programs, microtransit and more.

### **Active Transportation**

Thirty percent of Pennsylvania residents cannot or do not drive and while many may rely on others to provide vehicle access, many remain – including children, seniors, those with disabilities, and those who cannot afford a vehicle – who rely on the non-motorized network to walk, bike, or roll to their destinations. PennDOT works with our local partners to provide various sources of funding, like the Multimodal Transportation Fund, for the construction or rehabilitation of sidewalks, the completion of ADA transition plans, bicycle facilities, and transit stops. Currently, our state funding – via Act 89 of 2013 – is significantly below the level of need identified in our grants program and this will continue to limit the ability of local communities to address critical safety needs or fully participate in state initiatives such as the Aging Our Way, PA Plan or the Pennsylvania Housing Action Plan.

### **Aviation**

There has been a significant reduction in aviation fuel revenue due to the impacts of the pandemic. As a result, there is less funding available for the Aviation Development Program (ADP), a state grant program that is funded through the collection of state taxes on jet fuel and funds airport facility projects. We are grateful that the Governor's proposed budget includes \$1.6 million annually for aviation. This will help PennDOT match the federal IIJA funds, which will require an additional \$1.5 million to \$2 million annually in match funding.

The Department administers a little more than \$8 million in total federal funding for the state's 40 general aviation airports that are eligible to receive federal funding from IIJA and are part of the State Block Grant Program.

### **Intercity Passenger Rail - Amtrak**

During fiscal year 2024-25, there were nearly 1.3 million trips on the Keystone and Pennsylvanian lines. Our federally mandated support of Amtrak service continues, and we are doing all we can to advance station projects to bring them to a state of good repair and ADA compliance. Parking improvements in Lancaster are finalized and a new pedestrian bridge connecting the new parking lot to the station is under construction. The Coatesville Train

Station is under also construction. Additional capital improvements in Downingtown have begun and Parkesburg continues to develop.

We are grateful for new federal investments that will allow for the expansion of passenger rail in Pennsylvania. The Federal Railroad Administration (FRA) announced that Pennsylvania will receive \$143 million through the Federal-State Partnership for Intercity Passenger Rail (FSP-National) program to support the expansion of passenger rail along the Keystone West corridor between Harrisburg and Pittsburgh. Currently, the Pennsylvanian service travels roundtrip between New York City and Pittsburgh via Harrisburg once daily. This additional funding supports increasing the Pennsylvanian passenger services to two roundtrips a day. To support these expanded passenger operations, the Commonwealth will invest more than \$200 million in infrastructure and safety improvements, which will be mostly offset by this federal investment. The additional Pennsylvanian roundtrip is expected to be in place this year.

Additionally, FRA has identified three passenger rail corridors in Pennsylvania for study and development through the Corridor Identification and Development (Corridor ID) program, a comprehensive intercity passenger rail planning and development program that will help guide intercity passenger rail development throughout the country and create a pipeline of intercity passenger rail projects ready for implementation. The Scranton to New York Penn Station (NYP) Passenger Rail Corridor project, the Keystone Corridor: Pittsburgh to Philadelphia project, and the Reading-Philadelphia-New York Corridor were all accepted into the Corridor ID program. The Scranton to New York Corridor, supported by PennDOT, was among the first five corridors to be approved by the FRA to move into Step 2 – the development of the Service Development Plan (SDP) – of the Corridor ID program. This will include identifying capital projects, engaging with the public, and outlining potential service options. The first virtual public meeting for the Scranton to New York SDP took place a few weeks ago, with over 1,000 people registered.

Enhancing passenger rail and restoring these connections will deliver new mobility options for Pennsylvanians, connecting hundreds of thousands of residents and boosting local economies.

## **DRIVER AND VEHICLE SERVICES**

PennDOT's Driver and Vehicle Services (DVS) is focused on improving the customer experience and continues its work on the Enhancing the Customer Experience initiative. This initiative is a holistic approach to enhancing every customer's experience at each touch point. Since 2023, the Shapiro Administration has renovated 23 driver license centers across Pennsylvania (13 in 2025 alone) to modernize facilities and improve customer service. The renovations include the addition of workstations and counters, expanded customer seating and facility space, upgraded electrical and HVAC systems, and refreshed lighting, painting, and flooring. PennDOT continues to determine which driver license centers will benefit from needed improvements and is making plans to carry out additional facility upgrades in the future.

A positive customer experience is critical to DVS. With the evolution of the private-sector business model, customers now compare us to cutting-edge businesses. DVS has added greeters to the busier driver license centers to provide an initial point of contact to assist customers with their visit to the driver license center. This "triage" staff offers customers a

review of documents, assistance with choosing the correct service queue, and answers to any questions that might arise about required forms, wait times, etcetera.

In addition, DVS has a division focused on real-time analysis of driver license and photo center queuing systems to ensure an effective and efficient visit for customers. The staff from this division works with the Bureau of Driver Licensing and Bureau of Motor Vehicle staff and management to analyze wait times, identify trends, and provide suggested solutions to customer flow issues for both long-term and near-term impacts to improve the overall customer experience.

We saw a substantial increase in customer volume at the sites throughout 2025 due to the May 7, 2025, REAL ID deadline. However, PennDOT Driver and Vehicle Services is proud to report that with the hard work and dedication of our staff and additional hours offered to provide REAL ID services, the overall wait time average for services at Driver License and Photo License Centers in 2025 was about 30 minutes. Even with the increased customer volume and higher wait times, we were still able to keep our customers satisfied, with 95.62% of customers rating our service as “excellent.”

