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PENNSYLVANIA STATE ASSOCIATION OF TOWNSHIP SUPERVISORS

# news release

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FOR IMMEDIATE RELEASE

## **State Budget Proposal Threatens Programs Critical to Pennsylvania and Its Residents**

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Numerous programs that have been working to position Pennsylvania as a leader in environmental, business, and community issues will cease to exist if the Senate's 2009-10 budget proposal becomes law, creating hardships for the commonwealth's townships and their nearly 5.5 million residents.

"Many of these programs were created with the ultimate goals of increasing efficiency, decreasing costs, and making Pennsylvania an attractive place to live and work," says R. Keith Hite, executive director of the Pennsylvania State Association of Township Supervisors. "While we fully understand the fiscal challenges the state is facing, local government faces similar challenges in providing the programs and services that residents need.

"Local governments learned long ago that short-term savings often lead to long-term costs," Hite adds. "Eliminating funding for these programs now could very well cost taxpayers more down the road."

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The following successful programs face an uncertain future under Senate Bill 850, the budget proposal, as currently written:

- ***Joint land use management*** — In 2000, legislators amended the Pennsylvania Municipalities Planning Code to provide local governments with new tools and opportunities to work collaboratively on land use planning, which is a critical component of and provides the foundation for meaningful economic and community development activities. Before the enactment of these reforms, fewer than 10 communities in the state worked together on land use policies. Today, more than 700 have partnered to manage and protect our state’s most important natural resource, making Pennsylvania a leader in sound land use management.

The budget proposal would eliminate funding for this program, which would halt the progress that municipalities are making in this critical area.

- ***Shared municipal services funding*** — The Shared Municipal Services Program provides grants for projects and purchases initiated by two or more municipalities, which routinely result in significant cost-savings to the municipalities — and therefore the taxpayers. The current budget proposal eliminates funding for this program.

Last year, legislators approved the largest intergovernmental partnership ever undertaken in the commonwealth: Act 32, which consolidates earned income tax collection in the state, reducing 560 collectors to 69 and increasing efficiency and accountability. Municipalities are now working to implement the new system, which in some instances will require significant startup costs. Funding to assist with these costs, which was anticipated through the Shared Municipal Services Program, is now in jeopardy.

In fact, elimination of the Shared Municipal Services funding threatens a full implementation of Act 32, which in turn would eliminate the very savings the law was meant to produce.

Numerous other programs would also lose their funding under the budget proposal, including the Municipal Financial Recovery Program, which helps struggling municipalities work toward solvency; the New Communities Program, which provides “Main Street” and “Elm Street” funding to help revitalize downtown areas; and the Housing and Redevelopment Assistance Program, which also provides for community revitalization and economic development at the local level.

“Local governments are not asking for increased funding for these programs,” Hite says, “but rather for legislators to maintain these critical programs at their current funding levels. To do otherwise will almost certainly jeopardize the greater efficiencies and increased stability these programs have brought to all of Pennsylvania.”

The Pennsylvania State Association of Township Supervisors represents Pennsylvania’s 1,455 townships of the second class and for the past 88 years has been committed to preserving and strengthening township government and securing greater visibility and involvement for townships in the state and federal political arenas. Townships of the second class represent more residents — almost 5.5 million Pennsylvanians — than any other type of political subdivision in the commonwealth.

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