Pennsylvania Senate Transportation Committee Senator John C. Rafferty, Majority Chairman Senator John N. Wozniak, Minority Chairman

Hearing on Reliable Alternatives to Funding the Pennsylvania State Police Tuesday, February 16, 2016 1:30 PM

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Chairman Rafferty and Chairman Wozniak, thank you for the opportunity to provide testimony regarding the alternatives to funding the Pennsylvania State Police. I am Eric Madden, Executive Vice President of the American Council of Engineering Companies of Pennsylvania (ACEC/PA). ACEC/PA is a state-wide trade association with more than 125 members, including consulting engineering, construction inspection and surveying firms. While our members provide a wide range of professional engineering services, our membership has a very keen interest in civil engineering and the design of the public's water and transportation infrastructure. The association has been serving the industry for nearly 70 years.

ACEC/PA, as part of the Keystone Transportation Funding Coalition, played a very active role in the passage of what is now Act 89 of 2013. Through the Act, Pennsylvanians will benefit from an additional \$2.3 billion annual investment that improves our highways, bridges, transit systems, airports, freight railroads, ports, bicycle and pedestrian projects throughout the entire Commonwealth. Act 89 was a true game-changer and quickly drew national attention not only for the size of the program, but also the manner in which it was passed. It was a bi-partisan approach that has led to a long-term, multi-modal program with sustainable growth. Many of you voted and supported Act 89 and I believe you are seeing the immediate effects of transportation improvements that are currently underway in your districts. The industry thanks you for your support in this success.

As we enter into the third year of the five-year ramp-up of Act 89, we have reached a point where we may begin to analyze how the final two years and those thereafter may unfold. When Act 89 and the associated Decade of Investment projects were enacted, there were certain assumptions that were expected to ensure the full success of the Act.

One assumption was that the federal government would eventually fulfill its responsibility, reauthorizing a long-term funding scenario for the federal highway and transit program. Since 40-45 percent of the Act 89 Decade of Investment projects were dependent upon these dollars, this was critical. Fortunately, the federal government has indeed enacted a fully-funded, five-year transportation authorization into law.

The second assumption is that there would not be any unconstitutional diversions from the state's Motor License Fund. ACEC/PA strongly supports the State Police and all of the herculean efforts that the men and women of the force undergo each and every day. However, the primary source of the dollars to fund the State Police has become a particular challenge that will impact the future achievements of Act 89.

This brings us to the matter at hand regarding the Pennsylvania State Police funding from the Motor License Fund. The FY 2015-2016 budget for the State Police is approximately \$1.16 billion. Of that total budget, \$755 million will be funded through the Motor License Fund. Those dollars equate to 65 percent of the State Police funding originating from the Motor License Fund while the remaining 35 percent come from the General Fund. The Motor License Fund portion has grown over the past five years from 61 percent to the current 65 percent. This breakdown of funding between the Motor License Fund and the General Fund is counter to the trend when compared to some of our neighboring states.

As you know, Motor License Fund dollars are constitutionally protected and specifically earmarked for the explicit funding of state-owned highway and bridge facilities. State Police operations have been an allowed expense against the Motor License Fund only for the purposes of patrolling and enforcing the traffic laws along the state-owned highway system (in accordance with the constitutional provisions of the Motor License Fund). However, the percentage of funding and the actual growth of those dollars cause concern and need to be addressed. Perhaps now is the time to pause and call for an independent, non-partisan review to determine the appropriate amount of Motor License Fund dollars that may be associated with the State Police's mission of patrolling our state-owned highway system.

In comparison, the New York State Police budget for FY 2015-2016 is approximately \$738 million with the General Fund providing 88 percent of the funding. In Maryland, the State Police have a \$329 million budget with 71 percent coming from the General Fund. In Virginia, the State Police have a \$314 million budget with 79 percent originating from the General Fund.

In FY 2001-2002, the Motor License Fund portion of the State Police funding was \$338 million. By FY 2010-2011, the Motor License Fund share grew to approximately \$524 million. Again, for FY 2015-2016 the expected share is \$755 million. Given the rate of growth, it is anticipated that, if unfettered, the Motor License Fund share of the State Police budget will be nearly \$1 billion within the next five years. That is \$1 billion that will not be available for the necessary repairs and enhancements to our aging state-owned highway and bridge system. This is simply unsustainable and it is the challenge that lies before us to maintain our industry's commitment to delivering the Decade of Investment projects outlined in Act 89.

ACEC/PA wholeheartedly supports the funding for the State Police. In fact given the current environment of safety and security in the homeland, we would advocate for enhanced funding. The problem remains that while our missions are both equally important for the overall health of the Commonwealth, we find ourselves competing for the very same dollars that were specifically established to address our transportation infrastructure needs.

ACEC/PA stands firm with the State Police and their mission. It is our intent to work jointly with the Department of Transportation, State Police and the Troopers Association to bring forward a common solution to the General Assembly. Much like our participation in the Keystone Transportation Funding Coalition which brought about Act 89, we will gladly advocate on behalf of the State Police to ensure that they are adequately and appropriately funded through the General Fund or other Special Funds.

Again, thank you for this opportunity and I welcome any comments or questions from the Committee.