PennDOT House Appropriations Statement



Chairs Harris and Struzzi, and members of the House Appropriations Committee, thank you for the opportunity to review the Pennsylvania Department of Transportation's (PennDOT) efforts to maintain and improve the Commonwealth'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 in the coming years – including America's 250th anniversary celebration, the FIFA World Cup, NFL draft, and many more – continued investment in our state's vast transportation network will be crucial to help ensure that visitors to Pennsylvania – as well as 13 million Pennsylvanians – can travel safely and reliably through the Commonweatlh.

OVERALL SYSTEM STATUS, NEEDS

Getting Stuff Done: Record Road and Bridge Improvements Under Shapiro Administration

Under the Shapiro Administration, 12,921 miles of roadway have been improved, including 4,708 miles of paving: nearly 900 more miles of roadway improved and over 800 more miles paved than in the previous two years. During the same timeframe, work advanced on 1,172 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 2024 alone, 5,910 roadway miles were improved statewide, including 2,186 miles of paving. In the same timeframe, work advanced on 488 state and locally owned bridges. Additionally, 509 construction contracts for highway, bridge, and other improvement projects were completed statewide through PennDOT's private-sector partners in 2024.

You can track this progress at www.pa.gov/penndot/results.

These improvements were largely made possible by federal funds through the Bipartisan Infrastructure Law (BIL) and action as part of last year's budget that established an accelerated reduction of Motor License Funds (MLF) to the Pennsylvania State Police (PSP). This fiscal year, the PSP allocation from the MLF is proposed at \$200 million for fiscal year (FY) 2025-2026, followed by reductions of \$50 million each fiscal year until it reaches \$0 in FY 2029-2030. This would total an additional \$750 million for transportation over five years and represents the equivalent of a \$0.05 per gallon increase in the state gas tax, without Pennsylvanians paying any additional taxes.

However, gas tax revenues are decreasing and will continue to, as vehicles become more efficient, and more people choose to drive electric vehicles. These reduced revenues have only highlighted how dependent we are on this revenue source – to a much higher degree than other states. For example, our neighbor to the north, New York, only relies on gas tax for 18% of its transportation funding, while gas tax revenues fund 75% 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 \$467 million in 2024, down from \$470 million the previous year) helps local governments pay for important day-to-day expenses, like snow removal and road repaving.

We're proud of the progress that we've made, but our work is far from over. It's 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 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 2,100 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 1,560 bridges that are in poor condition, so the needs extend beyond the state system.

Roadways

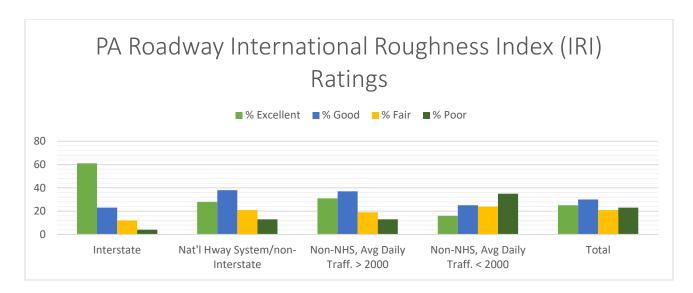
With PennDOT directly responsible for approximately 40,000 roadway miles in Pennsylvania, maintaining our transportation network takes strong partnership among the Department, federal and local governments, planning partners, the construction industry, and our communities.

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 percent 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've moved many critical interstate projects forward, like ongoing reconstruction along the I-83 corridor, just minutes from the Capitol. We're pleased that over 60% of the interstate network has a condition rating of "Excellent." We know that additional focus on 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-seven 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, 35 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 only see 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 the increased frequency of 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 events become more frequent.

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, 64 percent of the people who use these services say that they have no alternative means of transportation (based on responses in past transit-agency performance surveys). In fiscal year 2023-24, there were 260 million fixed-route bus trips, including 25 million trips for seniors. There were 5.2 million shared ride trips in 2023-24, 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.

While transit provides millions of dollars in positive economic impact each year, ridership growth is slow to return to pre-pandemic levels, as people work from home and change their travel patterns. Additional operating funds will be critical to help agencies keep people moving safely. This affects every transit agency across the state, not just those in major metro areas.

The Governor's Budget proposes an additional \$292.5 million in operational funding for these critical services, split between Mass Transit Operating and Programs of Statewide Significance. This would result 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, micro-transit and more.

