February 7, 2018

The Honorable Donald Trump
President of the United States
The White House
Washington, DC 20001

Dear President Trump:

In recent months, discussions of infrastructure have again taken center stage. My state has urgent infrastructure funding needs for roads and bridges, water supply and sewer conveyance, broadband expansion, school construction and public recreational facilities to name just a few. Working with the federal government, we can tackle and address these needs and more. The precedent is clear: federal support to states helped create the path to growth in the decades after World War II. Infrastructure spending brought the United States out of the Great Recession, and set the stage for the thriving economy that has continued in your Presidency. I was encouraged by your commitment in the State of the Union Address to leverage partnerships with State and local governments, and urge you to follow through on this promise with meaningful proposals backed by renewed federal effort.

Your call for partnership on this issue is timely, as infrastructure in Pennsylvania and states across the country is deteriorating. The most recent report card from the American Society of Civil Engineers gave the nation’s infrastructure a D+ grade. The 2016 World Economic Forum’s Global Competitiveness Report ranked the United States tenth in the world in infrastructure quality, down from fifth place in 2002. Today, our nation is spending less on infrastructure as a percentage of GDP than at any time in the past twenty years, and we are becoming less competitive as a result.

Estimates of the need vary, but all of the numbers are large. States, including Pennsylvania, have increased their investments in recent years. It is time for the federal government to return to the arena. As you consider the shape of your final infrastructure proposal, I urge you to avoid the empty promise of privatization and financing models that will result in giveaways to projects that would have been built anyway, and heed bipartisan voices calling for robust federal investment in traditional public infrastructure.

Under the prior administration, the US Treasury and Council of Economic Advisors concluded a thorough study of the economic effects of infrastructure investment. Their findings couldn't be clearer: investment in transportation infrastructure increases productivity, accelerates economic growth, generates permanent new jobs, enhances real estate values, and yields new tax
revenues at the federal, state and local levels. In short, it creates new wealth. Infrastructure investments not only improve quality of life for residents, they provide an additional 25,000 to 30,000 jobs for every $1 billion in infrastructure investment.

Pennsylvania’s needs, like other states, are substantial, and the list below provides a sample of the types of projects that my state, and the federal government, could partner on to address urgent needs, spur the economy, and provide good paying jobs.

**Roads and Bridges**

Pennsylvania’s transportation network has served the commonwealth well, but we face significant challenges in maintaining a system which—simply put—is big and old. Pennsylvania has the fifth largest state maintained highway network in the nation, the third largest state maintained bridge system, and more structurally deficient bridges than any other state. As federal funding has declined, we have tackled this challenge head on.

In 2013, Pennsylvania’s General Assembly came together on a bipartisan basis to pass a comprehensive new transportation funding program. Since that time, the Pennsylvania Department of Transportation has completed 2,325 projects, worth $5 billion and has an additional 707 projects worth $5.3 billion underway. We have improved the equivalent of 24,600 miles of two-lane roads and resurfaced more than 2,100 roadway miles.

We have also continued to make progress in reducing the number of structurally deficient bridges in the commonwealth, down to 3,114 as of January 1st, from a high of 6,034 in 2008. We made this dramatic headway even as our state network of 25,400 bridges continues to see 200 to 250 bridges a year fall into the structurally deficient category.

Despite this work, the American Society of Civil Engineers gave Pennsylvania a D- grade for its road infrastructure, and a D+ for its bridges. Over 30 percent of our 6,470 county and municipal bridges over 20 feet in length are structurally deficient. Clearly there is a need for additional investment, beyond the state’s significant contributions. We recently identified $14 billion in needs to reconstruct and modernize our 2,700 miles of interstate highways yet despite recent increases provided by Act 89, we have only been able to allocate $5.5 billion.

Of principle importance to Pennsylvania and other states is the solvency of the Highway Trust Fund. The Trust Fund is now partially dependent on general fund revenue. As you finalize your proposal, I urge you to ensure that this critical piece of the federal partnership remains available to states into the future, and that increased effort in recent years by states such as Pennsylvania, that have taken the initiative to increase funding, is recognized.

**Water, Wastewater and Stormwater**

As with many northeastern states, Pennsylvania’s drinking water, wastewater and stormwater systems are old and will continue to require significant investments to protect citizens,
maintain sustainable communities for economic growth, and comply with federal mandates. Pennsylvania has more than 8,500 public water systems, and roughly 8,000 municipal sewage collection systems.

The challenge of maintaining these facilities is enormous, and falls largely on local communities. The Environmental Protection Agency’s most recently released drinking water infrastructure needs assessment report from April 2013 found that Pennsylvania will have $14 billion in capital improvement needs over the next twenty years to keep drinking water pure and safe for Pennsylvania residents. On the sewer infrastructure side, Pennsylvania currently has the most combined sewer overflows (CSOs) of any state, and there is no dedicated source of federal funding to address this issue, despite federal mandates which continue to create new obligations for communities across the commonwealth.

Instead, a recent report by the Congressional Research Service noted that federal funding for programs that provide support for water and sewer upgrades has “eroded” in recent years, despite calls by states and advocates for increased support to meet increased needs. Meanwhile, the same report notes that in the absence of federal support, “spending by state and local governments on drinking water and wastewater has increased much faster than spending by the federal government, especially since the mid-1970s. In 2014, the state and local share of such projects was 96%, while the federal share was 4%.”

Federal support for the Drinking Water State Revolving Fund, which help municipalities pay for needed upgrades, replacement, and installation of treatment technologies has declined for years, and adjusted for inflation, funding today is hundreds of millions of dollars less than when the program was first authorized in 1997.

Communities in Pennsylvania are struggling to pay for necessary infrastructure, while the federal share declines. A bipartisan infrastructure plan should include robust new funding for both the Drinking Water and the Clean Water State Revolving Funds, and the establishment of a separate fund to assist communities working towards compliance with pollution runoff and CSO issues.

**Broadband**

In today’s global economy reliable affordable access to broadband is essential to the way we live our lives. I am committed to broadband access for residents that ensures Pennsylvanians will have the speeds necessary to conduct their business in the modern day.

Pennsylvania’s greatest broadband challenge is inadequate “last-mile” access from a provider’s facilities to end-user businesses and households. These facilities could be telephone, cable, satellite, or wireless networks that are used to provide broadband services to end-users. This problem exists because fiber or cable service is lacking and/or wireless or satellite service is inadequate in some parts of the state, especially in rural and low-income areas.
Closing the last-mile is extremely expensive. Between 2005 and 2015, Pennsylvania’s Public Utility Commission distributed nearly $1 billion dollars in authorized revenues and rate increases to internet-service providers. Despite this massive public investment, there are as many as 800,000 people in Pennsylvania without access to a wired connection capable of modern high-speed internet.

Calls to expand support in order to achieve universal broadband build-out have come from across the political spectrum. I urge you to make expansion of funding for broadband buildout a cornerstone of any expanded infrastructure proposal.

The items above are only a few of a myriad of other infrastructure needs in Pennsylvania. Others include funding for school construction, the rehabilitation of public recreational facilities, the upgrade of lock, dam and port facilities, and investment in new energy infrastructure. As you prepare your infrastructure plan, I urge you to recommit to the model of cooperative federalism that has made this country great, and support robust federal funding to rebuild for the future. You will find a ready partner in Pennsylvania.

Sincerely,

TOM WOLF
Governor

cc: Pennsylvania Congressional Delegation