

The background of the image is a photograph of the Pennsylvania State Capitol building in Harrisburg, featuring its iconic green-gilded dome and classical architecture. The image is overlaid with a dark blue gradient.

PARTNERING FOR THE FUTURE OF PENNSYLVANIA'S INFRASTRUCTURE

ACEC/PA
AMERICAN COUNCIL OF ENGINEERING COMPANIES
of Pennsylvania

ACEC/PA represents nearly 12,000 engineers, architects, land surveyors and other specialists in Pennsylvania, with a primary mission to strengthen the business environment for member firms through government advocacy, political action and business education.

FACT:

The 2011 Transportation Funding Advisory Commission report quantified the state's unfunded transportation needs at approximately \$3.5 billion, which would grow to \$7.2 billion by 2020. Transportation could become the most significant factor related to Pennsylvania's economic health if funding risks are not addressed properly.

FACT:

EVERY \$1 BILLION SPENT ON:

- Public transportation capital projects sustains 15,900 jobs
- Public transportation operations sustain 24,200 jobs
- Highway operations sustain 17,810 jobs

Source: American Public Transportation Association

For every billion we invest, 25,000-30,000 good-paying jobs are created in *engineering*, construction and other like industries.

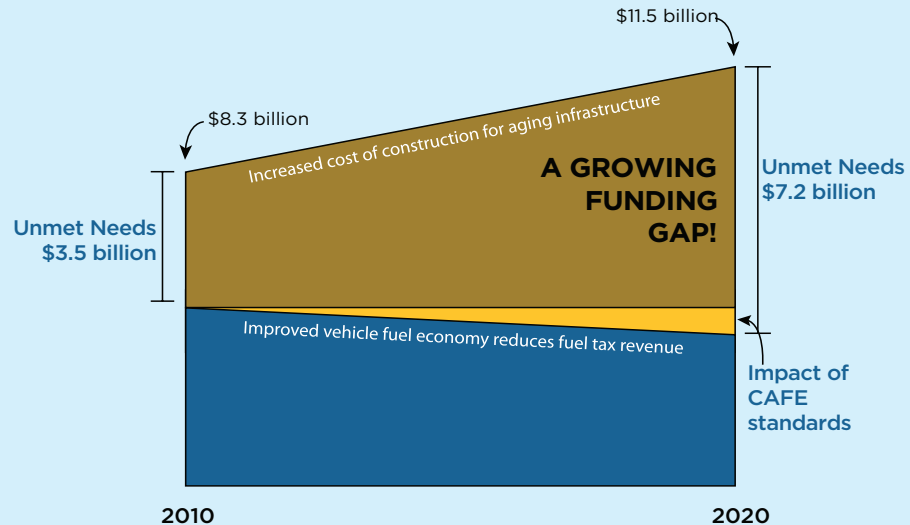
Source: Pennsylvania Department of Transportation

BENEFITS OF ACT 89 OF 2013:

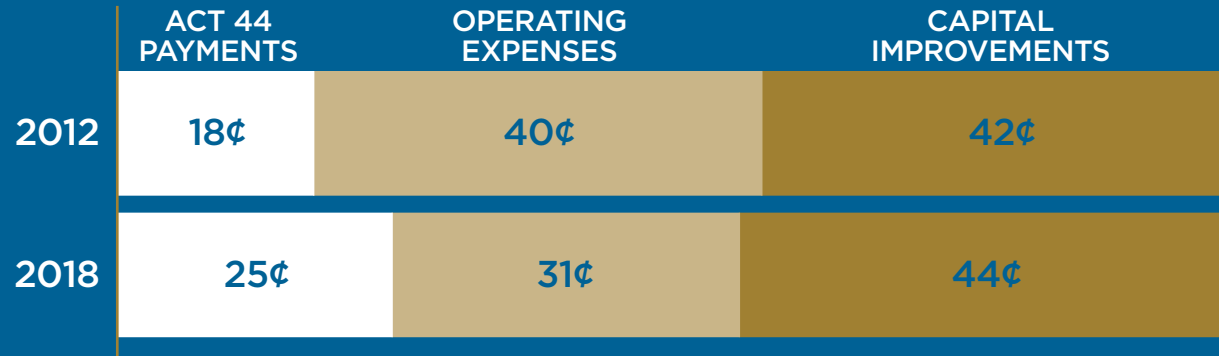
- 50,000 jobs created by 2017-18
- 1.3 billion additional investment in state roads and bridges by 2017-18
- 237 million additional investment in local roads and bridges by 2017-18
- 86 million additional investment in PA Turnpike expansion by 2017-18

