

COMMONWEALTH OF PENNSYLVANIA  
HOUSE OF REPRESENTATIVES  
APPROPRIATIONS COMMITTEE HEARING  
BUDGET HEARING

STATE CAPITOL  
MAJORITY CAUCUS ROOM  
HARRISBURG, PENNSYLVANIA

WEDNESDAY, MARCH 19, 2008, 1:30 P.M.

VOLUME I OF I

PRESENTATION BY  
MEMBERS OF THE HOUSE OF REPRESENTATIVES

BEFORE:

HONORABLE WILLIAM F. KELLER  
HONORABLE H. SCOTT CONKLIN  
HONORABLE BRYAN R. LENTZ  
HONORABLE KATHY M. MANDERINO  
HONORABLE DANTE SANTONI, JR.  
HONORABLE MARIO M. SCAVELLO  
HONORABLE JOHN SIPTROTH

ALSO PRESENT:

MIRIAM FOX  
EDWARD NOLAN

JEAN M. DAVIS, REPORTER  
NOTARY PUBLIC

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1           REPRESENTATIVE KELLER: The hour of 1:30  
2 having arrived, I'd like to call this hearing of the  
3 Appropriations Committee to order.

4           This is the day where all the members have a  
5 chance to testify.

6           Our first testifier will be Representative  
7 Daryl Metcalfe.

8           REPRESENTATIVE METCALFE: Thank you,  
9 Chairman Keller.

10           Good afternoon, committee members.

11           On February 5, the Governor addressed the  
12 Pennsylvania Legislature to present us with his  
13 2008-2009 budget proposal.

14           Like an all-too-familiar repeat of the  
15 classic motion picture "Groundhog Day," the Governor  
16 is once again proposing his sixth consecutive budget  
17 driven by excessive spending, increased debt, and  
18 higher taxes. This Administration has an  
19 indisputable history of moving expenditures out of  
20 the General Fund to be paid for out of other funds  
21 and eliminating expenditures that they expect the  
22 Legislature to restore.

23           Their sleight of hand, numerical maneuvering  
24 enables the Governor to claim that he is increasing  
25 spending by a lower percentage rate than he really

1 is. Based on the Governor's fuzzy math, this year's  
2 proposed budget would increase the General Fund  
3 budget by \$1.13 billion over last year's budget, or a  
4 4.2-percent increase in the spending. The actual  
5 level of new spending this year is really more than a  
6 6-percent increase.

7           The Governor also proposes that we borrow  
8 more than \$2 billion and increase miscellaneous taxes  
9 by \$230 million. Of course, once again, the single  
10 largest expenditure contained in the Governor's  
11 budget is \$10.34 billion for the Department of  
12 Welfare.

13           Much like any other severely afflicted  
14 addict in need of treatment or drunk with power or a  
15 wannabe dictator, Pennsylvania's spend-a-holic  
16 Governor has made some outrageous statements lately  
17 in a desperate attempt to cover up the actual  
18 direction his overtaxing, spending, and borrowing  
19 tendencies are taking Pennsylvania.

20           When a Pittsburgh reporter asked about the  
21 tax increases in his budget, the Governor responded,  
22 "Are you nuts, Jon? Are you nuts?"

23           The Governor tries to deny the tax increases  
24 are a tax increase by breaking them down to what the  
25 cost would be across the population in Pennsylvania

1 and then indignantly stating that, quote, "This isn't  
2 a tax; it's 42 cents a year."

3 I don't know who is feeding the Governor his  
4 numbers, but Pennsylvania taxpayers will certainly  
5 realize that the State extracting \$230 million more  
6 in taxes is a tax increase, which causes me to think  
7 of another quote by the Governor, who was recently  
8 quoted in a local paper stating, quote, "Remember...I  
9 always tell the truth."

10 In light of the Governor's continued  
11 insatiable appetite for tax dollars in this year's  
12 budget, I would like to share a few excerpts from  
13 budget testimony that I have provided to the House  
14 Appropriations Committee over the last 4 years that  
15 are certainly appropriate reminders of our history as  
16 we consider this year's budget.

17 On February 11, 2004, I said, "This year's  
18 budget proposes to increase State spending by  
19 \$872 million, or 4.1 percent more than last year. At  
20 a time when the economy is struggling, personal  
21 income growth is lagging and there is a net loss in  
22 employment growth, it is irresponsible to increase  
23 government spending at a rate 152 percent faster than  
24 last year's rate of inflation."

25 On February 16, 2005, I stated, "The

1 Governor also attempted to speak to us about freedom.  
2 However, the Governor must define Freedom differently  
3 than most other Americans do based on his proposing  
4 to continue to take away Pennsylvanians' economic  
5 freedom through increased government spending,  
6 increased government debt and increased taxes."

7           On February 15, 2006, I remarked, "On  
8 November 10, 2005, the Governor sent a letter  
9 challenging me about remarks I made during our House  
10 debate on State spending caps with regard to  
11 Pennsylvania's economic health. In my first reply to  
12 the Governor, I informed him that his budgets have  
13 continued the faulty policy of government spending  
14 above the rate of economic growth, thereby heaping a  
15 greater financial burden upon the backs of the  
16 working men and women of Pennsylvania."

17           Last February 28, 2007, I testified, "The  
18 road that Rendell has placed us on is one of more  
19 economic power for the State and less economic  
20 freedom for each individual Pennsylvanian. The  
21 Governor continues to propose that the State take  
22 more money from taxpayers through higher taxes, new  
23 taxes, increased fees and greater State debt."

24           Now on March 19, 2008, the truth of the  
25 matter, whether this spend-a-holic Governor and his

1 welfare State expanding enablers in the General  
2 Assembly can handle it or not, is exactly the same as  
3 I have argued for the last 5 years.

4           The unprecedented confiscation and transfer  
5 of wealth that has occurred during the Rendell  
6 Administration has proven time and time again to have  
7 a negative impact on job-creating, private-sector  
8 entrepreneurial efforts.

9           Unlike the five previously-enacted State  
10 budgets, the 2008-2009 budget should reduce spending,  
11 reduce debt, and reduce the tax burden for all  
12 Pennsylvania citizens.

13           Thank you, Mr. Chairman.

14           REPRESENTATIVE KELLER: Thank you,  
15 Representative Metcalfe.

16           Our next testifier will be Representative  
17 John Evans.

18           REPRESENTATIVE EVANS: Thank you,  
19 Mr. Chairman and members of the committee.

20           Good afternoon.

21           REPRESENTATIVE KELLER: Good afternoon.

22           REPRESENTATIVE EVANS: I would like to thank  
23 you for allowing me the opportunity to speak before  
24 you today.

25           During my remarks, I am going to focus on

1 two issues within the 2008-2009 proposed budget --  
2 higher education and public safety.

3 The first one, higher education, is very  
4 important to me, as my district is home to Edinboro  
5 University of Pennsylvania, where I obtained two  
6 degrees and where I serve on the university's Council  
7 of Trustees. I speak today not just on the needs of  
8 Edinboro but on the needs of the 14 universities  
9 within the State System of Higher Education.

10 Our Commonwealth is very blessed to have  
11 this extraordinary network of universities,  
12 especially in this time when families' finances are  
13 getting tighter and when new student loans may be  
14 more difficult to achieve. The State System makes  
15 higher education accessible to those who would  
16 otherwise be unable to afford college, private or  
17 otherwise.

18 In fact, tuition has increased by a total of  
19 \$799 since the 2002-2003 school year for the PASSHE  
20 universities, while schools such as Penn State and  
21 Pitt have increased by more than \$4,000.

22 I am very pleased that a 2.9-percent funding  
23 increase for the system was proposed for the next  
24 fiscal year, and as we proceed with budget  
25 negotiations, I am asking the Appropriations

1 Committee to keep this funding at the proposed  
2 levels.

3 I'm told that during some of the hearings,  
4 there was also some discussion about the performance  
5 funding amongst the 14 State university schools and  
6 some of the inequities that are involved with that  
7 performance-based funding program and how there have  
8 been winners and losers in each of the State System  
9 districts.

10 I'm hoping that with the new transfer coming  
11 on board this summer, that that can be revisited.  
12 There has been done a wonderful job of leading the  
13 institutions, but I think with the change coming up  
14 here, we may have to take a closer look at that  
15 performance-based funding program and possibly find  
16 some ways to make that better.

17 I would also like to speak briefly about the  
18 funding for the Pennsylvania State Police.

19 Public safety is an issue that affects each  
20 and every one of the residents I represent, whether  
21 it's an influx of drugs from our neighboring States  
22 to the north and west or vehicle crashes and traffic  
23 safety.

24 I am pleased that funding for the State  
25 Police will increase, if only amounting to

1 2.2 percent in the General Fund budget. I realize  
2 additional money is available through the Motor  
3 License Fund, and I am hopeful that amount will be  
4 the same or increase for the next fiscal year.

5           Because I represent a rather rural district,  
6 the State Police is oftentimes the only law  
7 enforcement agency that my residents have access to.  
8 In times of emergency and crisis, wait times of  
9 30 minutes or more are routine, especially in some of  
10 the more remote locations. I applaud the State  
11 Police for all they do to keep our communities safe.

12           There are a couple of items that Colonel  
13 Jeffrey Miller mentioned during his appearance before  
14 this committee on March 4, and I'd like to speak in  
15 support of those.

16           Currently, the maximum complement for the  
17 State Police is 4,696, and presently there is a  
18 shortfall of 139 troopers. The State Police would  
19 like to remedy and research the maximum complement by  
20 September 2008 or the beginning of 2009.

21           To accomplish this, Colonel Miller has  
22 suggested the possibility of streamlining and/or  
23 shortening the academy classes, and I wholeheartedly  
24 agree. Our communities need these additional  
25 troopers, especially when 60 troopers have been

1 assigned to patrol the interstate highways  
2 surrounding Philadelphia, leaving the rest of the  
3 State basically 199 positions short.

4 I think everyone in this room can agree that  
5 public safety is an important part of our jobs, and I  
6 would respectfully ask that you consider these  
7 requests as part of your negotiations.

8 Mr. Chairman and members of the committee,  
9 thank you for your time.

10 REPRESENTATIVE KELLER: Thank you,  
11 Representative Evans.

12 Our next testifier will be Representative  
13 Phyllis Mundy, the Chairperson of the Aging and Older  
14 Adult Services Committee.

15 REPRESENTATIVE MUNDY: Good afternoon,  
16 Representative Keller and members of the committee.

17 Thank you for this opportunity to share my  
18 top priorities for the 2008-2009 State budget. My  
19 testimony today will focus on two critical areas:  
20 early childhood education, including education and  
21 outreach for first-time, at-risk parents; and access  
22 to home- and community-based services for senior  
23 citizens.

24 Research consistently shows, and the  
25 evidence continues to mount, that the most critical

1 developmental stage for any human being is the time  
2 from birth to age 3. No period is more important in  
3 helping to determine how we learn and live. As a  
4 nine-term legislator, I have been dedicated to  
5 promoting the issue of early childhood education and  
6 development for many years and many budgets now.

7 Over the past 4 years, Pennsylvania has  
8 taken tremendous strides and made significant  
9 investments in early childhood education and  
10 development. And while the Governor deserves credit  
11 for his leadership in this area, legislators on both  
12 sides of the aisle, in each chamber, can take pride  
13 in the key role that they have played in making  
14 initiatives such as Pre-K Counts a reality.

15 So I ask you, the members of the committee,  
16 to respectfully consider these fiscal year 2008-2009  
17 budget items for deliberation and support.

18 Pennsylvania has many programs that deal  
19 with children who have problems. We pay for juvenile  
20 courts and detention centers, alternate education for  
21 disruptive students, and remedial classes to help  
22 children try to catch up once they've fallen behind.  
23 Programs such as these focus on intervention. They  
24 are vital, but they are very costly. The real  
25 solution lies in prevention, and prevention lies in

1 early childhood education and development.

2           Investments made in the early years of a  
3 child's life generate significant benefits for the  
4 child, the family, and society as a whole.

5 Investments in early childhood education produce  
6 considerable long-term benefits for our economy,  
7 especially when it comes to sustaining financial  
8 support for senior citizens -- helping to keep Social  
9 Security solvent -- and the influx of aging baby  
10 boomers into the long-term-care system.

11           But don't take my word for it; the evidence  
12 is overwhelming. The High/Scope Perry Preschool  
13 Project, for those who don't know, is a study  
14 assessing whether high-quality preschool programs can  
15 provide both short- and long-term benefits to  
16 children.

17           The study monitored children from ages 3 to  
18 27 and found that for every dollar invested in early  
19 childhood education, over \$8 in benefits were  
20 returned to children and society as a whole, an  
21 8-to-1 return on investment.

22           A 40-year follow-up of the study shows  
23 savings of \$17 for each dollar invested. Those are  
24 returns that would make even the most frugal "budget  
25 hawk" very proud, the very definition of a "win-win."

