

City of Philadelphia



Council of the City of Philadelphia
Office of the Chief Clerk
Room 402, City Hall
Philadelphia

(Resolution No. 240711)

RESOLUTION

Calling on the Commonwealth of Pennsylvania to secure \$161 million in funding for SEPTA.

WHEREAS, On July 11th, 2024, the General Assembly passed a \$47.6 billion budget; and

WHEREAS, That budget deal included only around \$50 million in stopgap funding for SEPTA, which is facing a recurring \$240 million fiscal deficit due to federal COVID relief funds exhausting in April 2024, before ridership and farebox revenues fully returned. SEPTA riders could face fare hikes and service cuts if adequate funding is not secured; and

WHEREAS, SEPTA, which recently proposed a \$2.6 billion budget that funds cleaning and safety initiatives on transit property; new railcars for the Market-Frankford Line; and SEPTA Trolley Modernization, is dependent on those state appropriations; and

WHEREAS, Without legislative action on new state funding, SEPTA could be forced to reduce service by as much as 20 percent. This will lead to fewer buses and trains, longer wait times, and understaffed stations. People will be less inclined to take transit exhausting our City's roadways and drive jobs out of region; and

WHEREAS, SEPTA is the 6th largest mass transit in the U.S., employing over 9,000 people. Service reductions mean that fewer workers are needed, triggering job cuts, layoffs, hiring freezes, and furloughs; and

WHEREAS, Without SEPTA, \$254.7 million in tax revenue will evaporate from state and local coffers as property values will decline, jobs will disappear, and the region will become more congested and less competitive; and

WHEREAS, These service cuts could engender a downward spiral in ridership numbers that have already been recovering slowly from their pandemic-level nadir. This would deny Southeastern Pennsylvania, the Commonwealth's most productive region, safe, efficient, affordable, and accessible mass transit; and

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WHEREAS, Ridership collapse will reduce farebox revenues, forcing SEPTA to raid the capital program, which will delay projects and increase the repair backlog and potentially creating long-term damage to the transit system's viability; and

WHEREAS, This budget will reduce fare revenue and make SEPTA even more reliant on state appropriations. SEPTA has not made any fare increases since 2017, and has implemented budget friendly initiatives to make the system more accessible such as two free transfers, children under 12 ride for free and the SEPTA Key Advantage which generated 50.2 million in savings through the end of 2023 and should reach 100 million by 2024; and

WHEREAS, With this budget fares could increase by as much as 31 percent, to \$3.00 per ride from \$2.50, and TransPasses could increase to \$120 monthly. This will place an added financial burden on the hundreds of thousands of working Philadelphians who ride SEPTA every day; and

WHEREAS, These added costs could disproportionately impact lower-income residents, making it harder for them to access jobs, education, and essential services. Moreover, the fare hikes could deter some from using public transportation altogether; and

WHEREAS, As 2026 approaches, Pennsylvania needs to be mindful of how important a reliable public transportation system will be to ensuring domestic and international visitors—many of the latter coming from countries with extensive and high quality mass transit systems—are able to get around the Philadelphia region without causing too much stress and congestion on our highways and road infrastructure; and

WHEREAS, Once SEPTA starts on this downward spiral, it will be nearly impossible to reverse the decline. The challenges that accumulate—whether they be financial difficulties, declining ridership, or maintenance issues—will only compound over time, making it increasingly difficult to restore the system to its former efficiency and reliability; and

WHEREAS, A safe, clean, accessible, and reliable public transportation system is crucial to the performance of Philadelphia's economy, and serves as the primary mode of transportation for many Philadelphians; now, therefore, be it

RESOLVED, BY THE COUNCIL OF THE CITY OF PHILADELPHIA, That it hereby calls on the Commonwealth of Pennsylvania to secure \$161 million in funding for SEPTA.

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CERTIFICATION: This is a true and correct copy of the original Resolution, Adopted by the Council of the City of Philadelphia on the twelfth day of September, 2024.

Kenyatta Johnson
PRESIDENT OF THE COUNCIL

Elizabeth McCollum
INTERIM CHIEF CLERK OF THE COUNCIL

Introduced by: Councilmember Young

Sponsored by: Council President Johnson, Councilmembers Young, Phillips, Gilmore Richardson, Gauthier, Jones, Landau, Lozada, Brooks, O'Rourke, Driscoll, Squilla, Bass and Ahmad