Active Transportation

Thirty percent of Pennsylvania residents cannot or do not drive and while many may rely on others to provide access to a vehicle, 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 transitions plan, bicycle facilities, and transit stops. Currently, our state funding — via Act 89 — 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. ic. 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 an additional \$1.6 million annually for aviation. This will help PennDOT match the federal BIL 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 and are part of the State Block Grant Program.

Additionally, in December 2022 the Transportation Advisory Committee (TAC) published its Pennsylvania Aviation Needs Assessment and Strategic Action Plan. It was the first-ever comprehensive needs assessment with a strategic action plan focused on the improvement of Pennsylvania's aviation system. It took a holistic look at aviation needs in terms of infrastructure, capital investment needs, financing, technological advancements, and legislative reforms necessary to advance Pennsylvania aviation as a major mode of transportation, supporting the overall mobility and economic demands of the state.

Intercity Passenger Rail - Amtrak

During fiscal year 2023-24, there were nearly 1.2 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 ensure accessibility. Parking improvements in Lancaster are finalized and construction on a new pedestrian bridge connecting the new parking lot to the station is set to begin in the near future. The Coatesville Train Station is under also construction. Additional capital improvements in Downingtown and Parkesburg continue 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.

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 is among the first five states to begin developing a Service Development Plan (SDP), which will include identifying capital projects, engaging with the public, and outlining potential service options.

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. On January 1, 2020, the Enhancing the Customer Experience initiative began, which will continue over 10 years. This initiative is a holistic approach to enhancing every customer's experience at each touch point. Some of the improvements will be customer facing – such as new or enhanced facilities – while others will be made in systems and processes to create a more efficient environment to serve customers quickly and accurately. Enhancing the Customer Experience will focus on exceeding customer expectations through the innovative use of technology, updated facilities, hiring and training of dynamic staff and improved interaction with the individual customer.

A positive customer experience is critical to DVS and ensures a lasting impression of government that works. With the evolution of the private-sector business model, customers now compare us to cutting-edge businesses. The customers' experience will be integrated into all processes within DVS.

DVS has added staff to the busier driver license centers to provide an initial point of contact, upon entrance, 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, etc. In addition, DVS has launched a new operating unit focused on real-time analysis of driver license and photo centers queuing systems to ensure an effective and efficient visit for customers. The staff from this unit will be working together, 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're proud to report that the statewide average wait time at our driver license centers is 15 minutes, and 96% of customers are rating our services as "excellent."

REAL ID

Federal REAL ID enforcement begins in just a few months, on May 7, 2025. PennDOT has created a process for issuing REAL IDs to customers who choose to get one. That process is streamlined, customer-focused, and adheres to federal regulations.

Over 2.4 million customers have chosen a REAL ID since PennDOT began issuing them in March 2019, and 24.2% of all Pennsylvania DL/ID holders possess a REAL ID product. We have gotten through a full four-year renewal cycle, and every Pennsylvania driver's license or ID card holder has made a conscious decision to either get a REAL ID or not.

However, we are focused on continued education of our customers, providing additional opportunities to learn about REAL ID and to get one. In addition to a paid advertising campaign that will begin next month, we've hosted pop-up REAL ID issuance events at the state capitol, the Pennsylvania Farm Show, Children's Hospital of Philadelphia, and Comcast, with more scheduled in the coming months. We've also hosted "REAL ID Days" events at many of our driver license centers, opening on Mondays (when centers are usually closed) for REAL ID transactions. We've hosted informational events with lawmakers and community organizations around the state as well and will continue to do so in the months leading up to and beyond the enforcement deadline.

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 very 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 PA Turnpike Commission on Transportation Quality Initiatives, or TQI. TQI process teams review new products, innovations and policy changes that emphasize sustainability, cost effectiveness and efficiencies for design, construction, and maintenance.

In addition to working to implement innovative practices into our own operations, PennDOT is 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 to benefit our communities while the technology is developed in our backyard.

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. The PennDOT team comprised of over 11,000 employees stands ready to make transportation in Pennsylvania better. While we are always looking for qualified members to join our team, we're proud to report that as of January, 97% of our complement is currently filled.

We also recognize that we need strong businesses to compete for our contracts, and those businesses also need skilled workers. We're doing our best to expand opportunity for small, businesses to do work with PennDOT and the Commonwealth. We know that 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.

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.