1           And it's not all dollars and cents. The  
2 study showed that children who had not participated  
3 in the program were five times more likely to become  
4 chronic lawbreakers and were 70 percent more likely  
5 to be arrested for a violent crime by age 18 than  
6 those who participated.

7           Children who participate in quality  
8 childhood education programs have an advantage that  
9 begins early and stays with them for the rest of  
10 their lives, which ultimately makes our communities  
11 safer and more secure.

12           The proposed fiscal year 2008-09 budget  
13 calls for \$28.4 million in child-care services. This  
14 includes an increase of \$4.8 million to maintain  
15 Keystone STARS, the largest, most comprehensive,  
16 voluntary, quality child-care rating program in the  
17 nation. The success of the Keystone STARS program  
18 has received both State and national acclaim.

19           This increase will help to provide a quality  
20 early learning program to more than 170,000 children  
21 and assures that nearly 235,000 low-income working  
22 families, Temporary Assistance for Needy Families  
23 recipients, and former TANF families who are now  
24 fully employed will continue to have monthly access  
25 to quality school-readiness services through the

1 child-care system.

2           The budget also calls for \$19.9 million in  
3 child-care assistance. Within this item is the  
4 subsidized Child Care Program. This program allows  
5 low-income children access to quality child care  
6 while their parents are training or working. Using  
7 State and Federal funds to supplement parental  
8 copayments, it encourages families to be  
9 self-supporting and self-sufficient while allowing  
10 the choice of various child-care options, such as  
11 registered family child-care homes, relatives, or  
12 neighbors.

13           Local Child Care Information Service  
14 agencies, or CCIS, offer families a choice of  
15 child-care services and provide information and  
16 counseling on how to select a quality early childhood  
17 program.

18           Full funding in both of these areas is even  
19 more critical, considering that in fiscal year  
20 2008-2009, the child-care system will serve almost  
21 41,000 more children of low-income working families  
22 than in 2000-2001, an increase of 75 percent.

23           Finally, the Nurse Family Partnership  
24 Program is a proven approach to supporting  
25 first-time, at-risk parents and promoting their

1 children's healthy development. Registered nurses  
2 visit their homes during pregnancy and throughout the  
3 first 2 years of the baby's life. Started in 2001,  
4 this program has produced compelling results for  
5 families in Pennsylvania.

6           The Nurse Family Partnership Program has  
7 significantly reduced smoking by mothers during  
8 pregnancy, significantly increased safety at home by  
9 decreasing incidents of domestic violence during  
10 pregnancy, and significantly increased the number  
11 of babies receiving recommended immunizations to  
12 90 percent.

13           This budget includes a \$1 million increase  
14 to expand the number of families participating in the  
15 Nurse Family Partnership Program. As a result, 240  
16 additional families will receive services in fiscal  
17 year 2008-2009, bringing the total number of families  
18 served to 4,287. While this increase is commendable,  
19 it is, in my opinion, not enough. I ask for your  
20 support in securing additional funding for this vital  
21 program.

22           Just as we need to ensure that our youth  
23 have the skills and training necessary to support our  
24 ever-increasing older population, we must also ensure  
25 that our aging baby boomers, many of whom began

1 reaching retirement age this year, and other seniors  
2 have access to the care and services they need and  
3 desire.

4 As Chairman of the House Aging and Older  
5 Adult Services Committee, I have been a staunch  
6 advocate for expanding access to home- and  
7 community-based services for seniors. It's clear  
8 that older Pennsylvanians want to remain at home for  
9 as long as possible.

10 Allowing seniors to age in place not only  
11 makes sense from a quality-of-life standpoint by  
12 enabling them to maintain their independence and  
13 self-autonomy, but it's also more cost-effective for  
14 the Commonwealth and taxpayers. Supporting  
15 individuals in the community is much cheaper than  
16 keeping someone in institutional care, the importance  
17 of which will only increase with our aging  
18 baby-boomer population.

19 According to the Office of Long Term Living,  
20 it costs approximately \$52,000 per person to provide  
21 1 year of nursing-home care compared to \$21,000 for  
22 home- and community-based services.

23 I applaud the Administration for their  
24 efforts to rebalance the State's long-term-care  
25 system so that more seniors are able to direct their

1 own care and age in place. I was proud to assist in  
2 the passage of the assisted living licensure bill  
3 last year and support the expansion of the Department  
4 of Aging's PDA Waiver, which provides home- and  
5 community-based services for Medicaid recipients who  
6 are nursing-home eligible.

7           However, we must not overlook other  
8 important programs if we are to fully realize our  
9 goal of helping seniors delay or avoid institutional  
10 care. One such initiative is the Aging Block Grant  
11 or PENNCARE, which funds OPTIONS and various aging  
12 services.

13           The Aging Block Grant is utilized by local  
14 area agencies on aging to provide extensive  
15 personalized services so that individuals can remain  
16 in their homes and communities.

17           Unfortunately, funding for OPTIONS has not  
18 kept pace with rising costs, resulting in waiting  
19 lists for many services such as meals, respite for  
20 caregivers, and transportation. There are over 4,000  
21 Pennsylvanians on the OPTIONS waiting list. This  
22 does not include those currently being underserved,  
23 meaning those who are receiving some, but not all, of  
24 the needed services.

25           Although the fiscal year 2008-2009 PENNCARE

1 appropriation, which is \$247 million, contains an  
2 increase for the Attendant Care Waiver, it does not  
3 contain any increased funding for OPTIONS and the  
4 previously mentioned services. While our local area  
5 agencies on aging do a tremendous job, we must  
6 provide them the resources necessary to ensure that  
7 the needs of our seniors are properly met. The  
8 earlier we do so, the less likely these individuals  
9 will be to require more expensive and intensive care  
10 later on.

11 I ask for your support and advocacy for  
12 providing additional funding for the OPTIONS,  
13 including a 3-percent cost-of-living adjustment for  
14 all area agencies on aging to address the increased  
15 costs of doing business. Our local area agencies on  
16 aging and the direct-care workers who provide much of  
17 this care do yeoman's work and must be given the  
18 support they need.

19 To illustrate this point further, I recently  
20 learned that there are many direct-care workers in  
21 the community who have been covering a significant  
22 portion of their work-related travel expenses because  
23 the reimbursement they receive for gas, et cetera,  
24 has not been adequate. This is simply not acceptable  
25 and must be addressed.

1           Another important tool in helping seniors  
2 remain at home is the Family Caregiver Support  
3 Program. This program provides eligible family  
4 members financial support and services in caring for  
5 a functionality-dependent older relative.

6           To expand access to the program and better  
7 maximize resources, my staff and I worked with the  
8 Department of Aging to introduce House Bill 1830.  
9 This legislation would make Pennsylvania's Family  
10 Caregiver guidelines consistent with the Federal  
11 government as well as increase the monthly  
12 reimbursement limit and grant caps, representing the  
13 first adjustment since the inception of the State  
14 program in 1990.

15           It's important to note that House Bill 1830  
16 does not require any additional appropriations. In  
17 fact, the fiscal year 2008-2009 budget calls for the  
18 same level of funding as last year -- \$12.1 million.  
19 All this bill would do is enable our local area  
20 agencies on aging to more effectively target the  
21 funding they already receive.

22           House Bill 1830 unanimously passed the House  
23 of Representatives and the Senate Aging and Youth  
24 Committee last year. It is currently in the Senate  
25 Appropriations Committee, where it was referred on

1 January 14, 2008.

2           We must not forget that today's caregivers  
3 are not limited to traditional family members but  
4 increasingly include friends and neighbors. It is  
5 with this in mind that I ask for your assistance in  
6 making sure this important legislation is enacted  
7 either before or in conjunction with the fiscal year  
8 2008-2009 budget.

9           Before I conclude my remarks, I'd like to  
10 take a few moments to talk about senior centers. I  
11 believe senior centers play an important role in our  
12 communities. Many older Pennsylvanians participate  
13 in senior center activities on a daily basis,  
14 benefiting from continued social interaction with  
15 their peers as well as from educational and  
16 recreational opportunities.

17           Seniors can also take advantage of  
18 additional services while at the center, including  
19 hot meals. Senior centers also provide a wealth of  
20 information about programs available to older adults.

21           Clearly, senior centers enrich and engage  
22 our elderly population and allow them to live  
23 independently and stay connected to their  
24 communities. I believe that we should do all we can  
25 to support these valuable resources and respectfully

1 request your support for ensuring adequate funding.

2 Thank you again for the opportunity to share  
3 my budget priorities with you.

4 REPRESENTATIVE KELLER: Thank you,  
5 Chairwoman Mundy.

6 Our next testifier will be Representative  
7 Glen Grell from the 87th District.

8 REPRESENTATIVE GRELL: Good afternoon,  
9 Chairman Keller and members of the committee.

10 REPRESENTATIVE KELLER: Good afternoon.

11 REPRESENTATIVE GRELL: Thank you for the  
12 opportunity to give testimony concerning the proposed  
13 State budget.

14 I have always appreciated the opportunity  
15 for members to testify, albeit briefly, on any matter  
16 of concern to them, and I am certainly glad that you  
17 have reinstated this opportunity to us.

18 I would like to use my few minutes here  
19 today to advocate for State funding to assist local  
20 municipalities to meet the requirements of their  
21 sewage discharge permits in order to comply with the  
22 Chesapeake Bay Clean-Up Strategy developed and  
23 imposed upon the municipalities by the Department of  
24 Environmental Protection.

25 I have been engaged and interested in this

1 matter for about 2 years, since it first became  
2 apparent that strict nitrogen and phosphorous limits  
3 would be imposed on sewage treatment plants and that  
4 these stricter limits would result in major expenses  
5 to upgrade treatment facilities.

6 I have supported the leadership efforts of  
7 my colleagues, Senator Vance and Representative  
8 Nailor, as we forced public forums and convinced the  
9 DEP to engage in some meaningful stakeholder  
10 dialogue.

11 I don't want to dwell on the history of the  
12 issue other than to say that these mandates have  
13 their origin in Federal court litigation involving  
14 Pennsylvania as well as Maryland, Virginia, Delaware,  
15 New Jersey, and the District of Columbia. In order  
16 to settle this litigation, these States agreed in a  
17 consent order to attain certain watershed  
18 water-quality improvements by the year 2010.

19 In December of 2004, Pennsylvania's plan to  
20 achieve these goals was released by the DEP. This  
21 strategy was developed without any legislative input  
22 and was not authorized through any legislation.

23 Nevertheless, the impact of this strategy  
24 will be felt by municipalities throughout the  
25 Chesapeake Bay region, impacting facilities in at

1 least 34 of Pennsylvania's counties. Approximately  
2 183 sewage treatment plants will be required to  
3 comply over the next 3 to 4 years. The first wave of  
4 these upgrades is happening right now.

5 The estimated cost of complying with this  
6 mandate is the subject of some dispute, but even DEP  
7 acknowledges now that about \$630 million will be  
8 spent by sewage treatment plants in order to comply.  
9 The municipalities believe the actual cost will  
10 exceed \$1 billion.

11 Without a State appropriation, which is  
12 lacking in Governor Rendell's proposed budget, all of  
13 this expense will be borne by homeowners and other  
14 sewage system ratepayers. Some municipalities are  
15 anticipating rate increases of 50 percent, 100  
16 percent, and even upward.

17 It is noteworthy that Maryland and Virginia  
18 have already stepped up and provided significant  
19 amounts of State funding to support the mandates.  
20 Maryland is funding between 50 and 100 percent of the  
21 upgrades to the tune of \$1 billion, and Virginia has  
22 already dedicated State funding of \$350 million and  
23 is currently considering an additional \$250 million.

24 We had hoped the Administration would  
25 include some funding to support this mandate but were

1 disappointed to see no such funding in the proposed  
2 budget.

3 I am here today to ask you to correct this  
4 by supporting a \$300 million matching grant program.  
5 I am not asking that \$300 million be dedicated in  
6 this year's budget. Rather, we believe and we are  
7 supported by the Pennsylvania Municipal Authorities  
8 Association in believing that a first-year commitment  
9 of \$40 million would be sufficient. This is because  
10 not all of the upgrades will occur in a single year,  
11 and the upgrades will be done largely in conjunction  
12 with other plant upgrades to be financed through  
13 municipal bonds, which will be repaid over 10 to  
14 20 years.

15 If you represent a district located in the  
16 Chesapeake Bay Basin, you are already painfully aware  
17 of this issue and the unfunded mandate to be imposed  
18 on your municipalities. This is a statewide  
19 commitment and requires statewide funding.

20 If you don't live in the Chesapeake Bay  
21 region, it is just a matter of time until similar  
22 limits are imposed on your municipalities to correct  
23 water-quality problems in the Delaware, the  
24 Allegheny, the Monongahela, or some other waterway.

25 This is not a Republican or a Democrat

1 issue, and it offers us an opportunity for the House  
2 to work across the partisan divide to do what is  
3 right for the environment, for our municipalities,  
4 and for our constituents.

