

Small Transit Systems & the Shared-Ride/Paratransit Crisis



Public transit systems - both shared-ride and fixed route - in all 67 Pennsylvania counties are in need. PA Act 89 of 2013 was a 10-year bill: now 13 years out, funding remains stagnant despite substantially higher operating and capital costs.

Now, the most urgent issues are facing our shared-ride and paratransit systems - particularly in the counties defined as “urban” by PennDOT (population >50,000), but still providing fixed-route transit service. This includes York, Cumberland, Dauphin, Adams, Franklin, Lehigh, Northampton, Berks, Lancaster, Luzerne, and Lackawanna counties.

Transit systems outside of Allegheny County (PRT) and Southeastern PA (SEPTA) received no aid in the 2025 state budget cycle, and our shared-ride/paratransit services all face annual, structural deficits. This impairs their ability to deliver ADA-required lifeline transit service for disabled and elderly Pennsylvanians.

Shared-Ride/Paratransit

Shared-ride and Paratransit are point-to-point, on-demand, and scheduled transit services available to seniors and people with disabilities in the Commonwealth. They are funded via a fee-for-service model, created in 1984 by the state legislature and not adjusted in the intervening 40+ years. These services exist in all 67 counties, and connect riders to medical appointments, grocery stores, and other key destinations, but often with extensive constraints based on time of day or frequency of trip. For riders, trips can run hours late or early. Passengers must schedule in advance and share rides with others traveling similar routes. These services are lifelines for Pennsylvanians who cannot drive or lack access to fixed-route transit—particularly in rural and aging communities, where transportation options are limited.

Even with trip constraints, cost-cutting, and fare increases, transit agencies are stuck with stagnant state and federal reimbursements, and rising costs. **Agencies project a structural shortfall of \$80 million this year, growing annually.** PennDOT’s report¹ highlights the program’s unsustainable trajectory, and the Pennsylvania Public Transportation Association (PPTA)’s recent brief² details its impact on individual transit agencies.

Small Transit Systems

In 2025, SEPTA and Pittsburgh Regional Transit were forced to use their limited capital resources to fund transit operations until 2027. This short-term relief came at the expense of their state-of-good repair needs and overdue accessibility improvements. Smaller transit systems across Pennsylvania cannot similarly “flex” capital dollars to fund operations, and they were not provided additional funding last year to address their imminent fiscal cliffs. Moreover, the state’s Public Transportation Trust Fund capital funds are already overcommitted for FY 2028, and so capital funds cannot be again re-allocated for operations to address this crisis.

Transit service cuts and fare increases have already begun in the Lehigh Valley - the fastest-growing region in PA, with a robust and growing transit ridership. Within the next 18 months, the already austere transit budgets

¹ PennDOT (2025, March) *SHARED-RIDE TRANSPORTATION STUDY*. Pennsylvania Department of Transportation: Bureau of Public Transportation. <https://paproviders.org/wp-content/uploads/2025/03/shared-ride-transportation-study-phase-1-report-2025.pdf>

² PPTA (2026, January) *Issue Brief: Immediate Action Needed to Stabilize Pennsylvania’s Shared Ride System*. Pennsylvania Public Transportation Association. <https://ppta.net/wp-content/uploads/2026/01/PPTA-Shared-Ride-Issue-Brief.pdf>

in Lancaster, Westmoreland County, State College and more will also hit their fiscal cliffs and begin cuts due to the combination of stagnant funding, and the aforementioned deficits in shared-ride and paratransit funding, harming Pennsylvania's workers and most vulnerable populations.

Long-Term Transportation Funding and Current Proposals

It has been apparent for several years that PA needs a long-term transportation funding solution - with new, dedicated sources of revenue for both roads and public transportation. That is why Governor Tom Wolf convened the bi-partisan Transportation Revenue Options Commission³ (TROC) in 2021 to evaluate funding options to address the state-of-good repair capital funding needs for transit and roads and bridges, in addition to operations funding for transit. From the TROC, realistic solutions have emerged to stabilize and expand transit systems across the Commonwealth, which are now on the table in the PA legislature.

Over the last several years, transit agencies like Rabbit, LANTA, Red Rose, BARTA, and others have been compelled to redirect needed resources for fixed-route service to meet their ADA obligations around shared-ride and paratransit provision. Thus, *even Pennsylvania transit riders who do not use paratransit or shared-ride services are also adversely impacted by this crisis.*

Agencies shouldn't be forced into the position of reducing needed transit service for one constituency to provide for another. **In 2025, PennDOT released phase one of a shared-ride study that identified the scope of the problem. It's now time for phase two to advance, which would evaluate alternate funding models to bring these programs into solvency with recurring investment starting at \$80 million per year.** By fixing the shared-ride and paratransit funding problem, small transit agencies across Pennsylvania will be able to stabilize their near-term operations, including their fixed-route services. Then we can get to work on the comprehensive transportation funding solution in 2027 needed to move all PA communities forward.

Current Transit Funding Research and Bills Available to the PA Legislature

- **HB 1364** - Passed by the PA House in 2025, increasing the state sales tax allocation, and establishing a new TROC-like commission for a longer-term, structural funding solution.
- **HB 1523 & 1524; SB 795 & 796** - Concurrent bills to increase funding to the Public Transportation Trust Fund to levels that would restore service in all of PA to 2019 (pre-COVID) levels, and increase service an additional 10% in systems outside of the SEPTA and PRT regions. Based on the Transit For All PA white paper⁴. Funded by an increase in the state sales tax allocation, a statewide rideshare tax, and increases to the car lease tax and car rental fee - all to levels at or near the U.S. median.
- **PennDOT Shared Ride Transportation Study Phase 2** - To continue PennDOT's prior Shared Ride Transportation Study. This effort will "identify and evaluate a range of funding, service delivery, and customer experience alternatives, their tradeoffs, and the likelihood of remaking shared-ride service into a sustainable model." This study will provide small transit agencies the necessary tools to create a responsible funding model for a comprehensive transportation package for FY28.

[TransitForAllPA.org](https://www.transitforallpa.org)

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³PennDOT (2021, July 30) *Pennsylvania Transportation Revenue Options Commission: Final Report and Strategic Funding Proposal*. Pennsylvania Department of Transportation.

<https://www.pa.gov/agencies/penndot/about-penndot/transportation-funding/transportation-revenue-options-commission/troc-report>

⁴Transit For All PA (2025, April 25) *Transit for All PA! Statewide Transit Funding Solution*. Transit For All PA.

<https://www.transitforallpa.org/wp-content/uploads/2025/04/Transit-for-All-PA-Statewide-Transit-Funding-Solution.pdf>