

# ***POLICY BRIEF***

An electronic publication of  
The Allegheny Institute for Public Policy

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December 9, 2010

Volume 10, Number 67

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## **Crucial Decision Time for the SPC**

On December 13<sup>th</sup> the board of the Southwest Pennsylvania Commission (SPC)—which consists of elected and appointed officials responsible for steering planning and transportation priorities for the ten county region—must decide whether it will once again approve robbing Peter to pay Paul.

The SPC board went on record this past July in a resolution saying they would no longer take money for highways and bridges and shift or “flex” it to the Port Authority (PAT) to cover its recurring budget shortfalls. In two pieces earlier this summer (*Policy Brief Volume 10, Numbers 39 and 41*) we pointed out the SPC had taken previous flex actions from 2003 through 2007 amounting to a total of \$150 million taken from roads to close budget gaps for Allegheny County’s mass transit agency.

In 2005 the SPC noted in a resolution that *“in the future our limited highway dollars should first be used to repair our existing roads and bridges, not close holes in the transit budget”*. Previous flex actions were taken under the belief that temporary fixes would give officials in Harrisburg time to come up with a fix for mass transit, likely including new fees or taxes. After the Governor raised the possibility of flexing money again this past summer, the SPC took strong and swift action to convey their opinion that enough was enough.

So when the Governor came to Pittsburgh last week announcing that he had found \$45 million to close the current operating deficit for PAT and avert service cuts and layoffs and all that was needed was SPC approval, there must have been consternation and disbelief on the part of some board members. To confuse the issue, the Governor has said the money will not come from highway funds, but economic development funding tied to discontinued projects. “We’re not asking for dollars to be taken from highways to be paid into mass transit” was what the Governor said, even though newspaper reports have identified the dollars as very closely linked to road projects.

Presumably the idea was that the SPC board could save face by not having to once again dip into the limited pool of money for highways and bridges that are in bad shape but could instead tap this new unencumbered pool of economic development dollars to help PAT. In the July meeting minutes there are quotes from two commissioners that note roads in the region are “...already rated poor by the American Society of Civil Engineers” and that further ignoring roads would entail “scary effects”.

What the SPC board should do is take the Governor up on his offer and accept the money but insist on transferring it to the backlog of road projects where deterioration has occurred because of the money already “flexed” to PAT in an effort to keep the agency from facing its day of

reckoning. If there is money at the Governor's disposal requiring approval of the SPC, the board should make its case for correcting the infrastructure deficiencies that may have been exacerbated by giving money to PAT. The SPC should resist pleas to approve money for PAT that could be directed to highway work.

Perhaps a new Governor will offer the same money for needed road work if it has not been shifted to the PAT money pit.

The SPC has acquiesced to requests for helping out mass transit while the state has done nothing to address PAT's monopoly or the right of its employees to strike and extract generous wage and benefit packages. Nor has it actively discouraged the addiction to building new projects or its severely out of line operating costs. Note that while PAT was slipping into its financial hole, it worked diligently to acquire money to build the North Shore Connector, which also required the SPC to approve shifting many millions more from its own projects. If ever there was an organization with the right to say it will no longer be an enabler of irresponsible behavior it is the SPC.

Besides, denying this latest effort to find yet another temporary fix will put the issue of the Port Authority front and center of the incoming Governor and General Assembly where they can look for real solutions for mass transit in Allegheny County.

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