5 Thank you for your consideration of this  
6 request. I'll be pleased to work with the committee  
7 on the details of this funding proposal at any time.

8 REPRESENTATIVE KELLER: Thank you,  
9 Representative Grell.

10 Our next testifier will be Representative  
11 McIlvaine Smith.

12 REPRESENTATIVE McILVAINE SMITH: Thank you,  
13 Representative Keller.

14 I'm here today as the Chairman of the  
15 Subcommittee on Special Education, and I am asking  
16 for a line item to be submitted to our budget for the  
17 Bureau of Autism Services.

18 The Bureau of Autism Services and the Office  
19 of Autism Affairs was established as a result of  
20 recommendations offered by the PA Autism Task Force.  
21 The PA Autism Task Force was created in response to  
22 the increasing number of individuals diagnosed with  
23 autism spectrum disorders, or ASD.

24 According to the task force report issued in  
25 December of '04, the number of Pennsylvanians

1 diagnosed with ASD increased by more than 2,000  
2 percent. That is from 2 for every 10,000 to 40 for  
3 every 10,000. The level of need for individuals with  
4 ASD can vary greatly.

5           The task force was comprised of 250  
6 individuals, including physicians, researchers,  
7 family members living with people diagnosed with ASD,  
8 educators, agency representatives, and therapists.  
9 And then it was divided into 12 subcommittees, and I  
10 won't go into all of those.

11           The task force identified problems and  
12 solutions and then offered some recommendations, the  
13 most important of which was to create an Office of  
14 Disability in DPW which would encompass a division of  
15 autism spectrum and related disorders.

16           The Director of Autism Affairs was appointed  
17 by Estelle Richman, DPW Secretary, in May '05. The  
18 Bureau of Autism Affairs was formally established in  
19 February 2007. It is a bureau within the Office of  
20 Developmental Programs.

21           In its report, the task force noted the lack  
22 of programs for adults with autism as well as the  
23 lack of coordination between agencies that provide  
24 services and programs.

25           Individuals with autism in Pennsylvania

1 generally had to access programs through multiple  
2 resources. The Bureau of Autism Affairs is needed to  
3 provide a single point of entry to needed programs  
4 and resources for individuals with autism and their  
5 families as well as service providers.

6 The task force noted that autism is a  
7 chronic neurodevelopmental disorder that may improve  
8 with treatment, but will almost always require  
9 continuous services and ancillary supports throughout  
10 an individual's lifetime.

11 Adults with autism are particularly at a  
12 loss, because once an individual reaches the age of  
13 21, there are virtually no supports available to  
14 them. It is critical that adults with ASD receive  
15 educational, vocational, and housing support. Such  
16 supports enable many of those with ASD to live at  
17 home as productive taxpaying citizens, but  
18 coordinated, efficient service delivery is essential  
19 to ensuring that this population is able to access  
20 these services.

21 Further, Pennsylvania has a shortage of  
22 qualified, trained individuals who can properly  
23 diagnose and provide the appropriate treatment for  
24 ASD. The State must improve the infrastructure and  
25 identify incentives in order to develop and increase

1 the number of professionals needed to work with  
2 people with autism.

3           The Bureau of Autism Affairs works with  
4 individuals with autism, their families, educators,  
5 and service providers. Once established, the Bureau  
6 launched phase 1, which was in 2006 and '07, in  
7 collaboration with other State agencies as needed,  
8 which focused on training and capacity building.  
9 They established statewide diagnostic standards for  
10 medical professionals. They provided statewide  
11 training in the use of those diagnostic tools. They  
12 developed assessment standards and training protocols  
13 targeted to build capacity amongst professionals  
14 working with individuals with autism and other items.

15           The bureau has initiated the process for  
16 obtaining requests for an autism-specific Medicaid  
17 waiver. This waiver will provide PA the ability to  
18 be more flexible and creative in providing services  
19 to this autistic population. The public comment  
20 hearing on that waiver closed this year in February.

21           The bureau has established a mini-grant  
22 program that has many project grants, it has training  
23 programs, and the bureau is exploring a managed-care  
24 option called the Adult Community Autism Program, or  
25 ACAP.

1           An effort to estimate individuals with ASD  
2 in Pennsylvania has been launched under the  
3 supervision of the Center for Mental Health Policy  
4 and Services Research at the University of  
5 Pennsylvania.

6           The bureau has collected information on a  
7 number of individuals with ASD being served on  
8 publicly funded systems, whether those individuals  
9 are known across the various systems as having ASD  
10 and the degree to which individuals are served by  
11 more than one system. That initiative was completed  
12 in July of 2008.

13           The bureau has sponsored pilot programs to  
14 identify good practices in meeting the needs of  
15 children as well as adults with ASD. It has offered  
16 training sessions to identify best practices for  
17 providers treating individuals with ASD. And the  
18 bureau has developed a Web page as well as other  
19 materials from the dissemination of information  
20 regarding programs and services.

21           With the 2007 study from the Centers for  
22 Disease Control estimating that 1 in 150 children  
23 have some form of ASD, it is absolutely imperative  
24 that the Bureau of Autism Services have its own line  
25 item in the State budget.

1           The ability to streamline and efficiently  
2 deliver services to individuals with ASD and their  
3 families is dependent upon the bureau having a stable  
4 and adequate funding stream.

5           Thank you for your attention.

6           REPRESENTATIVE KELLER: Thank you,  
7 Representative Smith.

8           Our next testifier will be Representative  
9 Dave Levdansky.

10          REPRESENTATIVE LEVDANSKY: Thank you,  
11 Chairman Keller.

12          I just want to talk about an issue that I  
13 have been working on for a while, trying to get some  
14 interest in the General Assembly.

15          We have two State agencies that manage our  
16 State's wildlife, everything from birds and mammals  
17 to amphibians and fish, and they are entirely funded  
18 by the Pennsylvania Game and Fish Commissions, which  
19 are entirely and solely funded by the sale of hunting  
20 and fishing licenses and boating licenses. And the  
21 Game Commission, for instance, also has the sale of  
22 some of the resources that are on their lands and  
23 properties.

24          In addition to matching all hunting and  
25 fishing and boating throughout the Commonwealth, the

1 Game and Fish and Boat Commissions are also charged  
2 by State statute with managing all wild birds,  
3 mammals, fish, reptiles, and amphibians, and their  
4 habitats, in the interests of all Pennsylvanians, not  
5 just in the interests of hunters and anglers.

6 While many associate the Game Commission and  
7 the Fish and Boat Commission as traditionally  
8 managing the wildlife resources of particular  
9 interest to hunters and anglers, both agencies do  
10 have a broader public mandate to manage all of  
11 Pennsylvania's wildlife resources in the interests of  
12 all residents of the Commonwealth.

13 This broad mandate, coupled with the  
14 demographic change of declining hunting and fishing  
15 licenses, has placed a lot of our management agencies  
16 in a serious financial predicament. Pennsylvania is  
17 one of the only States that does not have a long-term  
18 dedicated public funding source for our wildlife  
19 management agencies.

20 An allocation of public funding is needed to  
21 cover the currently unmanaged or undermanaged species  
22 and a deteriorating infrastructure, particularly as  
23 declining hunting and fishing sales continue to  
24 impact the programs of the Game Commission and the  
25 Fish and Boat Commission.

1           An increase in hunting license fees would  
2 only provide a short-term solution but would  
3 exacerbate an erosion of the sale of hunting and  
4 fishing licenses. Every time we raise hunting and  
5 fishing licenses in Pennsylvania, we always, over the  
6 next several years outwards, experience a decline in  
7 the number of hunting and fishing license sales.

8           So I'm committed to establishing a reliable  
9 and permanent source of public funding for the Game  
10 and Fish Commission to augment their existing revenue  
11 streams that are paid for by people who buy hunting  
12 and fishing licenses.

13           I have introduced legislation, House Bill  
14 1676, to effectuate this. And what it does, it takes  
15 a very small slice of the sales tax revenue. And  
16 understand, there is significant sales tax revenue  
17 generated by the sale of hunting and fishing and  
18 boating supplies and equipment and other expenditures  
19 on hunting and fishing. It's the multibillion  
20 expenditures that go on in our Commonwealth for  
21 hunting and fishing.

22           I'm just proposing that we take 116 -- I'm  
23 sorry -- 116/100,000ths of 1 percent of the sales tax  
24 revenue for---

25           REPRESENTATIVE KELLER: Can you actually

1 write that? Do you want a calculator?

2 REPRESENTATIVE LEVDANSKY: I did. I have  
3 this written up. It is .00116, okay, of the sales  
4 tax revenue and allocate that to the Game Commission,  
5 and .00058 for fish. In real numbers, what I'm  
6 proposing is that we do that on a percentage basis.  
7 And we do this for mass transit, you know, and for  
8 other purposes, we carve out a little bit of the  
9 sales tax revenues for mass transit.

10 All I'm suggesting is a very small carve out  
11 on sales tax revenue that will generate approximately  
12 \$5 million a year for the Fish and Boat Commission  
13 and \$10 million a year for the Pennsylvania Game  
14 Commission. This will enable us, you know, to  
15 provide some funding.

16 Again, both agencies manage all kinds of  
17 stuff. Just let me give you a little example that  
18 I'm working for the Game Commission on. You know, we  
19 need, as part of our renewable portfolio standards,  
20 we need to ramp up windmill power in the State. We  
21 are going to have to site a lot of different  
22 windmills across the Commonwealth. It's the Game  
23 Commission that is charged with the development and  
24 protocol to help the windmill companies figure out  
25 where we can locate these, okay? It's the Game

1 Commission that's looking at the impact of windmills  
2 on hawks, owls, other raptors, and bats. Nobody  
3 hunts bats; it's illegal. Nobody hunts raptors; it's  
4 illegal. But the Game Commission is spending dollars  
5 to do all of this work to help the State find sites  
6 to site windmills. That's just the latest example of  
7 things that are going on, programs that are paid for  
8 by hunters and anglers to benefit all of  
9 Pennsylvanians.

10           So I just think it's high time that we carve  
11 out just a little piece of the sales tax revenue and  
12 dedicate it to these two agencies. Look, they need  
13 more money than that, but I think this is the least  
14 that the general public can do in the State to help  
15 financially support these two agencies and put them  
16 on a stronger financial footing so that they can  
17 complete and further their mission that we all need  
18 them to do.

19           Thank you.

20           REPRESENTATIVE KELLER: Thank you,  
21 Representative.

22           Our next testifier will be Representative  
23 Paul Costa.

24           REPRESENTATIVE COSTA: Good afternoon,  
25 Mr. Chairman, and good afternoon, members of the

1 committee. How are you doing today?

2 Thank you for the opportunity to present my  
3 testimony to you today. I have submitted it in  
4 writing to you, and I will try to stick as close as I  
5 can to what I wrote down, but sometimes I may veer  
6 off.

7 I am here as a voice for Pittsburgh's film  
8 industry. I am here to illustrate how the film tax  
9 credit plan is working for southwestern Pennsylvania,  
10 benefitting the Commonwealth in general, and explain  
11 why it is a program that needs this and future State  
12 budgets to provide permanent, sustainable funding.

13 Between 2001 and 2005, filmmaking in the  
14 region had an economic impact that averaged  
15 \$5.4 million a year. The following year, in 2006,  
16 when the tax program was fully implemented, its  
17 economic impact doubled to \$10.8 million, and it only  
18 got better from there.

19 In 2007, the EI increased 80 percent to  
20 \$18 million, one of the best figures the region had  
21 seen since more than a decade ago in 1995.

22 Here we are now, 3 months into 2008, and  
23 already filmmaking's economic impact is estimated to  
24 be \$15 million with four major feature films already  
25 in production.

1           By June, the projected EI is \$75 million,  
2 the highest economic impact in southwestern  
3 Pennsylvania history.

4           This booming industry has such a positive,  
5 resounding impact on local jobs and vendors. Within  
6 the last 2 years, companies like Smithfield Street  
7 Productions and Batpack Studios have set up shop in  
8 Pittsburgh, creating dozens of jobs for each film  
9 project.

10           These businesses hire, train, and use  
11 home-grown crews. The increased demand for our  
12 region as a desired location has spurred even more  
13 spin-off job creation, like in the case of Gaffhouse,  
14 an independent company that rents equipment to  
15 filmmakers.

16           From January through June of this year, at  
17 least four full film crews are needed for the feature  
18 films in production. This means hundreds of people  
19 are working in the local industry.

20           Construction initiatives for sound stages  
21 and production facilities capable of handling large  
22 film projects are underway in Monessen and Cranberry.

23           At the very center of all of this is the  
24 Pittsburgh Film Office. Since 1990, it has been  
25 recognized by the Association of Film Commissioners

1 International as the official marketing body for film  
2 in southwestern Pennsylvania.

3 Eight years ago, in 2000, the sole source of  
4 funding for the film office, the Allegheny County  
5 hotel room tax, was taken away to support the  
6 development of two stadiums and the Convention  
7 Center.

