

August 21, 2025

Mr. Scott Sauer, General Manager Southeastern Pennsylvania Transportation Authority 1234 Market Street Philadelphia, PA 19107

Dear Mr. Sauer:

We were surprised to see you testifying at the Democratic House Policy Committee on August 20th since it has been over a week since you last communicated with us and nearly six days (8/15/25 at 3:32pm) since we sent an electronic correspondence directly to you. It is beyond disappointing that we cannot receive a response, but you find the time to testify before the Democratic House Policy Committee.

In an effort to provide the clarification you said you needed (https://www.inquirer.com/transportation/senate-republicans-septa-funding-stopgap-20250812.html) in order to prevent the cuts SEPTA has put in place. We have been working around the clock to find a way to stop SEPTA's self-imposed cuts from occurring on August 24th; we were hoping to hear from you last week in hopes of solving this crisis. Since we have not heard from you, we wanted to contact you again to reiterate our clarification.

We understand you had questions regarding the legislation's additional authorization for operating program under 74 Pa.C.S. § 1506 (f), assuming these provisions were directing SEPTA to cut transit capital projects for your operating expenses. This is not true. As described to you and your staff that night, these provisions translate into investing \$162 million in 2025-26 and \$257 million in 2026-27 towards operating programs from underutilized taxpayer money in the Public Transportation Trust Fund (PTTF). While we collectively had conversations that night before, during, and after the vote, we wanted to continue our efforts to solve this critical issue.

The PTTF has a fund balance of \$2,421,822,448, which is public information on the State Treasurer's website. According to documents provided to Senate Republicans from the Shapiro Administration, there's only \$1.3 billion of planned spending over the next five years for transit capital expenditures. There is nothing in HB 257 that diverts or repurposes the \$1.3 billion for planned, committed transit capital projects and the fund is expected to receive over \$2.5 billion in new revenue over the next 5 years. HB 257 transfers \$324 million in 2025-26 and \$514 million in 2026-27 from unencumbered surplus funds. Directing a portion of the surplus funds (\$1.1 billion) is an immediate solution to fund mass transit now. The Commonwealth's investment in SEPTA's operating and capital programs is significant, which is why we

advocated to stabilize SEPTA – not cut it. The projected PTTF balance after funding all the capital projects and the HB 257 transfer at the end of 2029 will be almost \$2.9 billion.

We hope that you receive this and look forward to your response. SEPTA's mission is to "move the Southeastern Pennsylvania region forward by providing safe, reliable, and accessible mobility choices for everyone." There is nothing we would like to see more than SEPTA accomplishing that mission. We eagerly await your response.

Sincerely,

Senator Frank Farry District 6

Senator Tracy Pennycuick District 24

Senator Joe Picozzi

District 5