



Where Are the Transit Studies the Legislature Asked For?

Earlier this year there was a considerable amount of attention paid to the study commissioned by the Port Authority (PAT) to plan the future of mass transit in the County. An Urban Land Institute panel was convened, information was collected, and a report was released. As we noted at the time of its release (*Policy Brief Volume 14, Number 26*) the report contains too many logical and analytical flaws to be of practical value. Meanwhile, there are two studies required by state law that remain uncompleted well beyond the time when they could have had significant impact on PAT. They might be finished in 2015.

First, Act 44 of 2007 calls on the Pennsylvania Department of Transportation (PENNDOT) to conduct performance reviews of transit agencies and the dollars received in order to highlight positives, make recommendations, and determine the effectiveness of financial assistance. To accomplish this the Department is to examine criteria such as passengers per hour, operating costs per vehicle revenue hour, operating revenue per vehicle revenue hour, and other criteria the Department may establish. According to PENNDOT this efficiency report on PAT is to be done in spring of 2015.

Second, Act 72 of 2013, which reformed the PAT board of directors, calls on PENNDOT to “study the consolidation of [PAT] with other local transportation organizations within geographical proximity as a means of reducing annual expenses or increasing annual revenues. The study shall examine the creation of service regions to determine whether consolidation would reduce annual expenses or increase annual revenues”. Privatization was also to be examined as a way to reduce costs. The Act, which was signed into law on July 18, 2013, required PENNDOT to have a report ready to submit to the General Assembly, the Governor and the Port Authority within 270 days of the date the law became official. With the law going into effect July 18, 2013, that means PENNDOT should have completed the report by April 18, 2014—seven months ago.

Indeed, PENNDOT entered into a contract with Michael Baker Corporation to carry out the required study for \$170,000. In a news report from October 2013, a spokesman for the Corporation indicated the study would be ready by April 18, 2014. It is almost seven months past the date set by law for the study to be submitted to PAT, the Governor, and the General Assembly. According to PENNDOT there is no firm date of completion of this very important study. At the rate things are proceeding, the current Governor will be

out of office and the General Assembly session in which the law was passed will be history before the study is completed.

In the meantime, PAT has submitted indicators to the House and Senate Transportation Committees to comply with the requirements of Act 61 of 2012, which gave the Public Utility Commission a role in approving mass transit carriers in Allegheny County other than PAT. The law directs that data on operations, budget, and labor contracts to be submitted annually.

The delayed studies mentioned above could have had significant implications for policy actions. They were mandated by the Legislature before the passage of the massive transportation bill (Act 89 of 2013) with its substantial increases to the annual funding PAT will receive. The possibility of substantial savings might well have influenced the amount of additional funding PAT would be given.

Common sense says these studies should have been available to the Legislature long before the vote on the transportation bill, and certainly before now. If there are opportunities for substantial expenditure reductions, then any delay in their implementation saddles taxpayers with unnecessarily high costs in the form of subsidies being provided to the transit agency.

When one includes the Southeastern Pennsylvania Transit Authority (SEPTA) in the analysis and realizes that these two agencies absorb over 90 percent of all state transit subsidy funds, it seems the efficiency studies on PAT and SEPTA that have been required by law since 2007 ought to have been a top priority and completed well before Act 89 was approved. How many tax and turnpike toll dollars might have been saved if the reports had been completed by early 2013, well in advance of the generous additional appropriations these agencies received in the bill?

Now that the additional funds are flowing, the General Assembly should lean heavily on PENNDOT to complete all the required studies in laws it has passed. Otherwise, what is point of requiring studies by a date certain and then getting busy with new issues and letting the legislatively mandated report delays drag on interminably until no one remembers why they were needed or the information is hopelessly out of date?

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