8 Since then, the Pittsburgh Film Office has  
9 had to scrape to obtain funds through small grants  
10 and an annual fundraiser. It has had to cut its  
11 programs and staff to a minimum, compromising the  
12 office's ability to properly deal with the area's  
13 enormous increase in film production and compete  
14 against other States and Canada.

15 The need for a fully-funded Pittsburgh Film  
16 Office is critical if the future of southwestern  
17 Pennsylvania's film industry is to remain successful  
18 and continue to grow in its impact. For the survival  
19 of the office, permanent and sustainable funding is  
20 required so staffing and marketing programs can  
21 return to pre-2000 levels.

22 Adequate staffing and support is needed to  
23 handle the thousands of communications, location  
24 scouts, and film productions in the region each year.  
25 Without this, film production will look to other

1 regions and other States that have also developed tax  
2 incentive programs, and much like the exodus of  
3 steel, Pittsburgh will again feel the fallout from  
4 another collapsed industry.

5 Please don't let this happen. Thank you all  
6 for your time and sincere consideration of this  
7 matter.

8 REPRESENTATIVE KELLER: I would like to  
9 congratulate Pittsburgh for getting nine films this  
10 year. I'd like to point out to my friend from Monroe  
11 County that Philadelphia had zero films this year.

12 REPRESENTATIVE SCAVELLO: Well---

13 REPRESENTATIVE COSTA: Oh, here we go.

14 REPRESENTATIVE SCAVELLO: I look out for  
15 Pittsburgh. I'm surprised you didn't know that.  
16 That's why we're being shortchanged.

17 REPRESENTATIVE COSTA: Well, I will tell you  
18 another reason why they did say that Pittsburgh is  
19 benefitting from this, is not only the tax credit,  
20 but the way that the structure is set up.  
21 Philadelphia and the whole eastern region of  
22 Pennsylvania falls under the New York price ranges  
23 and Pittsburgh does not.

24 So when they're looking, again, they look at  
25 Pennsylvania and they see the tax credit, and then

1 they look at Pittsburgh and they see that the  
2 workforce is experienced and they have done great  
3 productions. We've had a couple of Academy Awards.  
4 "Silence of the Lambs" won several Academy Awards,  
5 and it was all done in Pittsburgh.

6 The workforce is there, the experience is  
7 there, and they are finding it's actually cheaper to  
8 work in our State now.

9 REPRESENTATIVE KELLER: Well, we would like  
10 to congratulate Pittsburgh for the great work they're  
11 doing.

12 REPRESENTATIVE COSTA: Thank you,  
13 Mr. Chairman.

14 REPRESENTATIVE KELLER: Thank you.  
15 Representative Kathy Rapp, please.

16 REPRESENTATIVE RAPP: Good afternoon,  
17 Chairman Keller and members of the committee. I  
18 really appreciate the opportunity again to come  
19 before you and give a few comments about the  
20 Governor's proposed budget.

21 A few days after Governor Rendell presented  
22 his annual budget address on February 5, I had the  
23 opportunity to brief the members of the Warren County  
24 Chamber of Commerce on his 2008-2009 budget proposal.

25 What I told them in my opening remarks was

1 simply this:

2           The best thing about the Governor's proposed  
3 2008-2009 budget for the residents of the 65th  
4 Legislative District is the picture of the Kinzua Dam  
5 on the cover.

6           Sadly, between February 5 to this very  
7 moment, nothing about the Governor's proposed 2008-09  
8 State budget has changed for the better, which brings  
9 me to the primary topic of my testimony, the negative  
10 impact that the Governor's inequitable public school  
11 funding formula continues to have on the rural school  
12 districts I represent: a prescription for a taxpayer  
13 mugging; a colossal waste of tax dollars; flawed to  
14 the point of being useless; guesswork at best; fails  
15 to consider that taxpayers do not offer an endless  
16 pot of gold; not worth the cost of the recycled paper  
17 and ENERGY STAR compliant computer equipment used to  
18 print it.

19           These are only a sampling of the criticisms  
20 leveled against the results of the \$648,000  
21 taxpayer-funded, educational costing-out study that  
22 the Governor is now using as the benchmark, or should  
23 I say small town versus big city dividing rod, to  
24 determine how much revenue is needed to bring every  
25 Pennsylvania public school student's proficiency

1 levels up to par with State academic standards.

2 Released in November of 2007, the  
3 one-size-fits-all conclusion of this opinion poll  
4 estimates that each of Pennsylvania's 501 school  
5 districts must spend an average of \$12,058 per  
6 student. Based on current educational funding  
7 levels, this equates to a \$4.8 billion spending  
8 increase.

9 Worst of all, this study miserably fails to  
10 address why some school districts manage to achieve  
11 superior marks to others, despite significantly less  
12 educational funding levels.

13 As statewide academic proficiency testing  
14 during each year of the Rendell Administration  
15 proves, spending more tax dollars does not guarantee  
16 more scholars.

17 Notwithstanding, when it comes to any  
18 educational funding decision, the biggest question  
19 for State lawmakers should be how to fairly and  
20 equitably finance public education without  
21 bankrupting the people and job creators of this  
22 Commonwealth.

23 To further drive this point home as it  
24 applies to rural school districts, I would like to  
25 read a few excerpts from a letter I recently received

1 from two of my constituents, Mr. and Mrs. Matthew  
2 Thompson of Marienville in Forest County:

3 "Our district, Forest Area School District,  
4 has been fortunate in the past to have been able to  
5 sustain our educational programs and give our  
6 children, who live in a very rural area,  
7 opportunities that students in large, urban areas  
8 have on a daily basis.

9 "Currently there are 1,762 resident parcels  
10 and 4,528 seasonal parcels of real estate in Forest  
11 County.

12 "There is also 123,197 acres of tax-exempt  
13 land (Allegheny National Forest).

14 "Because we have a low enrollment of  
15 students, the State's market value aid ratio formula  
16 makes our district look like a district of wealth.

17 "However, our district's average family  
18 income is about half the average rate for the State.

19 "Our district's free and reduced lunch  
20 average rate for the 2007-2008 school year is  
21 48 percent of our students.

22 "Forest County is the only county in  
23 Pennsylvania that is designated as 'economically  
24 depressed by the Appalachian region'.

25 "We are not a district of wealth.

1           "The current school funding proposal for the  
2 2008-2009 school year presented by Governor Rendell  
3 is compounding our revenue shortages.

4           "Forest Area School District is only  
5 receiving a 1.5-percent increase over last year's  
6 funding.

7           "This is equal to a \$36,000 increase which  
8 does not even cover the rate of inflation....

9           "There is no other school district in  
10 Pennsylvania that has our demographics.

11           "We have two K-12 buildings which are 30  
12 miles apart.

13           "We have transportation costs that far  
14 exceed most school districts in Pennsylvania when  
15 considering the number of students that are  
16 transported to and from school for an average of  
17 4,193 miles a day.

18           "Our teacher-to-student ratio at the high  
19 school level is greater than the State average.

20           "But we are under the same mandates for  
21 curriculum and assessment as any other schools and  
22 cannot offer the board array of electives that the  
23 larger schools offer.

24           "Please consider the needs of our children  
25 when you are voting on school funding.

1           "Governor Rendell is proposing greater  
2 percentage increases for larger schools in  
3 Pennsylvania.

4           "Their needs may not be the same as Forest  
5 Area School District, but the children of Forest Area  
6 School District's education should be the same and  
7 equal to any other education provided to children in  
8 Pennsylvania.

9           "If our district's State allocation  
10 continues to not pay for our district needs, there  
11 will be no equality in education."

12           In conclusion, to summarize and expand on  
13 the written sentiments of Matthew and Tammy Thompson,  
14 when compared to the multimillion dollar  
15 22.5-percent, 21.2-percent, and 19.7-percent  
16 increases respectively that the top three funded  
17 school districts, which are all conveniently located  
18 in the Philadelphia/Lehigh area, will receive under  
19 the Governor's proposed 2008-2009 State budget, what  
20 message does this minuscule 1.5-percent funding  
21 increase for Forest Area School District send to  
22 children living in economically depressed areas?

23           Put another way, is Governor Rendell trying  
24 to say that the value of the education students  
25 attending Philadelphia area schools receive is higher

1 than those attending rural school districts?

2           Moreover, when considering the tens of  
3 thousands of Pennsylvania property owners that are  
4 facing 2008 as the year when their homes are lost to  
5 sheriff's sales or foreclosures, where will rural  
6 districts turn for the revenue they need to survive  
7 when there are even less property owners left to tax?

8           In short, the inevitable and even more  
9 costly final result of inequitable school funding  
10 could very well necessitate a complete and total  
11 State government takeover of all rural school  
12 districts.

13           Early in my legislative career, I came  
14 across this very important lesson that has served me  
15 well on virtually every vote I have ever cast as a  
16 State Representative.

17           As lawmakers, we will not be remembered for  
18 the problems we identify, but for the problems we  
19 solve.

20           Whether it takes completely eliminating the  
21 school property tax, sending the Governor's current  
22 public education funding formula back to the drawing  
23 board, or a solution yet to be determined, I look  
24 forward to working together with my colleagues on  
25 both sides of the aisle to address the problem of

1 providing equitable and sustainable educational  
2 funding for all Pennsylvania children.

3 Thank you.

4 REPRESENTATIVE KELLER: Thank you,  
5 Representative Rapp.

6 REPRESENTATIVE KELLER: Our next testifier  
7 will be Representative Scott Perry.

8 REPRESENTATIVE PERRY: Thank you,  
9 Mr. Chairman and members of the committee.

10 I represent the citizens of the 92nd  
11 District, which is located in York and Cumberland  
12 Counties. I do sincerely believe it is my job to  
13 represent their concerns and interests in this august  
14 body. And, ladies and gentlemen, from what I have  
15 heard at numerous town meetings, the citizens and  
16 taxpayers of this district do not believe their State  
17 government is looking out for their needs and best  
18 interests.

19 Unfortunately, once again this year, my  
20 testimony will touch on many of the same issues as it  
21 did last year. Governor Rendell's voracious appetite  
22 for spending, borrowing, and taxing has not changed.  
23 This year, we have been presented with a budget that  
24 calls for another \$1.4 billion increase in spending.

25 This represents a 5.3-percent growth in

1 spending from the previous year. This will be on top  
2 of a 29-percent increase in his first term and almost  
3 \$6 billion more in spending over 4 years. We simply  
4 must begin to cut taxes and control spending to a  
5 rate of growth equal to or less than the rate of  
6 growth in the cost of living as measured by the CPI.

7 Over those 4 years, the cost of living rose  
8 just over 12 percent, which means the Governor  
9 outspent the rate of inflation by a rate of almost  
10 2 1/2 to 1.

11 And if that isn't bad enough, this increase  
12 does not take into account budgeting gimmicks that  
13 shifted items from the General Fund spending to  
14 off-line budget funds, such as the tobacco funds.  
15 This rate of increase is just simply unacceptable.

16 Now, predictably, the Governor is trying to  
17 shift the blame for his spending spree on reduced  
18 funds from the Federal government. However, the  
19 Commonwealth has received a net increase of  
20 \$1.4 billion in Federal funding since the Governor  
21 took office.

22 In the troubled economic times that we find  
23 ourselves in now, I believe it is more important than  
24 ever that we focus on our middle-class families who  
25 are having trouble making it.

1           Last year, we had a \$650 million surplus in  
2 revenues to the State. I believe we should have  
3 returned a significant amount, if not all of that  
4 money, to the hard-working taxpayers who are our  
5 bosses.

6           Instead of taking more money from their  
7 pockets for special programs that serve the friends  
8 of the Governor, we need to leave that money with the  
9 people who earned it -- the hard-working taxpayers.

10           Instead of dreaming up new programs that we  
11 have been able to survive without for all these  
12 years, we should focus on making Pennsylvania a  
13 friendly environment for employers to maintain and  
14 create family-sustaining jobs.

15           Our Commonwealth has lost more than 80,000  
16 manufacturing jobs since the Governor took office in  
17 2003. We need to focus on expanding the economy by  
18 working with employers. We can do that by  
19 controlling spending and enacting a tax-cut package  
20 that will stimulate the economy.

21           To keep spending in check, I, along with  
22 other members of the House Republican Policy  
23 Committee, have urged the Governor and the General  
24 Assembly to adopt a zero-growth budget for the  
25 2008-2009 fiscal year.

1           To stimulate the economy, we have proposed a  
2 tax-cut package that includes four components:  
3 reducing the PIT; reducing the consumer electric bill  
4 tax; uncapping Pennsylvania's net operating loss  
5 deduction; and implementing a 100-percent sales  
6 factor.