PENNSYLVANIA'S TRANSPORTATION FUNDING NEEDS

Construction cost inflation and increased vehicle fuel efficiency further reduce our future buying power



WHERE DOES YOUR TOLL DOLLAR GO?



*Source: Pennsylvania
Turnpike Commission*

TRANSPORTATION FUNDING SOURCES

PRIMARY PENNSYLVANIA FUNDS:

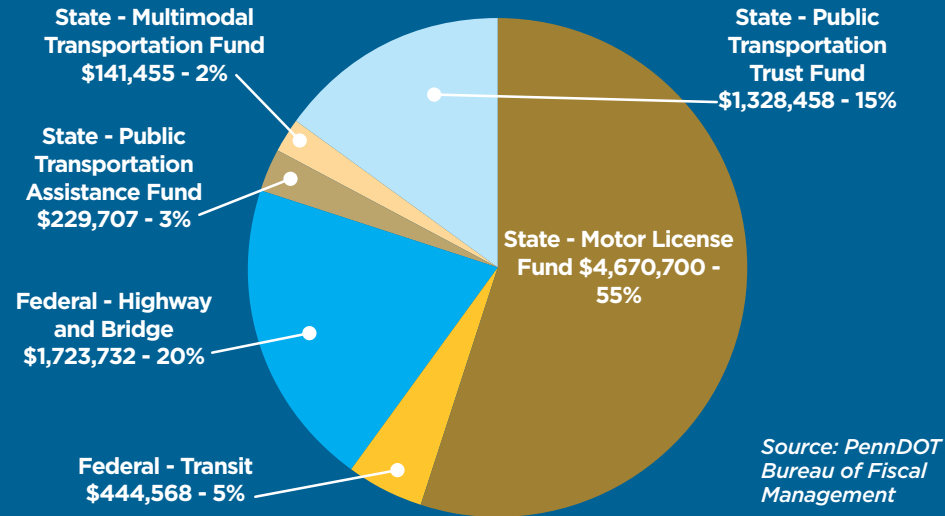
- Motor License Fund (MLF)
- Public Transportation Trust Fund (PTTF)
- Multimodal Transportation Fund (MTF)
- Public Transportation Assistance Fund (PTAF)

PRIMARY FEDERAL FUNDS:

- Highway Trust Fund (HTF), which allocates to states
 - Highway and bridge funding
 - Public transportation

Source: Rules to Pennsylvania Transportation Funding-Transportation Advisory Committee

FY 2018-19 PENNSYLVANIA TRANSPORTATION FUNDING BY SOURCE



FY 2018 PTC REVENUE VS. EXPENSES

TOTAL EXPENDITURES	\$2.1B
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EXPENDITURES

Operating Expenses	\$370M
Debt Service	\$690M
Act 44 Payments	\$450M
Capital Expenditures	\$550M

Total	\$2.1B
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TOTAL REVENUES	\$2.0B
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REVENUES