### **Road User Charge**

On April 1, 2025, under Act 85 of 2024 (later amended by Act 149), PennDOT began charging owners of electric vehicles and plug-in hybrid vehicles an annual Road User Charge (RUC). The RUC allows these drivers, who are paying little or no gas tax, to continue contributing to Pennsylvania’s Motor License Fund for the ongoing maintenance of highways and bridges. To date, RUC has brought in a total of \$13.2 million. PennDOT Driver and Vehicle Services’ system currently requires a lump-sum payment of this charge. PennDOT is in the process of modifying the current system to allow drivers to opt into a payment plan, effective July 2026.

### **“Let Freedom Ring” License Plate**

The Shapiro Administration unveiled the new “Let Freedom Ring” license plates alongside new highway welcome signs in July 2024, to celebrate Pennsylvania as the birthplace of American democracy. PennDOT began distribution of these new plates in June 2025. By the end of 2025, nearly 201,000 new plates were issued across Pennsylvania, and PennDOT continues to distribute tens of thousands of these “Let Freedom Ring” plates each month.

### **REAL ID**

Federal REAL ID enforcement began on May 7, 2025. The Pennsylvania REAL ID program is optional, and since REAL ID became available to Pennsylvanians in March 2019, PennDOT has issued over 3.9 million, 1.25 million in 2025 alone. Over 35% of Pennsylvania driver’s license or ID card holders are currently carrying a REAL ID.

To maximize REAL ID issuance before the federal enforcement deadline, PennDOT expanded its days of operation and service hours at nearly 60 driver license centers statewide. These dedicated Monday, “REAL ID Days,” allowed us to serve nearly 70,000 additional REAL ID customers outside normal operating hours.

In addition, PennDOT staff provided six REAL ID pop-up events at large employee-dense businesses, which resulted in the issuance of over 1,000 REAL IDs. PennDOT also hosted numerous REAL ID webinars for legislative offices and attended and delivered over 30 presentations at a variety of community facilities, including senior living facilities, libraries, municipal offices, and other public community venues.

As a part of PennDOT's robust communications plan, the Department engaged with the public through a multi-platform paid media campaigns, multiple press conferences, and partnerships with our local officials, AAA, the United States Transportation Security Administration, Pennsylvania's airports, and others.

## **PENNDOT EFFICIENCIES AND INNOVATION**

We understand that the people of Pennsylvania trust state agencies to be good stewards of taxpayer dollars, and we take our responsibility seriously. PennDOT continuously evaluates its operations to find opportunities to enhance efficiency and save money.

PennDOT continues to collaborate with our industry and federal partners, as well as other state agencies and the Pennsylvania Turnpike Commission on Transportation Quality Initiatives (TQI). TQI process teams review new products, innovations and policy changes that emphasize safety, sustainability, cost effectiveness and efficiencies for design, construction, and maintenance.

In addition to continually improving, evolving, and innovating quality practices into our own operations, PennDOT is also fully engaged in preparing for transportation's future. When it comes to vehicle automation, for example, PennDOT has an active seat at the table, and has been nationally recognized for our leadership as a DOT in this space. This technology will continue to grow, and we are committed to the industry's safe, efficient development, which will continue benefiting our communities while the technology is developed in our backyard.

Pennsylvania continues to lead the nation in the construction of electric vehicle (EV) charging stations, with 28 stations now open statewide. Since the first Pennsylvania station funded through the federal National Electric Vehicle Infrastructure (NEVI) program opened in December 2023, NEVI-funded charging stations in Pennsylvania have supported over 53,000 charging sessions, over 6.4 million estimated miles driven, and reduced CO2 emissions by more than 1,300 metric tons.

Additionally, PennDOT is powering forward with more investments through the NEVI program, beginning with the Corridor Connections funding opportunity, which focuses on implementing EV charging stations along major roadways to strengthen long-distance travel beyond the previously designated Alternative Fuel Corridors. Projects funded from the Corridor Connections program will improve range confidence for drivers who are considering travel with an EV across and throughout the Commonwealth.

## **WORKFORCE AND BUSINESS OPPORTUNITY**

At PennDOT, we know that we need a skilled workforce to help us realize our vision of improved quality of life built on transportation excellence. At over 11,700 employees, the PennDOT team stands ready to make transportation in Pennsylvania better. While we are always looking for qualified members to join our team, we are proud to report that as of January, 97% of our complement is currently filled.

We have been working to adapt to the USDOT's October 2025 Interim Final Rule (IFR) impacting certified Disadvantaged Business Enterprise (DBE) firms. The IFR removed presumptions of disadvantage based on race and gender and requires each firm seeking DBE certification post-IFR to be reevaluated. PennDOT has communicated with all 1,400 Pennsylvania based firms impacted, in coordination with the Pennsylvania Unified Certification Program (PA UCP).

These businesses have an incredible impact on the communities where we all live and work. We want the new ideas, expertise, and perspectives that these businesses provide, and this will continue to be a major focus for the department.

## **MOVING FORWARD**

The PennDOT team is making transportation better for all people, and – as always – aiming at a safer, more connected Pennsylvania. We appreciate your partnership as we continue in this mission.