7           When Governor Rendell increased the PIT  
8 from 2.8 percent to 3.07 percent in 2003, nearly  
9 \$1 billion was taken out of the pockets of families  
10 and businesses here in Pennsylvania. As a result,  
11 36,000 jobs were lost. It is time for tax relief to  
12 become a reality. I believe that if we are to make  
13 Pennsylvania the economic engine it can be, we must  
14 eliminate and reduce taxes, not create and increase  
15 them.

16           In addition to the spending increases, the  
17 Governor also wants to dramatically increase our  
18 State's debt.

19           In his first 4-year term, the Governor  
20 enacted five borrowing initiatives totaling  
21 \$3.5 billion, which will cost the taxpayers of  
22 Pennsylvania \$4.716 billion to pay back in principal,  
23 interest, and fees.

24           Furthermore, in his second term, he has  
25 proposed additional borrowing in the amount of

1 \$1.85 billion. That would amount to almost  
2 \$3.1 billion in principal, interest, and fees.

3 Now, according to a survey by the American  
4 Legislative Exchange Council, Pennsylvania ranks 45th  
5 -- the worst being 50th -- among the States in debt  
6 service as a percentage of total tax revenue. I  
7 really believe the Rendell Administration must stop  
8 using debt as a way to finance his spending agenda.

9 As long as I am a member of this body, I  
10 will continue to fight the growth of spending and  
11 debt in State government.

12 In my opinion, I see our budget discussions  
13 simply as a debate, as an exercise, in setting  
14 priorities. It is not that we aren't spending enough  
15 money, but rather how we are spending it.

16 I personally believe spending can be  
17 curtailed by taking a close look at the various line  
18 items within each of the State's executive agencies.

19 I believe we need to take a much closer look  
20 at how our State dollars are being spent and whether  
21 or not programs are actually producing the results  
22 that they promised.

23 Last year, I noted that all of Pennsylvania,  
24 under the Governor's proposal, will be expected to  
25 pay for repairs and upgrades at SEPTA.

1           As it turned out, the repairs and upgrades  
2 may be paid for in part by individuals who drive on  
3 the Pennsylvania portion of Interstate 80. At its  
4 nearest point to the city, Interstate 80 is about  
5 100 miles from Philadelphia.

6           If we are to toll a road in Pennsylvania, I  
7 believe Interstate 95, which runs right through  
8 Philadelphia, would be a much better choice. Parts  
9 of Interstate 95 in Florida, Virginia, Delaware, New  
10 Jersey, New York, and New England are already toll  
11 roads.

12           It would also follow that tolling the road  
13 may encourage commuters to take mass transit, such as  
14 SEPTA, thus increasing its revenues and lessening the  
15 burden on taxpayers.

16           Our infrastructure and environment is in  
17 peril. That is why I am in the process of  
18 introducing legislation to help my constituents and  
19 many other residents of central Pennsylvania to  
20 shoulder the burden of the costs they are expected to  
21 pay for as a part of the Chesapeake Bay Initiative.

22           Pennsylvania is a party to the Chesapeake  
23 Bay Initiative -- an agreement among Pennsylvania,  
24 Maryland, Virginia, and the District of Columbia,  
25 along with the Federal Environmental Protection

1 Agency, to clean up the Chesapeake Bay. Phosphates  
2 and nitrates flowing into the Bay have caused a  
3 significant reduction in the Bay's aquatic life.

4 The Department of Environmental Protection  
5 has imposed onerous and expensive requirements on  
6 wastewater treatment systems that account for a very  
7 small portion of the problem and threaten to withhold  
8 permits if its mandates aren't met.

9 The cost to affected ratepayers and  
10 taxpayers is estimated to be more than \$1 billion,  
11 not including the costs of financing which could  
12 easily double that amount.

13 Families and small business people are being  
14 asked to foot the bill through higher sewer bills.  
15 No one suggested tolling a highway in some remote  
16 part of the State to pay for this, nor would it be  
17 appropriate to do so. However, if those living in  
18 the mid-State are expected to pay for the traffic  
19 issues hundreds of miles away, I think it only fair  
20 that the entire State help pay for its share of these  
21 unfunded mandates.

22 Mr. Chairman, time does not permit me to  
23 fully address other priorities that should be  
24 addressed in this budget, such as the need to reduce  
25 welfare fraud and abuse that we learned about in the

1 House Republican Policy Committee Task Force on  
2 Welfare Reform.

3           Clearly, too, Mr. Chairman, our  
4 infrastructure needs attention. There were stories  
5 in the news media this week about two seriously  
6 defective bridges -- one, ironically, that is part of  
7 Interstate 95, and another one here in Harrisburg  
8 that is within walking distance of this building.

9           At the end of the day, Mr. Chairman, we must  
10 decide what our priorities are. We have been on the  
11 wrong track of increased taxes, spending, and  
12 borrowing while the roads beneath us are crumbling.

13           It's time to fundamentally change the way we  
14 approach the budgeting process and infuse performance  
15 as a measure of effectiveness to the spending of the  
16 taxpayers' dollars.

17           Thank you, Mr. Chairman and members of the  
18 committee.

19           REPRESENTATIVE KELLER: Thank you,  
20 Representative Perry.

21           Our next testifier will be Randy Vulakovich.

22           REPRESENTATIVE VULAKOVICH: I'm going to  
23 keep you pretty much on schedule, because this is  
24 going to be very short and to the point.

25           On March 3, 2008, a group of us, 23 State

1 Representatives, sent a letter to the leaders of all  
2 four caucuses, the Senate and the House of  
3 Representatives, and I would like to read that letter  
4 and get it on record:

5 "Dear Leaders:

6 "We write to you in the spirit of bipartisan  
7 cooperation to change the manner in which the General  
8 Assembly operates. The General Assembly recently  
9 fundamentally changed the public's access to  
10 documents for the better with a new open records law.  
11 This measure was only possible because members of  
12 both parties and chambers worked together toward a  
13 common goal. It is in this spirit that each of us  
14 joins this effort and respectfully submits this  
15 letter to each caucus leadership team for your  
16 consideration.

17 "As rank and file members of the  
18 Legislature, we believe that it is incumbent on all  
19 of us to aggressively push for greater efficiency and  
20 effectiveness. One of the areas that we believe this  
21 can be accomplished is in reducing the cost of our  
22 Legislature to Pennsylvania taxpayers. As you know,  
23 according to the Speaker's Commission on Legislative  
24 Reform, Pennsylvania spends \$23.01 per person on our  
25 Legislature -- ranking the Commonwealth third in the

1 Country. The Speaker's Commission recommended a 10%  
2 reduction in the Legislature's budget, but this  
3 recommendation was not acted upon. We firmly believe  
4 that the cost to operate the General Assembly must be  
5 reduced in order to save money and demonstrate that  
6 we can be good stewards of public dollars.

7 "To that end, we" -- the 23 Representatives  
8 -- "write to respectfully urge you to reduce the line  
9 item for the operations of the Legislature in the  
10 2008-09 budget. Specifically, we respectfully  
11 request a 20% reduction in the General Assembly line  
12 item in the budget. Based on the '07-08 budget, this  
13 would result in savings of approximately \$66 million.

14 "It is our firm belief that this step is  
15 necessary to restore the public's trust that we will  
16 act as responsible stewards of their tax dollars.  
17 Reducing the cost of the Legislature is a common  
18 sense step toward cost effective good government.

19 "We look forward to working with you on this  
20 important issue."

21 Thank you.

22 REPRESENTATIVE KELLER: Thank you,  
23 Representative Vulakovich.

24 Representative Tom Murt.

25 REPRESENTATIVE MURT: Good afternoon,

1 Mr. Chairman and members of the committee.

2 Mr. Chairman, I believe that one of the most  
3 painful situations we face as elected officials in  
4 Pennsylvania is watching families who struggle to  
5 care at home for an adult-aged child with special  
6 needs. The plight of these special families does not  
7 appear on the front page of any newspaper, but to  
8 these families, this issue is vitally important.

9 These families are to be commended for  
10 caring for their adult special-needs children, by  
11 themselves, at home, and I think that those of us who  
12 serve in State government should examine ways to make  
13 their jobs a little easier.

14 Simply stated, the State resources that we  
15 dedicate to caring for the adult members of our  
16 families who have special needs are not ample and  
17 need to be increased further than they have been in  
18 the preliminary budget.

19 According to the Department of Public  
20 Welfare, a total of 21,475 adults with mental  
21 retardation are currently on the waiting list for  
22 help. These special members of our families come  
23 from every community in the Commonwealth.

24 Governor Rendell's proposed budget  
25 designates \$28.8 million to reduce that waiting list

1 by 1,818 individuals for fiscal year 2008-2009. This  
2 funding is much appreciated and badly needed.  
3 However, I believe we cannot turn our backs on the  
4 thousands of Pennsylvanians who would not be helped  
5 in this scenario.

6 With that in mind and on behalf of these  
7 families and all special-needs Pennsylvanians, I  
8 respectfully request that the committee see fit to  
9 provide supplemental funding so that even more  
10 families who care at home for an adult with special  
11 needs can get the helping hand they so desperately  
12 need.

13 Mr. Chairman, I strongly encourage the  
14 continued support of the 800 special-needs students  
15 graduating from high school each year by making this  
16 allocation a permanent line item in the budget.

17 I add that providing support for  
18 special-needs adults at high school graduation  
19 prevents regression and maintains vital connections  
20 to community, while empowering parents to continue  
21 working to support the household. This action also  
22 serves the waiting list at the source.

23 Mr. Chairman, State law requires that up  
24 until 21 years of age, special-needs children with an  
25 IEP be educated in public schools or in another

1 appropriate setting. Once these special members of  
2 our families leave the public school system, however,  
3 they and the families who lovingly care for them are  
4 frequently left to navigate an underfunded system  
5 that requires them to wait for services for their  
6 adult child who has special needs.

7           Additionally, after these special-needs  
8 children leave school, many do not have opportunities  
9 either socially, educationally, or with suitable  
10 employment due to a lack of funding and programming.  
11 Many of these special-needs members of our  
12 communities must stay at home and are understimulated  
13 and sometimes develop even more health, emotional,  
14 and other mental-health problems due to a lack of  
15 services. Some special-needs adults will only be  
16 given a housing placement outside their parent's home  
17 if their parent/caregiver dies.

18           Mr. Chairman, one very serious condition  
19 that has evolved in Pennsylvania is where parents who  
20 have worked hard for many years to care for their  
21 special-needs adult child at home start to experience  
22 serious age-related health problems themselves.

23           In these heartbreaking cases, in addition to  
24 having to care for themselves and worry about their  
25 own health care, these older parents must also

1 continue to care for an adult special-needs child.  
2 Many of these families have parents who are in their  
3 eighties and an adult child with special needs who is  
4 in their sixties or older.

5           Needless to say, these special-needs adults  
6 start to experience their own health challenges  
7 relating to age or years of understimulation.  
8 Providing supports to aging caregivers and older  
9 adults with mental retardation is of the utmost  
10 importance.

11           Many aging parents simply can no longer  
12 provide care for their special-needs sons and  
13 daughters living at home, and they badly need relief.  
14 The challenges of caring for a loved one with special  
15 needs at home are already painful, and the aging  
16 process exacerbates these challenges even more.

17           Mr. Chairman, I am not pressing the panic  
18 button, but if the waiting-list issue is not  
19 addressed in the near future, these adults with  
20 special needs could very well end up in other systems  
21 within the State such as State hospitals or even in  
22 the corrections system. This would be much more  
23 costly to the State than taking action now, and  
24 certainly much less prudent.

25           Supporting our most vulnerable citizens is a

1 core function of our government and should be a top  
2 priority for us. Thousands of Pennsylvanians and  
3 their families anxiously await the supports they need  
4 to be healthy and productive citizens in their  
5 communities.

6 Mr. Chairman, as you well know, this issue  
7 is quite complicated and requires much effort in  
8 order to simply understand its magnitude.  
9 Essentially, I am requesting you to reconsider the  
10 budgeted amounts and to appropriate even more badly  
11 needed and deserved funding for adults with special  
12 needs and the families who care for them.

13 Mr. Chairman, I end my testimony with my  
14 favorite quote by former Vice President Hubert H.  
15 Humphrey. You might be curious about why a  
16 Republican would quote what is sometimes called the  
17 liberal mantra, but the message is not about partisan  
18 politics here and is clearly one of compassion,  
19 empathy, and concern for others.

20 Vice President Humphrey said, "The moral  
21 test of government is how that government treats  
22 those in the dawn of life -- our children; those in  
23 the twilight of life -- our elderly; and those in the  
24 shadows of life -- our sick, our needy, and our  
25 handicapped."

1           Mr. Chairman, I want to be able to say that  
2 all of us passed that moral test, so I respectfully  
3 request your reconsideration of the preliminary  
4 budgeted amount for funding for our mental  
5 retardation waiting list for services.