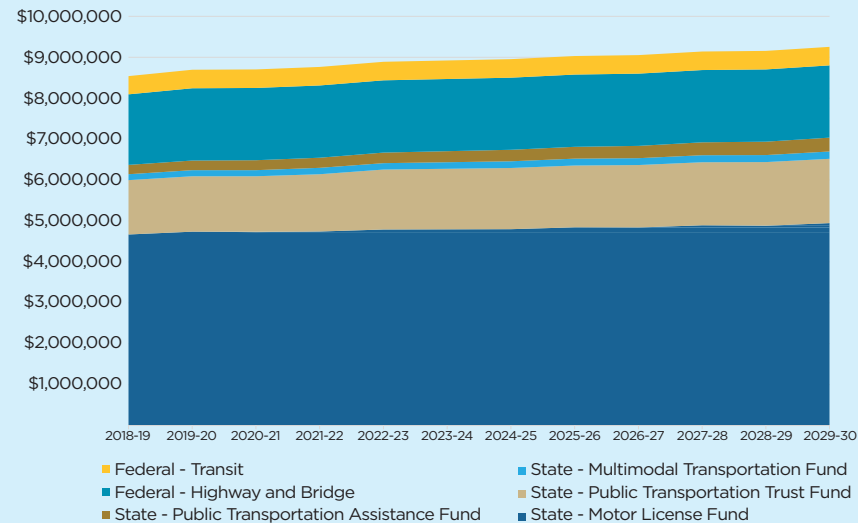
Total Operating Revenues	\$1.1B
Bond Proceeds	\$900M

Total	\$2.0B
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Source: Pennsylvania Turnpike Commission

TRANSPORTATION BASELINE FUNDING PROJECTIONS

Baseline projections assume no risk impacts. Even with no risks considered, funding is expected to increase only about 1 percent over the study period—not even keeping pace with typical inflation.



Source: Risks to Pennsylvania Transportation
Funding - Transportation Advisory Committee

FEDERAL FUNDING IMPACT

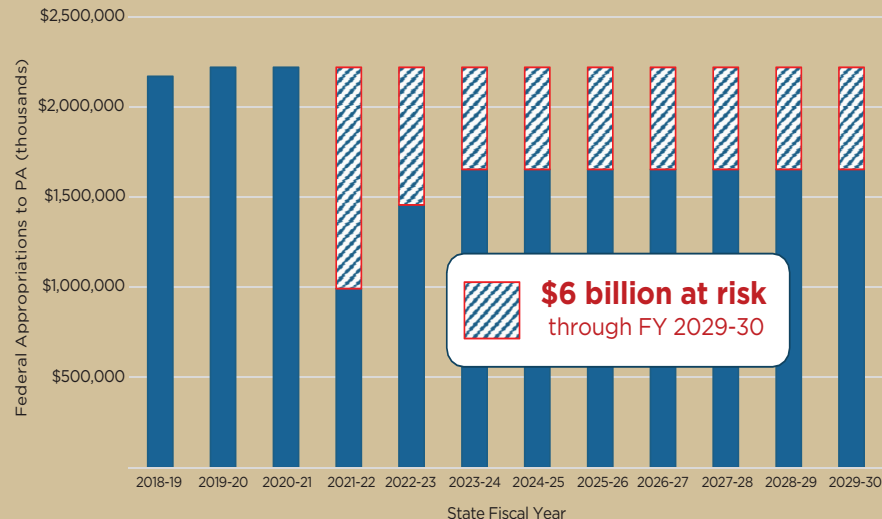
Source: *Risks to Pennsylvania Transportation Funding - Transportation Advisory Committee*

IF

...federal appropriations are reduced beginning in federal FY 2021 due to the insolvency of the Highway Trust Fund...

THEN

...Pennsylvania's highway and public transportation funding through FY 2029-30 could be reduced by a cumulative \$6 billion.



