



Good afternoon,

I want to thank Chairman Nick Miller, members of the Senate Democratic Policy Committee and today's co-hosts Allegheny County Senators Costa, Fontana, Pisciotto, and Williams for convening this hearing to discuss an issue that affects not just Allegheny County, but the entire Commonwealth: the future of public transit.

We welcome you to Pittsburgh and thank you so much for being here today.

Every person in this room represents constituents, businesses, and communities that benefit from a well-funded, reliable transit system. This is not just a local issue—it is a statewide necessity.

Public transit is a foundation that allows people to access jobs, healthcare, education, and essential services, regardless of whether they own a car. It ensures that workers can get to jobs, students can reach schools, and families can put food on the table.

For thousands of people across Allegheny County and beyond, transit is not an option—it's a lifeline. Many individuals and families cannot afford to buy a car, pay daily parking rates, not to mention the cost of gasoline, insurance and maintenance.

Even if you don't personally take the bus, the incline, or the T, you rely on someone who does—whether it's the barista who makes your morning coffee, the grocery store clerk who stocks the shelves, or the office cleaner who keeps your workplace running.

And this issue is not unique to Pittsburgh. From Erie to Philadelphia, from Allentown to Johnstown, public transit is the backbone of communities large and small across Pennsylvania.

Beyond the individual benefits of public transit, it also drives our economy. Every \$1 invested in public transit generates \$4 in economic return.

- It supports small businesses by bringing in customers and workers.
- It helps major employers avoid costly parking infrastructure.
- It reduces congestion, keeping goods and services flowing efficiently.
- It supports jobs—both directly, through transit operations, and indirectly, through investments in local businesses.

Pittsburgh Regional Transit alone employs 2,600 workers who operate, maintain, and support more than 700 buses, 80 light rail cars, 79 bridges, 8 tunnels, and 26 miles of dedicated busways. Last year, we provided 37 million rides across the region.

And the impact of investments in Allegheny County extends well beyond our borders. In the last five years alone, PRT has spent nearly \$2 billion on products like circuit breakers, sheet metal, and bus parts across 30 counties in Pennsylvania—including:

- \$114 million in Westmoreland County,
- \$16 million in Cumberland County,
- \$12 million in Washington County,
- And nearly \$5 million in Butler County.

It's because of these undeniable statewide benefits that public transportation deserves a dedicated and reliable stream of funding.

In 2013, the General Assembly passed Act 89, which provided much-needed investment for roads, bridges, and public transit across the state. But Act 89 was never intended to be a permanent solution. The “ask” of PRT and transit systems was to ‘make it last 10 years.’

PRT upheld this commitment and to ensure it could stretch Act 89 dollars out a decade, it implemented significant service cuts, froze wages for four years, and closed an operating garage. These were difficult decisions.

And with the assistance of federal stimulus funds, it exceeded the timeframe for which it was intended. Current state funding is no longer able to keep pace with transit needs. With the expiration of Act 89 funding and the depletion of federal relief funds, PRT now faces a structural deficit that will grow each year without new funding.

PRT would need a \$117 million infusion of state funding beginning FY26– with compounding annual increases – to support current service levels for the next decade.

If we do nothing, PRT would need to take drastic measures:

- Cutting 35 percent of our bus and light rail service.
- Raising fares by 9 percent, making us the fifth most expensive transit system in the country.
- Significantly limiting our ACCESS paratransit services, including ending service after 11 pm – changes that would be felt by seniors and persons with disabilities throughout Allegheny County.

These changes would hinder economic growth, increase congestion, and run counter to Pittsburgh’s and Allegheny County’s ongoing efforts to rebound from the pandemic.

This is not just a transit crisis—it’s an economic and social crisis.

And this isn’t just Pittsburgh’s problem. Transit agencies in Philadelphia, Erie, and smaller counties across the state face similar financial cliffs.

Governor Shapiro has proposed increasing the public transit share of the Sales and Use Tax receipts by 1.75%, from 4.4% to 6.15%, which would generate an additional \$292.5 million for agencies across the Commonwealth and an estimated \$40 million for PRT.

While PRT appreciates the governor’s continued support for public transit, this proposed level of funding would fall short of the annual investment needed by PRT to continue to provide service at the current levels. And with the governor’s proposal not yet approved by the Legislature, our budget will assume that no

additional funding will be available, requiring us to take steps to ensure a balanced budget and long-term operational security.

If we don't come together and identify a lasting solution, the fiscal cliff transit agencies across Pennsylvania face ultimately will make it harder to support economic opportunities, attract and retain employees, and support the social and business needs of our Commonwealth.

Transit is not and should not be an optional priority—it is a foundational one.

Every day that passes without a sustainable funding solution brings us closer to service cuts, fare hikes, and economic setbacks.

Over the past few weeks, I've heard strong support from many of you, and I sincerely appreciate your commitment to PRT and public transportation. willingness to become advocates. We need action, and the clock is ticking.

Public transit is just as critical as our highways and bridges. It is an economic necessity for Allegheny County and for Pennsylvania as a whole.

We cannot afford to let public transit fail.

The future of our economy, our communities, and our people depends on it.

Thank you so much for your time today.

Katharine Kelleman, CEO
Pittsburgh Regional Transit