6           Thank you, Mr. Chairman, and thank you to  
7 the members of the committee.

8           REPRESENTATIVE KELLER: Thank you,  
9 Representative Murt.

10           Our next testifier will be Representative  
11 Karen Beyer from the 131st District.

12           REPRESENTATIVE BEYER: That was a terrific  
13 statement by Representative Murt. It's nice to  
14 follow someone so dedicated and so passionate.

15           So good afternoon, Mr. Chairman, Chairman  
16 Keller. And Chairman Scavello, it's good to see both  
17 of you.

18           REPRESENTATIVE KELLER: Excuse me; I didn't  
19 hear you.

20           REPRESENTATIVE BEYER: You know what? I  
21 have an actual speech or comments that I'll submit  
22 for the record. But just to make it as brief and to  
23 the point as I can, I'll go off my remarks a bit.  
24 But again, good afternoon. It is good to see you.

25           Representative Manderino, I have to tell

1 you, I sat in on some Appropriations Committee  
2 testimony, and I enjoy watching you question.  
3 They're always very articulate and very succinct  
4 questions and very probing, and I always enjoy that.

5 REPRESENTATIVE MANDERINO: Thank you.

6 REPRESENTATIVE BEYER: I am, as a  
7 Representative sitting before you, pretty satisfied  
8 with this budget, as I feel very fortunate in that  
9 now, being the third budget that I voted on, we're  
10 not seeing any increases in taxes on our citizens,  
11 which is always, I think, good, especially in line  
12 with what the economy is doing.

13 I am very supportive of the increase in  
14 education that the Governor has proposed, and as a  
15 member of the Education Committee, I can tell you  
16 it's vitally important and should be. Obviously  
17 that's our priority and it is the priority of the  
18 Governor, which is very satisfying to me.

19 I'm also deeply grateful for this year's  
20 proposed budget, as again, Allentown School District,  
21 one of the five school districts that I represent, is  
22 looking at a 19-percent increase over last year's  
23 funding in basic education funding. That's good.  
24 That's terrific. It's a school district, an urban  
25 school district, that needs that money, and I want to

1 try to make sure that you all keep that right where  
2 it needs to be.

3 I do want to talk to you about the small  
4 business development centers. I suppose as part of  
5 the educational process, again, that funding was cut.  
6 So I'm asking that you members restore that funding  
7 to \$8.8 million.

8 This program, as you all know, stimulates  
9 new business formulation and growth. Based on an  
10 actual independent impact analysis of the program  
11 over the past 15 years, it conservatively estimates  
12 that the appropriation of \$8.8 million will result in  
13 \$65 million into the State in additional tax revenue.

14 Just to give you an idea, Lehigh University  
15 has a small business development center in it that  
16 happens to be, obviously, an extraordinarily  
17 important university in our Commonwealth, but  
18 certainly to the Lehigh Valley.

19 Let me just give you some statistics: 24  
20 new businesses were started, 6 clients brought  
21 businesses; 62 clients received \$29 million in  
22 financial commitments and investments; \$2.6 million  
23 in government prime and subprime contracts were  
24 received by clients, and a \$3.3 million increase in  
25 exports to the SBDC assistance -- that was just last

1 year.

2           So these small business development centers  
3 are vital, because they are in partnerships with the  
4 business community and our universities all across  
5 the Commonwealth.

6           Next is the PITA line item under DCED. That  
7 was zeroed out this year. In previous fiscal years,  
8 the General Assembly has restored funding to PITA  
9 every year, and again -- up to levels of \$6 million  
10 -- and again we're asking that this funding be  
11 restored.

12           PITA represents a unique alliance between  
13 two of our Commonwealth's universities. That is  
14 Lehigh University and Carnegie Mellon University in  
15 Pittsburgh. They joined with the Commonwealth to  
16 help in increasing operating efficiency and enhancing  
17 economic development in companies all over  
18 Pennsylvania.

19           PITA has enabled eight start-up companies,  
20 funded more than 575 technology projects, and  
21 partnershiped with more than 250 Pennsylvania  
22 companies. So as you can see, it is vitally  
23 important.

24           I hope, Dr. Nolan, you are talking notes.  
25 The chart has already been pointed out to you. But

1 these two areas, again, this year, let us restore  
2 funding.

3           And then I think on the small business  
4 development center, I really am asking for it to get  
5 to the funding level that it should have been at, at  
6 \$8.8 million.

7           Another issue is a diesel technology tax  
8 credit bill that I put in two sessions -- well, last  
9 session and again this session. It is vitally  
10 important that we promote new diesel technology,  
11 green technology, in our heavy trucking industry by  
12 getting businesses to invest in the new truck diesel  
13 technology.

14           That tax credit bill is an amendment on a  
15 bill that is sitting in the Senate, but we still have  
16 an independent standing bill that I would like very  
17 much to see sent through as part of this budget  
18 process.

19           Additionally, and I'm going to get to the  
20 small number -- \$100,000 for the Coast Guard  
21 Auxiliary. And, Chairman Keller, this may be of  
22 interest to you, as well as you, Kathy.

23           Senator Vince Fumo has for several years --  
24 and I'm not even sure how many -- funded the Coast  
25 Guard Auxiliary with a \$50,000 Department of

1 Community and Economic Development grant to keep the  
2 statewide and volunteer organization afloat -- no pun  
3 intended.

4           The Coast Guard Auxiliary patrols our  
5 waterways, provides safe boating classes to folks who  
6 purchase boats, to safety vessel examinations, and  
7 it's all volunteer. In light of the fact that we  
8 have a Homeland Security budget and in light of the  
9 fact that we have allocations there, years ago it  
10 used to be funded out of the Fish and Boat  
11 Commission. For some reason the line item was  
12 dropped, and Senator Fumo kept giving that  
13 organization money -- much to his credit. One of the  
14 very good deeds that he has done.

15           I think that should be a line item in the  
16 budget, and I don't see any reason why it shouldn't  
17 be, given that we are giving \$400 million or so from  
18 the Federal government in flow-through money for  
19 exactly these kinds of purposes. They patrol  
20 waterways. They are a vital part of the health of  
21 our waterways here in the Commonwealth of  
22 Pennsylvania.

23           I know, Dr. Nolan, I have talked to you  
24 about it, so I'm mentioning it again to the  
25 committee. It's a small line item, but I think it

1 says a lot about what we value here in the  
2 Commonwealth, especially with an all-volunteer  
3 organization that is obviously a very critical part  
4 of the Coast Guard itself.

5 And on a final note. To you members who are  
6 sitting here, House Bill 446 is in the Appropriations  
7 Committee. House Bill 446 is the cyber charter  
8 school accountability act, a bill that I have now  
9 championed for the past 2-plus years.

10 This is of absolutely no fiscal consequence  
11 to the Commonwealth at all in that our State budget  
12 is not affected. It is, however, a bill that will  
13 save our school districts across the State by setting  
14 a statewide tuition for those children who attend  
15 cyber charter schools. And by the way, that rate  
16 will be a little bit more than \$7,000 a year; special  
17 education students would be a little over \$11,000.

18 By setting that statewide tuition rate and  
19 following States like Ohio and Florida who have  
20 already established these rates, we would we save our  
21 Pennsylvania school districts over \$40 million a  
22 year.

23 Now, this needs to get done. In my mind, it  
24 needs to get done sooner rather than later,  
25 especially before the next school year starts.

1           It is a bill that I worked very hard with  
2 the Governor's Office on. I worked in concert with  
3 the Department of Education on it. But this bill now  
4 sits before Appropriations, and I think it is time  
5 for it to come out. And as members of the  
6 Appropriations Committee, I would be deeply grateful  
7 for your support and assistance in getting this bill  
8 out of committee.

9           So having said all that, members, thank you  
10 very much, and thank you for giving me this few  
11 minutes to talk with you.

12           REPRESENTATIVE KELLER: Thank you,  
13 Representative Beyer.

14           REPRESENTATIVE KELLER: Our next testifier  
15 will be Representative David Kessler from the 130th  
16 District.

17           REPRESENTATIVE KESSLER: Thank you, Mr.  
18 Chairman. Thank you for this opportunity.

19           I have been meeting with the Rodale  
20 Institute for the last 9 months working on a piece of  
21 legislation that I've introduced on organic farming.  
22 My piece of legislation is twofold: one is to make  
23 farming more profitable, and two, to better the  
24 environment.

25           I have visited several farms throughout

1 Pennsylvania in the last month that have gone from  
2 conventional to organic, ranging anywhere from  
3 100 acres to 300 acres, milking anywhere from  
4 50 head to 120 head, which is above average of a  
5 normal farmer.

6           What my bill does is help the farmer through  
7 the transition period. When a farmer goes organic,  
8 what will happen in the first 2 to 4 years, their  
9 yields will drop as far as their corn production and  
10 soybeans. But once they get the organic matter back  
11 into the ground and the nutrients back into the  
12 ground, after that transition period, they will see  
13 yields the same, if not better. So what my bill does  
14 is help them through that transition period and  
15 subsidizes them for their loss and loss in yields.

16           As far as the environment is concerned, a  
17 farm field, as the dirt is turned over, there's  
18 carbon in the ground, and the carbon escapes and in  
19 turn mixes with oxygen and creates carbon dioxide,  
20 which is a greenhouse gas. If every acre in  
21 Pennsylvania was to go organic no-till -- no-till  
22 meaning not turning the dirt over, drilling a hole  
23 and dropping the seed into the ground, which some  
24 farmers are doing now -- if every acre was to do  
25 that, that would equate to sequestering enough carbon

1 to take 2 to 3 million cars a year off our streets.

2 As far as the Chesapeake Bay is concerned,  
3 we have been spending hundreds of millions of dollars  
4 on cleaning up the Chesapeake Bay. I attended a  
5 presentation by Secretary McGinty and was given some  
6 information. I would like to read a sentence from  
7 the information I was given from Secretary McGinty.

8 It says, "The Pennsylvania agricultural  
9 industry collectively is the largest contributor of  
10 nutrients to the Bay's tributary, discharging 46  
11 percent of the nitrogen and 58 percent of the  
12 phosphates which flow into the Bay."

13 By going organic, you are pesticide free as  
14 well as chemical free, and this in turn can save  
15 money as well.

16 We spend millions of dollars also on crop  
17 insurance. Rodale has been keeping statistics for  
18 27 years, and in those 27 years when they have had  
19 drought, or the other extreme, very wet conditions,  
20 organic fields produce 35 to 70 percent more higher  
21 production than a conventional field will.

22 As far as our health is concerned, organic  
23 food is more healthier for us. The healthier we are,  
24 the less we have to spend on health insurance.

25 Rodale Institute has 50 acres of organic

1 corn beside 50 acres of conventional corn. The same  
2 thing with soybeans, wheat, and rye. When the deer  
3 pass through the Rodale farm, they bypass the  
4 conventional corn and go right to the organic corn  
5 and eat the organic corn. The same with the  
6 groundhogs with soybeans. They bypass the  
7 conventional soybeans and go right into the organic  
8 soybeans and eat the organic soybeans. So that  
9 certainly says a lot.

10 What I'm looking for is \$5 million per year  
11 for a 6-year period. And you know how the saying  
12 goes, you need to spend money to make money. In this  
13 situation, we need to spend money to save money,  
14 because we can save money, again to recap, we can  
15 save money on cleaning our air, cleaning our water,  
16 on crop insurance, as well as health insurance.

17 This is extremely important, not for our  
18 generation but our children's, our children's  
19 grandchildren, and their grandchildren. Fifty years  
20 from now when we're not here, 100 years from now when  
21 we're not here, if we don't have clean air and we  
22 don't have clean water, we mustn't forget about  
23 everything else.

24 Thank you.

25 REPRESENTATIVE KELLER: What's your bill

1 number?

2 REPRESENTATIVE KESSLER: It is 3727.

3 REPRESENTATIVE KELLER: Thank you,  
4 Representative Kessler.

5 REPRESENTATIVE KESSLER: Thank you.

6 REPRESENTATIVE KELLER: The next member to  
7 testify will be Representative Dan Moul from the 91st  
8 Legislative District.

9 REPRESENTATIVE MOUL: Good afternoon.

10 Mr. Chairman and members of the  
11 Appropriations Committee, thank you for the  
12 opportunity to communicate with you regarding the  
13 Governor's proposed budget for 2008-09.

14 Today I am respectfully requesting that the  
15 Governor's budgeted amount of \$58,000 for the  
16 Pennsylvania Tourette's Syndrome Association be  
17 restored to \$100,000.

18 Mr. Chairman, with the exception of fiscal  
19 year 2004-05 and fiscal year 2007-08, the Legislature  
20 has approved budgets appropriating \$100,000 for the  
21 Tourette's Syndrome every year. That \$100,000  
22 covered research costs, tests for the disease,  
23 treatment, and most of all, advocacy for families  
24 throughout the Commonwealth.