PUBLIC TRANSPORTATION TRUST FUND AND MULTIMODAL TRANSPORTATION FUND IMPACT

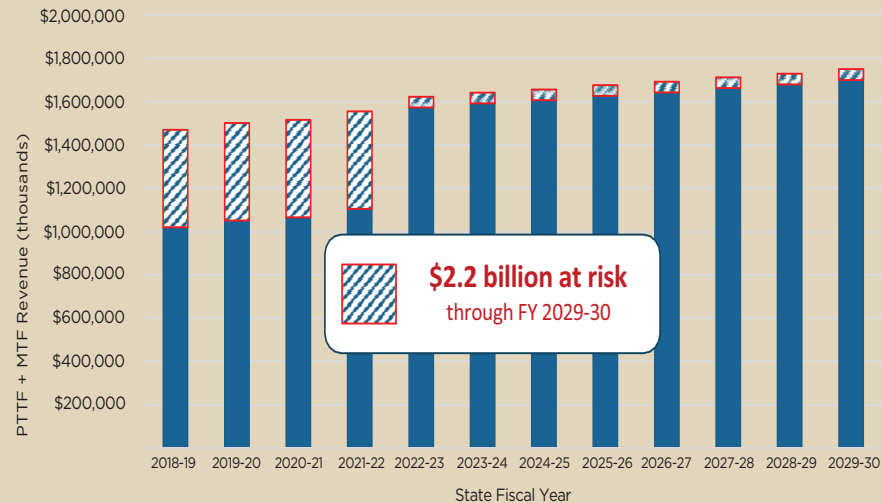
IF

...litigation by national motor carrier organizations against the PTC continues to prevent payments by the PTC to the PTTF and MTF...

THEN

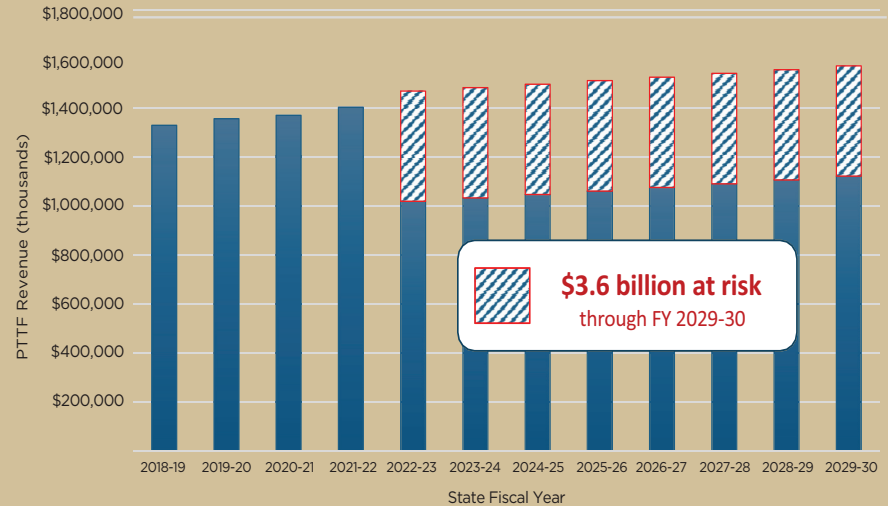
...transportation funding through FY 2029-30 could be reduced by a cumulative \$2.2 billion.

Source: Risks to Pennsylvania Transportation Funding - Transportation Advisory Committee



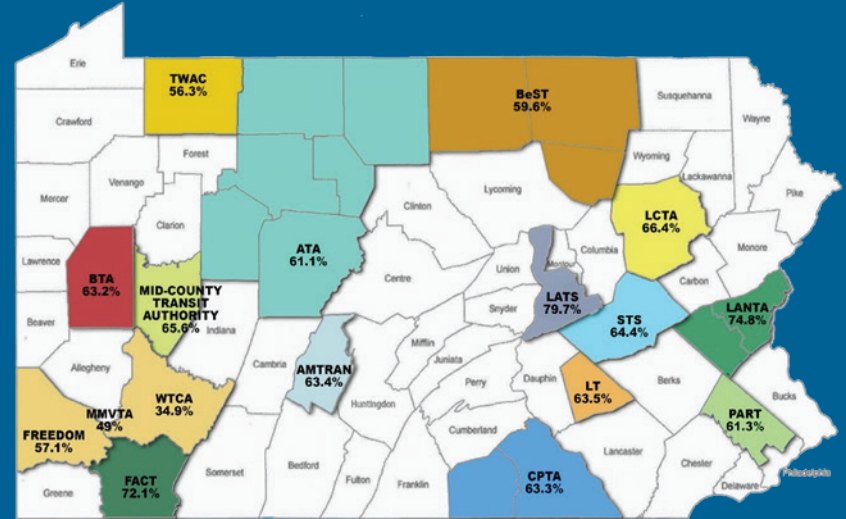
PUBLIC TRANSPORTATION TRUST FUND IMPACT

Source: Risks to Pennsylvania Transportation Funding - Transportation Advisory Committee



