



David J. Gray  
Senior Vice President for Finance  
and Business / Treasurer

The Pennsylvania State University  
208 Old Main  
University Park, PA 16802-1503

August 19, 2013

The Honorable John Rafferty, Jr.  
Majority Chair, Senate Transportation Committee  
Senate of Pennsylvania  
20 East Wing  
P. O. Box 203044  
Harrisburg, PA 17120

Dear Senator Rafferty,

I am David Gray, Senior Vice President for Finance and Business and Treasurer at Penn State University. I am pleased to present testimony on behalf of the University supporting a responsible increase in funding for transportation in the Commonwealth. First, I commend the Senate of Pennsylvania for passing Senate Bill 1, which would increase transportation funding by \$2.5 billion annually. This funding is badly needed to address the many unmet needs of all of our transportation components – highways and bridges, public transportation, airports, railroads, and ports.

Under-investment in infrastructure in general, and transportation in particular, has been a long-standing problem in our country. This situation is exacerbated by the combination of continuing inflation in the construction industry and more fuel-efficient vehicles, resulting in less funding being available for increasingly costly projects. Reports by the State Transportation Advisory Committee in 2010 and the Transportation Funding Advisory Commission in 2011 have previously made the case for increased investment in Pennsylvania's transportation system.

Penn State has 24 campuses throughout Pennsylvania, meaning our students, faculty and staff, and parents are all impacted by the need for better transportation facilities across the state. Our highest priority is for the preservation and improvement of our existing system. We simply have to continue to invest adequate resources in the restoration of our existing highways, the rehabilitation and replacement of our bridges, and the operation and modernization of our public transportation systems. All are essential to the safe and efficient movement of people and goods. We recognize that a failure to adequately provide for these needs will likely result in rougher roads, more closed and posted bridges, and reduced public transportation service.

But we cannot stop at just meeting our system preservation needs. There are a limited number of key major projects that are necessary to provide safe and efficient traffic flow, and at the same time to support economic development in our state. One example near our University Park campus is US 322 between the top of the Seven Mountains and the Mount Nittany Expressway. Completion of this last section of US 322 would provide a four-lane facility linking I-80 with the State Capitol in Harrisburg. Other similar projects involving both highways and public transportation exist across the state, and all will continue to languish unless sufficient funding is provided.

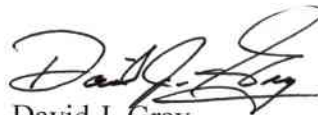
It is clear that the solution to this funding problem does not lie in Washington, D.C. Hence, it is up to all of us in Pennsylvania to find a solution that is reasonable and fair to all who travel in our state. Although the \$2.5 billion annual increase that the Senate has already approved may, at first blush, seem huge, it really is not. A failure to act will result in increased costs to travelers in terms of:

- Rougher roads, resulting in increased automotive repair costs
- Closed and posted bridges, necessitating detours for some heavy vehicles, such as emergency vehicles, school buses, and farm-to-market trucks
- Reduced service and/or increased fares for public transportation riders
- Increased congestion due to an inability to advance capacity improvements

To the average motorist, these costs will exceed the costs he or she will realize if the \$2.5 billion increase becomes law. In essence, it's like the often-quoted Fram Oil Filter line – "You can pay me now or pay me later."

As I said earlier, I commend you for taking the lead in passing a comprehensive transportation funding package to address Pennsylvanian's needs. I encourage you to continue to work with the members of the House of Representatives to solicit their support for this package – for the good of all Pennsylvania citizens and those who travel within the Commonwealth.

Sincerely,



David J. Gray  
Senior Vice President for  
Finance & Business/Treasurer