25 Many of these families who require advocacy

1 have no other place to turn in their quest for help  
2 in finding an appropriate educational program for  
3 their son or daughter. With the Governor's proposed  
4 budget allocating only \$58,000, almost half of what  
5 has been allocated in the past, many of these  
6 associated costs will be placed upon the families of  
7 the patients.

8 Frankly, Mr. Chairman, the original \$100,000  
9 appropriation was not adequate. By reducing it, we  
10 further adversely affect the mission of this  
11 organization and the services that these families  
12 require.

13 Determining whether a child has Tourette's  
14 Syndrome often requires frequent doctor visits to  
15 track the symptoms that the child is experiencing and  
16 then connect them to the condition. Furthermore,  
17 extensive tests that include MRI, CT, EEG scans, and  
18 blood tests to rule out other diseases in the  
19 diagnosis stage are costly.

20 Additionally, in order to perform research  
21 and studies to find the causes of Tourette's Syndrome  
22 and to cure Tourette's Syndrome, funding is badly  
23 needed. The association also provides statewide  
24 community-based support for information, referral,  
25 educational materials, individual education programs,

1 support groups, training, and workshops.

2 Mr. Chairman, in my opinion, the most  
3 important mission of the Pennsylvania Tourette's  
4 Syndrome Association is its advocacy on behalf of  
5 children who have Tourette's Syndrome.

6 Specifically, this organization and its  
7 professional staff travels the State, from Erie to  
8 Philly, from Stroudsburg to Pittsburgh, to help  
9 families who face difficulty in working with their  
10 local school districts in finding an appropriate  
11 educational setting or support services for their  
12 child who has Tourette's Syndrome.

13 Without appropriate funding for this  
14 critically important advocacy, these families will be  
15 denied the support they need for their children. I  
16 know I am asking for a small amount of money, taking  
17 into account our Commonwealth's multibillion dollar  
18 budget, but I cannot think of another budget purpose  
19 more critically important than this.

20 Mr. Chairman, the bottom line is this: This  
21 organization, which was founded in 1985 and today  
22 works for the approximately 3,000 Tourette's Syndrome  
23 children in the Commonwealth of Pennsylvania, if the  
24 2008-2009 budget year is passed with this \$58,000  
25 budget line, then that is the level of funding that

1 they will get for their sole source for the next  
2 3 years. In a sense, it almost puts them out of  
3 business.

4 Their total operating budget is \$225,000.  
5 The State grant has always been \$100,000. It has  
6 been reduced to \$58,000. They lost \$42,000, which is  
7 19 percent of the total operating budget.

8 They run on a shoestring. They are the only  
9 Tourette's Syndrome or Tourette's help in the  
10 Commonwealth of Pennsylvania -- the only one for  
11 3,000 children.

12 There are four advocates that work out this  
13 office. They not only pay rent and heat and  
14 electric; they pay for the fuel in their cars, they  
15 pay for their cars, and they travel 26,000 miles a  
16 year going out working with these children in our  
17 school districts. We cannot afford to let these  
18 children go without help.

19 I know that the Governor wants to help  
20 children, and I want to help the Governor help these  
21 children. We cannot let them out in the cold. If we  
22 don't get this funding restored, at least one  
23 advocate will have to go. We can't afford to do that  
24 to our children.

25 So with that, I thank you for your time, and

1 I hope that you will take this under consideration.

2 Thank you.

3 REPRESENTATIVE KELLER: Thank you,  
4 Representative Moul.

5 The next testifier will be Carl Mantz.

6 REPRESENTATIVE MANTZ: Thank you,  
7 Mr. Chairman.

8 Mr. Chairman and members of the House  
9 Appropriations Committee, I am certainly grateful for  
10 the opportunity to once again appear before your  
11 committee, at this point in order to seek State  
12 funding by means of a budget amendment to ease the  
13 financial burden of Pennsylvania municipalities that  
14 not only "host" SSHE member institutions within their  
15 geographic boundaries but those which, because they  
16 geographically adjoin or are otherwise proximate to  
17 them, continue to sustain a net negative financial  
18 impact attributable to the ever-increasing demands  
19 the constantly growing student populations of SSHE  
20 universities place on local municipal police  
21 department resources and the comparatively reduced  
22 per capita earned income tax receipts these same  
23 municipalities derive as a result of the growing  
24 number of SSHE students they house within their  
25 borders.

1           The Borough of Kutztown is one such  
2           municipality. The campus of Kutztown University does  
3           not lie within the borough but is contiguous to it.  
4           Although not a "host" municipality per se by virtue  
5           of having any substantial portion of the Kutztown  
6           University Campus lying geographically within its  
7           borders, the borough of Kutztown is nonetheless  
8           adversely impacted by Kutztown University's student  
9           population in both its earned income tax collections  
10          and the demands placed upon its police department --  
11          consistent with the findings of a relatively recent  
12          Pennsylvania Economy League study entitled "Impact on  
13          the Cost and Financing of Government Services in  
14          Selected Host Municipalities of the Pennsylvania  
15          State System of Higher Education," which focused  
16          particularly on the municipalities hosting each of  
17          the five SSHE member institutions of West Chester,  
18          Bloomsburg, Lock Haven, Edinboro, and Millersville.

19                 Statistical data pertaining to the Borough  
20          of Kutztown's 2006 and 2007 earned income tax  
21          collections and its police department bear out the  
22          truth of this assertion.

23                 Earned Income Tax. The PEL study points out  
24          the negative impact that student residents have on  
25          the earned income tax collections of impacted

1 municipalities. Looking at the Borough of Kutztown's  
2 2006 and 2007 EIT collections on a per capita basis,  
3 compared with the "control group" of non-university  
4 municipalities used in the PEL study, it is clear  
5 that the Borough of Kutztown, like the host  
6 municipalities studied by the PEL, has a suppressed  
7 EIT per capita rate.

8           In 2006, the Borough of Kutztown's EIT rate  
9 was approximately \$66 per capita, compared to the  
10 control group's rate of \$102 per capita.

11           In 2007, the Borough of Kutztown's EIT rate  
12 was about \$69 per capita. As pointed out by the PEL  
13 study, earned income tax is one of the most  
14 significant revenue sources for Pennsylvania  
15 municipalities. Hence, the loss of collection of  
16 earned income tax from transient student residents,  
17 who still demand services, has a major negative  
18 financial impact on the municipality in which they  
19 reside.

20           Police services. A quick look at the  
21 Borough of Kutztown's public police statistics from 2  
22 months last year clearly shows the extraordinarily  
23 increased demand that the annually expanding Kutztown  
24 University student population places on the Borough  
25 of Kutztown Police Department.

1           The obvious jump in police service calls  
2 when Kutztown University is in session requires the  
3 borough to expend more resources than it would if  
4 there was no such adverse university student impact.

5           In summary, the Borough of Kutztown's  
6 experience is consistent with the findings in the PEL  
7 study. Revenue generation is suppressed and police  
8 service requirements are increased due to the impact  
9 of the annually increasing SSHE institution student  
10 population.

11           The Borough of Kutztown is confident that  
12 were the PEL study's criteria applied to additional  
13 pertinent borough statistical data, it would be found  
14 that Kutztown University's student population  
15 financially impacts the Borough of Kutztown in  
16 virtually the same way other SSHE member institutions  
17 impact the "host" municipalities that were  
18 specifically studied.

19           Therefore, I earnestly solicit your support  
20 for a \$3 million supplemental 2008-09 budgetary  
21 request to fund the amount requested in my House Bill  
22 2235 authorizing such municipal service grants now  
23 pending before the House Education Committee and  
24 scheduled to be brought up before the committee for  
25 discussion and a vote in early April.

1           My House Bill 2235 has 68 cosponsors and  
2 substantial bipartisan support.

3           Thank you.

4           REPRESENTATIVE KELLER: Thank you,  
5 Representative Mantz.

6           Our next member to testify will be  
7 Representative Bryan Lentz from the 161st Legislative  
8 District.

9           REPRESENTATIVE LENTZ: Good afternoon, Mr.  
10 Chairman and members of the committee.

11           I'm reminded of the saying that it's always  
12 3 o'clock in hell, so I'll try to make my testimony  
13 interesting.

14           REPRESENTATIVE KELLER: It's a quarter  
15 after.

16           REPRESENTATIVE LENTZ: Thanks, Mr. Chairman.

17           I have two topics I'd like to address. The  
18 first is the future landscape for funding of the  
19 education of our children, as I'm sure you heard from  
20 other witnesses.

21           As you know, the State Board of Education  
22 recently issued the results of a costing-out study  
23 that attempted to develop a formula to more fairly  
24 allocate State aid among the Commonwealth's  
25 501 school districts.

1           This costing-out study calculated what it  
2 called an adequacy target, which represented the  
3 basic cost per student to provide an education  
4 necessary to meet the State's academic standards.

5           It then compared that target to actual  
6 school district spending to arrive at what it termed  
7 an "adequacy shortfall" and used the difference to  
8 calculate the level of State aid.

9           The goal of helping school districts which  
10 truly cannot afford to provide funding at the local  
11 level to educate children is a laudable goal which I  
12 support. However, it is important that this  
13 Legislature address flaws in the study's analysis  
14 which I believe perpetuate unfairness in the  
15 allocation of State aid and create perverse  
16 incentives for school districts.

17           Although the State funding target considers  
18 a district's wealth and tax effort in determining how  
19 much of the shortfall will be funded, both of these  
20 factors are completely ignored in determining State  
21 aid to districts that do not have a shortfall, such  
22 as the Wallingford Swarthmore School District in my  
23 legislative district.

24           Taxpayers in districts like Wallingford  
25 Swarthmore have paid for many years to maintain

1 excellent public schools at the same time that the  
2 State's basic education funding has declined to  
3 unacceptably low levels.

4           The transition funding proposed in this  
5 year's budget for districts like Wallingford  
6 Swarthmore provides a minimum increase of 1.5 percent  
7 for the upcoming school year, which is significantly  
8 less than the 4.4-percent rate of inflation for  
9 educational expenditures. This continues instead of  
10 correcting the Commonwealth's decline in support for  
11 these types of districts.

12           I am also very concerned about the impact on  
13 the Special Education Contingency Fund access. The  
14 funding formula based on a district's aid ratio hurts  
15 districts like Wallingford Swarthmore because it does  
16 not account for the widely varying services provided  
17 for individual children or the number of children  
18 that require such services. As we all know, this  
19 class of children is increasing on an annual basis.

20           The current funding proposal also creates  
21 perverse incentives for school districts. It  
22 penalizes districts that have acted responsibly by  
23 funding their public school districts up to the  
24 adequacy target and rewards districts that have  
25 underfunded their schools even if their aid ratio

1 suggests that they could have provided more funding.

2           The current proposal also risks encouraging  
3 school districts to reduce expenditures below their  
4 adequacy target and force the State to make up the  
5 difference.

6           One way to correct these flaws would be to  
7 determine an appropriate basic education subsidy  
8 level for each district using a formula adequacy  
9 target against the market value/personal income aid  
10 ratio, which is essentially an economic term for the  
11 ability of a district to pay.

12           This need-appropriate subsidy would become  
13 the long-term subsidy target for each district,  
14 regardless of its past spending history and would  
15 accomplish the goal of helping needy school districts  
16 without penalizing successful ones.

17           The other issue I wish to bring up with the  
18 committee is one which I'm not surprised, Chairman  
19 Keller -- the use of our aviation assets in  
20 southeastern Pennsylvania. This issue is critical to  
21 our entire region and in particular Delaware County  
22 where I live.

23           Two-thirds of Philadelphia International  
24 Airport lies within Delaware County. Philadelphia  
25 International Airport has more takeoffs and more

1 landings than any single airport in the northeastern  
2 United States, well over half a million annual  
3 operations.

4 Unlike cities such as Boston, New York, and  
5 Washington, however, commercial air traffic is  
6 heavily concentrated at Philadelphia instead of being  
7 spread out among existing airports in the region.

8 Philadelphia Airport is situated on 2,400  
9 acres, and by comparison, the Denver Airport is on  
10 36,000 acres and has about the same level of  
11 operations.

12 Aircraft operations at Philadelphia  
13 International are expected to increase by more than  
14 50 percent over the next 10 to 20 years, to well over  
15 700,000. Philadelphia wants to address this problem  
16 by aggressively expanding the airport.

17 In 2005, the airport began extending a  
18 commuter runway to handle larger planes, a  
19 \$60 million project that will address only 8 percent  
20 of the traffic increase. Later this year, a report  
21 is expected on the impact of Philadelphia's proposal  
22 to spend over \$2 billion to add a parallel runway at  
23 the airport.

24 Even the most ambitious of these plans for  
25 airport expansion won't provide the capacity needed

1 to satisfy the airport's own estimates of future  
2 needs. Despite the stunning cost and impact of these  
3 proposals, Philadelphia International Airport and the  
4 FAA did not consider greater use of regional airports  
5 as a way to relieve the coming air traffic  
6 congestion.

