

TESTIMONY BY THE PENNSYLVANIA STATE ASSOCIATION OF TOWNSHIP SUPERVISORS

BEFORE THE SENATE TRANSPORTATION COMMITTEE

ON

Local Roads and Bridges as the Foundation of PA Transportation System

PRESENTED BY

DAVID SANKO EXECUTIVE DIRECTOR

SEPTEMBER 17, 2024 HARRISBURG, PA Chairman Langerholc, Chairman Flynn, and members of the Senate Transportation Committee, thank you for allowing PSATS the opportunity to present remarks on behalf of the 1,453 townships of the second class represented by our association.

PSATS is a nonprofit, nonpartisan organization committed to preserving and strengthening township government and securing greater visibility and involvement for townships in the state and federal political arenas. Townships of the second class cover 95% of Pennsylvania's land mass and represent 5.7 million Pennsylvanians —more residents than any other type of municipality in the commonwealth.

Pennsylvania has a large road and bridge network totaling nearly 120,000 miles of roads and tens of thousands of bridges. PennDOT is responsible for nearly 40,000 miles of roadway – more than New York and all of New England combined. But local governments are responsible for nearly double that amount –**78,500 miles of Pennsylvania's roads are local**.

That is worth repeating, Pennsylvania's local governments are responsible for maintaining 78,500 miles of roadway and tens of thousands of bridges.

The legislature funds the annual state transportation budget at over \$8 billion, and of that, PennDOT uses less than \$500 million to pass along to locals through liquid fuels allocations.

Local government is a critical partner in maintaining our interconnected transportation system and must be included in any transportation funding discussions. Maintaining predictable and reliable funding for a sound transportation system is critical to our residents' quality of life as well as our economy.

Municipalities spent a combined \$2.3 billion on transportation in 2022. Municipalities rely on liquid fuels to help maintain local roads, which has decreased from a high of \$500.7 million in 2019 to \$467 million in 2024 – less than PennDOT spends on consultants annually. Increased fuel efficiency and alternate fuel vehicles are behind projections for declining liquid fuels. Unmet local transportation needs have grown from \$2.2 billion in 2010 to \$3.9 billion in 2021 and are projected to reach \$5.1 billion in the next 6 years.

We applaud the legislature for enacting an electrical vehicle user charge, but only a portion of these funds, about 14.5%, go to municipalities through the liquid fuels formula (50% road miles, 50% population). This is a step toward a needed long-term comprehensive transportation funding solution as we see less gasoline and diesel consumption. Such solutions should acknowledge increased home shopping and food deliveries, which have fundamentally changed driving patterns, and include a package delivery fee dedicated solely to local roads and bridges. Road mile charges are a consideration and are being incorporated into Turnpike tolling calculations as of January 1, 2025. Funding solutions must include reliable, predictable funding sources that are exclusively dedicated to local roads, as well as a 20% local share of any comprehensive road and bridge levy.

Mass transit continues to have a seemingly unquenchable appetite for more funds driven largely by debt service and not offset by increases in ridership or safety. Mass transit needs a stable connector to local roads and bridges to be successful.

We also thank you for allocating additional competitive grant funds for multimodal projects in this year's budget. Many municipalities have been able to see important projects funded with recent state and federal grants that improve safety and expand capacity. However, there are municipalities that struggle to fund important bridge replacements because limited tax bases make it impossible to raise the matching funds needed, often 50%, for bridge projects.

In addition to having to maintain twice as many roads miles at PennDOT, municipalities also shoulder a portion of the maintenance burden for <u>state</u> roads. Do you know how many traffic signals PennDOT owns and maintains? ZERO! Municipalities own the 14,000 traffic signals in Pennsylvania, including those on intersections of two state roads (27% of total) and those at a state and local roads (50% of total). Municipalities shoulder all costs for these signals, which amounts to about \$45 million annually just for operations and maintenance, without any dedicated assistance for signals on state roads. Municipalities also handle signage, markings, and curb cuts at traffic signals, as well as emergency generators to ensure that if the electricity goes out, even on busy state routes, that traffic control remains in place. Municipalities often shoulder other costs on state roads, including speed limits signs below 40 mph, street lighting, roundabouts, sidewalks, bike lanes, and even stormwater.

We believe that future solutions could also include local funding sources, such as an optional dedicated property tax millage for roads and bridges. Additional funds should be allocated to the Turnback program to increase the per mileage fee municipalities receive for maintaining former state roads from a rate set almost 2 decades ago of \$4,000 per mile to \$12,500 per mile (which is the PennDOT approved bonding amount) to cover losses for those already maintaining turnback roads and to make it attractive for municipalities to consider taking over additional state roads. This would be a win-win for the Commonwealth as locals maintain roads more efficiently and less expensively than the state and it would reduce personnel costs for the commonwealth at the same time!

Money isn't the only solution. Cost-cutting measures are also needed. This could include adjustments to the prevailing wage thresholds to permit small road projects to be let without this requirement, allowing local contractors to undertake these projects. The Bridge Bundling Program should be expanded and promoted to allow municipalities to take advantage of savings in engineering and construction costs. We should look to other states for examples of creative solutions, such as a recent bridge bundling pilot program in Michigan that is decreasing the time to build bridges and decreasing costs.

Finally, now is <u>NOT</u> the time to impose new unfunded mandates on our roads. The Federal Highway Administration released a new Manual on Uniform Traffic Control Devices earlier this

year and PennDOT is currently reviewing this massive new document to decide which provisions will be incorporated by regulation in Pennsylvania. The last time these changes were made, municipalities were mandated to replace traffic control and street addressing signs because someone in Washington didn't like the font type or size, or retroreflectivity; and shadow vehicles were required for mowing operations doubling the costs. We urge PennDOT to mandate only those items determined to provide verified safety improvements and to weigh whether a particular requirement makes sense for all roads or whether low-volume roads may be exempt.

Local roads are the primary means for our mutual constituents to get to work, school, doctors, groceries and recreation. Transportation funding is a critical issue for municipalities. Time and time again, municipalities have shown that they are able to spend tax dollars more efficiently and effectively because they answer directly to the people they represent. Escalating inflationary and workforce costs require that increasing revenue streams for municipalities is only part of the solution. We must also look at reducing mandates to allow municipal officials and public works crews to take advantage of creative cost-cutting measures. We look forward to working with you to ensure that local roads and bridges continue to be a part of a safe and efficient transportation system for many years to come.