



*Serving Indiana County Since 1979*

August 21, 2024

### Transportation Committee Testimony

Good morning, Chairman Neilson, Chairman Benninghoff, Transportation Committee members, and also to members of the PA House joining us here today. And a special greeting for my Representative(s). Thank you for the opportunity to discuss the state of transit here in Indiana County, and the need for continued state investment across the Commonwealth.

I am John Kanyan, the Executive Director of IndiGO. We serve the transit needs of Indiana County residents across an 834 square mile area of Western Pennsylvania, providing more than 210,000 passenger trips,

I am also a Board member of the Pennsylvania Public Transportation Association (PPTA). PPTA represents fifty-three urban, rural, and community transit providers across PA. I have served on the Board as a rural transit representative for many years.

Each of Pennsylvania's 67 counties is served by some form of public transit.

We connect workers to jobs, students to education, and Pennsylvanians to vital services they need. Our trips provide access to life-sustaining health care. We help seniors age in place. For transit-dependent populations, our service means they are able to maintain their independence and quality of life. This also results in reduced costs for taxpayers and private businesses alike.

The past few years have presented numerous challenges for our industry. For example, we are responding to a changing workforce and the rise in telework by restructuring services and identifying operational efficiencies. Smaller agencies have experienced budget impacts from things like the tightened labor market and increased supply costs with differing degrees of severity across transit providers.

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*Connecting Indiana County!*

Without additional state investment and increased fiscal certainty, we will face gaps and shortages in rural and urban areas alike. While the impacts of our challenges are as varied as the regions we serve, every transit provider will experience fiscal challenges—some sooner than others. Left unaddressed, this will mean service cuts and fare increases that may render transit services “unaffordable” or worse, unobtainable to those who rely on transit the most— including rural communities.

It is critical that state leaders act swiftly this Fall to head off the “fiscal cliff” that threatens transit. While we are grateful for the one-time funding provided in this year’s budget, many needs remain. A long-term funding solution for transit must remain a top priority for the legislature.

PPTA and transit agencies statewide are supportive of legislation to address our diverse funding challenges comprehensively. We need enhanced fiscal certainty, and an infusion of additional state investment in transit. Transit agencies from rural, small urban, and larger urban areas alike have worked together to convey this important message, and also to modernize the management of transit systems with a focus on capital funding predictability and local decision-making.

The result of our work is reflected in SB 597 introduced by Senator Dan Laughlin (R-Erie), which passed the PA Senate unanimously last year, and HB 1914, its companion legislation in the House that has been introduced by Representative Ryan Bizzarro (D-Erie), and also through the Governor’s funding proposal to increase state investment and fiscal certainty for transit.

SB 597 and HB 1914 would provide predictability in capital funding and increase local control in transit decisions without raising new revenue. While this legislation seeks to improve transportation funding distribution, it is important to note that these bills maintain the existing formula for operating funds. These bills would ensure rural transit authorities are given priority in receiving federal 5311 funds (*funds which are designated for rural transit and administered by PennDOT*). 5311 funds are a crucial funding stream for rural transit agencies and ensuring rural properties receive their eligible share of 5311 funds is an essential component of SB 597 and HB 1914. As you know, both SB 597 and HB 1914 currently reside in the House Transportation Committee. It is my sincere hope that this committee will act to advance these bills as soon as possible.

Governor Shapiro's proposal to increase the portion of state sales tax revenue dedicated to transit by 1.75%- introduced earlier this year- would allow transit systems to make needed investments and provide vital services— all without raising taxes.

This increase is especially timely, as demand for transit services is on the rise. According to PennDOT reporting data, the total number of passengers carried on transit increased 18.5% in FY2023. This trend makes sense, as more than 60% of transit riders statewide say they have no other means to get to work, school, or medical appointments.

#### **WHAT THE FUNDING INCREASE COULD MEAN LOCALLY IN INDIANA COUNTY:**

Indiana County, like every county in the state, offers shared ride services. The gap between state support and what is needed to operate the system widens every year. Last year IndiGO experienced a \$40,000 shortfall in the shared ride program. This is also a trend we see across the state. Seniors and people with disabilities rely on shared ride for life-sustaining needs like dialysis and access to food and employment.

- For our Fixed Route service in Indiana County, additional dedicated and predictable funding would allow us to operate on more frequent headways, increasing convenience and usage. Current route headways are 30, 60, and 120 minutes making some routes impractical for those that have a choice in how they travel. Transit dependent riders have no choice and do their best to make trips within those headways limiting what riders can do and many times afford to do in a single day. Additional funding would also improve Transit amenities, by installing benches and accessible shelters and ending passengers having to wait in the rain or snow or stand on the shoulder or sit on the curb of the road waiting for the bus.

As Indiana County continues to attract new business and grow, we must continue to provide additional Safe and reliable transportation allowing for additional employment opportunities and to bring passengers to support these new businesses.

IndiGO provides excellent wages and benefits for its employee's and must continue to do so to stay competitive to attract and retain employees. We know first-hand that good employees have been pulled away from us because of the offer of higher wages in the private sector.

You have before you this Fall a historic opportunity to strengthen transit across Pennsylvania and ensure our economic competitiveness. The challenges we face are significant, but so are the potential benefits of acting now. By supporting comprehensive legislation like SB 597 and the Governor's funding proposal, you can:

Prevent service cuts and fare increases that would harm our most vulnerable citizens.

Ensure continued access to jobs, healthcare, and education for millions of Pennsylvanians.

Support economic growth and development in both rural and urban areas; and

Modernize our transit systems to meet the evolving needs of our communities.

Every ride we provide matters. Every single resident of the Commonwealth - whether they ride a bus every day or not - benefits from robust public transportation. The decisions you make this session will have far-reaching impacts on the mobility, independence, and quality of life for Pennsylvanians for years to come.

I urge you to act swiftly and decisively to address the transit funding crisis. Support increased investment in public transportation and pass legislation that provides long-term fiscal certainty for transit agencies across our state. The future of Pennsylvania's transit - and the communities we serve - depends on your leadership.

Thank you for your time and consideration. I stand ready to answer any questions and provide any additional information you may need to make this critical decision for the future of our **Commonwealth**.



John R Kanyan

Executive Director

Indiana County Transit Authority