7 Just an hour north of Philadelphia, Lehigh  
8 Valley International has ample capacity but is  
9 starved for traffic. The same is true of airports in  
10 Trenton, Wilmington, and Atlantic City.

11 I believe it is ill-advised to spend  
12 billions of dollars to expand Philadelphia  
13 International without first exploring fully the  
14 greater use of many existing regional airports and  
15 other modes of transportation.

16 I oppose and I would urge the committee to  
17 closely scrutinize any State funding for airports  
18 that is not linked to a regional approach to dealing  
19 with increases in air traffic.

20 Thank you for your time and attention.

21 REPRESENTATIVE KELLER: Thank you,  
22 Representative Lentz.

23 And that's a good lead in to our next  
24 testifier, Representative Joe Markosek, the Chairman  
25 of the Transportation Committee.

1           REPRESENTATIVE MARKOSEK: Thank you,  
2 Chairman Keller.

3           Members of the committee, it's good to be  
4 here again, and yes, I do want to talk about  
5 infrastructure today, because that's all I ever  
6 talked about in this job, is infrastructure. And  
7 certainly it is something that we all need, want, and  
8 have to have and need to repair, refurbish, and in  
9 many ways make certainly drivable, livable, safe,  
10 efficient, and all those good things that come with a  
11 good, modern, well-run transportation system.

12           The gentleman before me mentioned airports,  
13 and we have been working with him on some of his  
14 issues with that, but there are plenty of other  
15 areas, too, that infrastructure is a big thing.

16           I know Chairman Keller here, your area is  
17 the ports, and we have been down to the port and we  
18 have seen that Pennsylvania needs that port down  
19 there to be very efficient and to grow and to  
20 prosper.

21           But it also needs a lot of other  
22 infrastructure, and I'm here to say today that the  
23 Governor has a plan on the books that I do support,  
24 and that is a plan to provide more dollars for  
25 infrastructure in the Commonwealth of Pennsylvania.

1           That plan would be a borrowing plan.  
2           Essentially, we would use money out of the Motor  
3           License Fund, which I'm not particularly happy about  
4           doing that, but at least it is another transportation  
5           issue, and I think those dollars can be used for  
6           transportation even though we certainly need them for  
7           roads and bridges. But by using about \$15 million  
8           per year over the next 10 years out of that fund to  
9           leverage \$200 million per year over the next 2 years,  
10          a total of \$2 billion over the next 2 years, and have  
11          that go into our bridge program in Pennsylvania.

12           PENNDOT has presented to the State  
13          Transportation Commission, which I am a member, a  
14          program whereby they have, which I think is a very  
15          good program, a very well-thought-out program, to  
16          repair, to identify, to refurbish bridges in our  
17          Commonwealth, and more importantly, to provide  
18          preventive maintenance to many of our bridges in our  
19          Commonwealth.

20           We already have 6,000 bridges in the  
21          Commonwealth that are rated as deficient -- 6,000.  
22          We not only need to take care of those bridges, to  
23          refurbish those bridges, but we also have to put  
24          money into preventive maintenance for all of the  
25          other bridges that aren't on that list, because if we

1 don't do it now, eventually every bridge in the State  
2 will eventually become deficient.

3           They don't fix themselves. Our  
4 infrastructure simply does not fix itself. It does  
5 not get cheaper if we wait. We can't borrow money  
6 right now fairly cheaply. We have seen the bond  
7 markets, a lot going on there, as we know, and I'm no  
8 expert in that. But this is a good time, I think, to  
9 use a funding stream such as the Motor License Fund  
10 to borrow revenue bonds up to \$200 million a year for  
11 10 years -- that is \$2 billion -- to put into  
12 long-term projects such as our bridge program.

13           I would never advocate borrowing that kind  
14 of money and putting our future generations in that  
15 kind of debt for short-lived kinds of expenses -- for  
16 payroll, for maintenance, those kinds of things. We  
17 ought to be doing that on a pay-as-you-go basis.

18           But for long-term capital projects such as  
19 bridges -- and the average shelf life now with modern  
20 bridges is close to 100 years. So by putting money  
21 into the long-term capital projects such as that and  
22 borrowing money to do it, say over 30 years to pay  
23 these off, or 40 years, we still get a pretty good  
24 deal, because we pay it off in 30 or 40 years and  
25 have a bridge that will last for 100 years.

1           That's like a mortgage on a house. It is  
2 not a credit card, and there's a difference. When  
3 you borrow, you know, money with a credit card and  
4 use it for your everyday lattes and things like that,  
5 it's essentially not a good way to use credit. But  
6 to take out a mortgage for a long-term capital  
7 investment such as your home or a bridge that's going  
8 to be there for 100 years, I think it's a wise thing  
9 to do.

10           And I will just end by saying that for many,  
11 many years, PENNDOT has been very reluctant to do  
12 this, and I understand why. Back in the seventies,  
13 the 1960s and 1970s, PENNDOT got themselves into a  
14 lot of borrowing problems. They were borrowing like  
15 it was a credit card, and as a result, for many, many  
16 years, really into the mid-1980s, PENNDOT was paying  
17 off a huge amount of debt, and we can't let that  
18 happen unless we have long-term capital projects to  
19 pay for it.

20           So I want to thank again the committee, and  
21 certainly it was great giving me this opportunity,  
22 and I appreciate your time today. Thank you.

23           REPRESENTATIVE KELLER: Thank you, Chairman  
24 Markosek.

25           REPRESENTATIVE KELLER: Our next member to

1 testify is Representative John Siptroth.

2 REPRESENTATIVE SIPTROTH: Good afternoon,  
3 Mr. Chairman and members of the committee. Thank you  
4 for hearing my testimony today.

5 I would like to address several concerns I  
6 have with the proposed budget as it applies to my  
7 district and to highlight the need for funding in  
8 areas that affect the entire State.

9 My ultimate goal is to secure funding  
10 resources for Monroe and Pike Counties which, as you  
11 may know, continue to see a spike in population  
12 growth.

13 My first concern is that there is no  
14 provision for adjustment in funding for social  
15 services in growing counties. Since the 2000 census,  
16 both counties in my district have seen unprecedented  
17 growth, yet we are not receiving our fair share in  
18 many distribution formulas.

19 Thanks to the completion of the costing-out  
20 study, a benchmark has been established so that  
21 growing school districts will get an increase due to  
22 growth. I am very pleased with this development.  
23 However, places like Monroe and Pike Counties have  
24 struggled for many years with inequitable funding.  
25 My hope is that their funding struggles will be taken

1 into consideration by the Department of Education and  
2 additional funds will be provided to these school  
3 districts at some point.

4 Another one of my concerns is the need to  
5 support our county conservation districts. At no  
6 other time in our recent history have grassroots  
7 conservation efforts been more valuable, and these  
8 volunteers have repeatedly been asked to assume more  
9 and more responsibilities. Their efforts enhance and  
10 protect the quality of life for residents across  
11 Pennsylvania, and they deserve a budget to support  
12 those additional responsibilities.

13 Community colleges across the State are  
14 offering quality educations to more students than  
15 ever before. In my district, Northampton Community  
16 College, which has campuses in Monroe and Pike  
17 Counties, helps more than 30,000 individuals further  
18 their education through degree programs, workforce  
19 training, adult literacy classes, and noncredit  
20 courses each year.

21 Though community colleges received an  
22 increase in their operational line item in the  
23 proposed budget, they did not see one in their  
24 capital improvement line. These schools need the  
25 resources to meet the demands of their growth and to

1 pay for necessities like buildings, desks, and  
2 chairs.

3 I would like to address the issue of funding  
4 for the Civil Air Patrol. They requested an increase  
5 of \$100,000 from their original \$500,000 request.  
6 Since the entire line was removed, they would be  
7 happy to have the \$500,000 restored.

8 The CAP provides a valuable service to our  
9 citizens as search and rescue and, in some cases, as  
10 first responders. It also provides an educational  
11 opportunity to the many cadets who are members.

12 Many counties in the State, including Pike  
13 County in my district, host fairs. This line item  
14 has been cut by \$600,000. I would like to see those  
15 funding moneys restored so that communities across  
16 Pennsylvania have the resources necessary to carry on  
17 with these traditions.

18 Year after year, budget cycle after cycle,  
19 the Administration has seen fit to cut the Centers  
20 for Independent Living by about \$450,000. These  
21 centers provide a safe environment for individuals  
22 with disabilities. They offer information and  
23 referral, advocacy, skills training, peer support,  
24 and other programs to increase the independence of  
25 people with disabilities.

1           The services provided by the Centers for  
2 Independent Living are vital to the quality of life  
3 of many Pennsylvania residents, and I would like to  
4 see their funding restored.

5           Finally, I would like to see additional  
6 funding for the State System of Higher Education.  
7 Since 1992, SSHE has seen a reduction in the  
8 percentage amount the State provides. This has  
9 resulted in university Presidents hiring more  
10 part-time professors. This does not allow students  
11 the quality time they need to seek out advice from  
12 faculty. If the practice continues, we will find  
13 many of our full-time professors leaving the State  
14 System for both higher salaries and a more appealing  
15 work environment.

16           Mr. Chairman, thank you again for allowing  
17 me to address my concerns. As we continue to expand  
18 programs in Pennsylvania, we in the Legislature need  
19 to also recognize the importance of providing funding  
20 resources to programs that already exist and provide  
21 assistance to residents across the State.

22           Thank you.

23           REPRESENTATIVE KELLER: Thank you.

24           Our last testifier is Representative Mark  
25 Cohen.

1           REPRESENTATIVE COHEN: Thank you, Mr.  
2 Chairman.

3           I will make some brief comments. I brought  
4 along a written statement to read. I will get you  
5 some written remarks in the future.

6           As I see it, key areas where the State ought  
7 to be looking to increase spending are in the areas  
8 of crime, education, and then benefit programs of one  
9 kind or another for our citizens.

10           First, we all know that crime is much too  
11 high everywhere. We have been talking about programs  
12 that aid in the attracting of guns. I certainly  
13 would support any reasonable program that fights the  
14 existence of guns in the hands of many criminals.

15           I would also support more State aid for  
16 police around the State. I would support greater  
17 State aid for the hiring of more probation officers,  
18 and greater State aid for dealing generally with  
19 crime prevention.

20           Crime prevention is a lot cheaper than  
21 imprisoning people. Our budget for convicted  
22 criminals is now \$1.6 billion. I assume it will go  
23 up in this year's budget.

24           In education, I would favor the greatest  
25 possible amount of aid to local school districts. I

1 would support expansion of the State System of Higher  
2 Education. Philadelphia could really use a State  
3 university. I'm sure Philadelphia is not the only  
4 place that could use expanded access to the State  
5 university system.

6 Charter schools could be funded much more  
7 than they are now.

8 And the status quo for PHEAA, under which  
9 scholarship programs are not paid for by the State  
10 dollars but are only paid for as a result of revenues  
11 generated by PHEAA, I believe that status quo should  
12 be re-evaluated, and we certainly could use the State  
13 helping more with scholarships as college educations  
14 become more and more unaffordable and out of reach  
15 for middle-class people.

16 Finally, in the area of programs to aid  
17 low-income people, I certainly support Representative  
18 Evans's proposal for an earned income tax credit.  
19 Hopefully the Senate will also come aboard on that.

20 I would support expanding the exemptions  
21 from the State income tax. The poverty exemption has  
22 not been raised for a number of years now. It's now  
23 at \$6,500 per person, so it would be \$19,500 for a  
24 family of three. A raise in that amount would  
25 certainly be worthy.

1 I also think we have to expand job-training  
2 programs and also look at relocating people around  
3 the State, even perhaps in other parts of the  
4 country.

5 The poverty in Philadelphia is at an  
6 all-time high in the total number of people in  
7 poverty, this despite the fact that the population of  
8 Philadelphia is now lower than it has been since  
9 1910.

10 Anything we can do to help people get out of  
11 poverty by bringing jobs into Philadelphia, by  
12 expanding training, and by expanding the ability of  
13 Philadelphians who might have skills that would get  
14 them a job elsewhere, to get somewhere else, would  
15 strongly be in the public interests.

16 That's the extent of my testimony, Mr.  
17 Chairman.

18 REPRESENTATIVE KELLER: Thank you,  
19 Representative Cohen.

20 REPRESENTATIVE COHEN: Thank you.

21 REPRESENTATIVE KELLER: I would like to  
22 thank all the members who came before the committee  
23 today and testified. We appreciate their testimony  
24 and their remarks, and especially to the members of  
25 the Appropriations Committee who were here today and

1 listening to the testimony.

2 This ends this hearing. We will adjourn  
3 this committee hearing right now. Thank you.

4

5 (The hearing concluded at 3:53 p.m.)

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I hereby certify that the proceedings and evidence are contained fully and accurately in the notes taken by me on the within proceedings and that this is a correct transcript of the same.

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Jean M. Davis, Reporter  
Notary Public