



Testimony submitted to: the PA House Transportation Committee for the Mid East Region Hearing (June 3, 2010)

Presented by: Pete Terry, President, Benchmark Civil Engineering as the Greater Lehigh Valley Chamber of Commerce Transportation Committee Chairman

DRAFT:

Good afternoon Chairman Markosek, Chairman Geist, distinguished members of the House Transportation Committee, and guests:

Thank you for providing me an opportunity to present testimony as the Chairman of the Greater Lehigh Valley Chamber of Commerce Transportation Committee. The Chamber's mission is to: deliver value to members through superior programs and services; advocate to advance business interests; unify the Lehigh Valley business community to leverage regional resources and strengthen its collective voice; and to create opportunities for businesses to grow. With nearly 5,000 member businesses who employ more than 140,000 individuals, The Chamber is the largest in Pennsylvania, largest in New Jersey, and one of the most active advocates for member businesses in the nation.

It's important to note that The Lehigh Valley (metro area ABE – Lehigh, Northampton, Carbon PA and Warren NJ) is the 2nd fastest growing metro area in the Northeast. Our unemployment rate (for April 2010) is 9.7%, compared with 9.0% for PA. That represents 41,600 unemployed people out of a full labor force of 426,500 individuals. **If you look specifically at the Transportation & Warehousing sector, 300 jobs were lost between April 09 and April 10. But, this sector still employs 12,800 in our Lehigh Valley.**

Now, I would like to address the five questions on which you requested community feedback today.

1. The Chamber believes there is no question that our state highway, bridge, and public transportation systems are in a financial crisis. The American Society of Civil Engineers (ASCE) released its 2010 Infrastructure Report Card on May 24, 2010. The Report Card shows that our road, bridge and public transportation systems receive very poor grades. Even worse, the grades are basically unchanged from the 2006 Report Card. I brought with me today a copy of a report produced in 1949, by the Governor and Secretary of Highways. This report concludes with an important message for us to reflect upon. It says, "It is frankly the responsibility of the people of Pennsylvania to decide – Shall we keep the state highways as the magnificent transportation system they are? Are we willing to assume the financial obligations we must assume to keep them that way?"
2. Pennsylvania's deficient infrastructure has impacted businesses in the Lehigh Valley by challenging our mobility. The Lehigh Valley is fortunate in its proximity to ports and major population centers. From an economic perspective, we have taken advantage of our location creating many intermodal and warehousing facilities in the past. However, without a long range plan we will find ourselves as another congested corridor which is bypassed for other facilities. The poor condition of our infrastructure has added to the transportation costs, impacting all of our citizens. Adding the deplorable condition of our bridges to the equation and the limited capacity of our roadways, you will see a great threat which will cripple our mobility.
3. Inaction, while it appears to have been the most acceptable political position in the past, will not be acceptable nor an option for our future. If the tough decisions continue to be delayed in identifying and allocating the necessary financial support, the cost of maintaining our infrastructure will soar so far ahead of us we will not be able to catch-up. PennDOT's shift from road capacity --to road maintenance --was a wise change in policy. Unfortunately though, years of inadequate funding which allowed for a low level of maintenance and upkeep to

our bridges brought us to where we are today facing so many in the 'structurally deficient' category. We are not gaining the ground we need to on our infrastructure treadmill.

4. The May 2010 Pennsylvania Transportation Advisory Committee (PA TAC) Funding Study appears to identify the level of resources needed. The Greater Lehigh Valley Chamber recognizes that sufficient, annual dedicated funding is required. We support reasonable increases in user fees and registration fees. We expect that PennDOT will use disciplined management practices, Smart Transportation and right-sizing of projects, a streamlined project delivery process and other creative practices in order to maximize the bottom line and provide for efficient operation of our transportation systems.
5. We believe that the solution to our funding crisis will include regional and statewide planning to set our priorities, as well as sacrifices in increased user costs. Our current system ebbs and flows with the amount of political will. It's time to make hard decisions, cut costs where we can, but together we must make a commitment to invest in our infrastructure. The Chamber will continue to educate our members and the general public on the facts which we believe will lead to greater support for the inevitable funding decisions. We are committed to work with you -and all of our public officials- in attaining a sustainable and efficient transportation system that will ensure PA is an economic engine of the future.

Thank you for providing me this time to discuss The Chamber's position. I welcome your questions and comments.