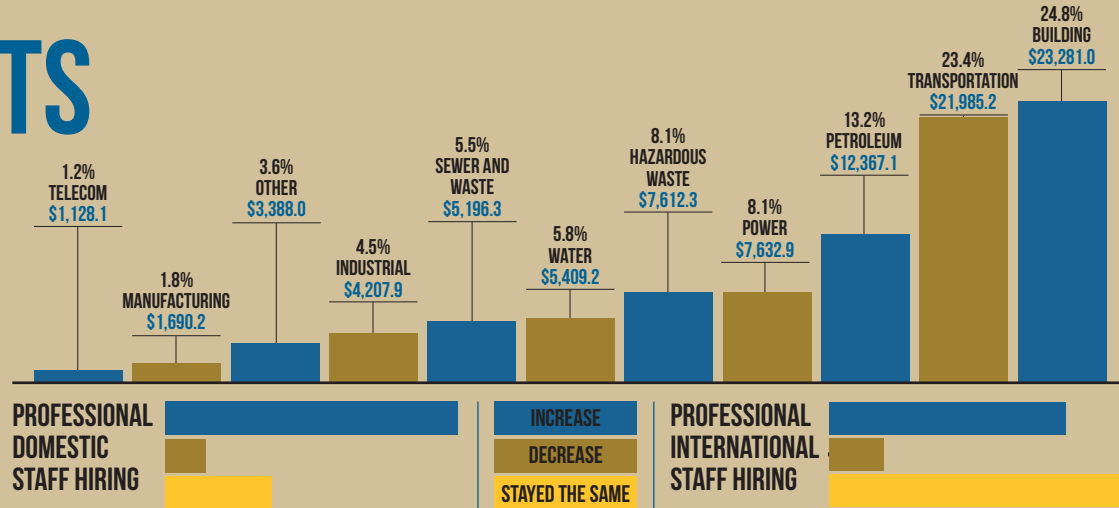
PERCENTAGE OF FIXED-ROUTE TRANSIT CUSTOMERS WITHOUT ALTERNATE TRANSPORTATION

Source: Customer surveys during Act 44-mandated transit agency performance reviews in 2017 and 2018



ENGINEERING IMPACTS THE US ECONOMY THROUGH VARIOUS MARKETS

(Measured in firms reporting)
Source: ENR



PA TRANSPORTATION FUNDING AT RISK BY FUND TOTAL POTENTIAL IMPACT THROUGH FY 2029-30

\$18.5 billion Risk by Fund

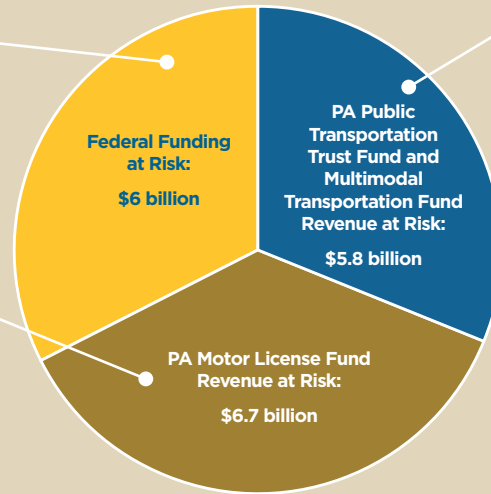
Source: Risks to Pennsylvania Transportation Funding - Transportation Advisory Committee

Purposes:

- Highway and bridge construction
- Public transportation capital projects

Purposes:

- Highway and bridge construction, maintenance, repair, and safety projects
- Payments to PA State Police



Purposes:

- Public transportation operating and capital costs
- Programs of statewide significance
- Multimodal grants

TODAY'S FACTS:

- Pennsylvania is realizing more efficiencies through improved information systems, shared services, enhanced maintenance operations and planning, and improved strategic investment planning.

- Of PennDOT's highway and bridge investments, roughly 74 percent currently goes to the private sector.
- Pennsylvania loses roughly \$100 million in buying power each year under a modest inflation rate of 2.25 percent. Meanwhile, due to increasing fuel efficiency, our fuel revenue is projected to remain essentially flat, which means a net loss when factoring in inflation.
- Pennsylvania supported nearly 400 million transit trips in the 2017-18 state fiscal year.

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