



**TESTIMONY BY
THE PENNSYLVANIA STATE ASSOCIATION OF
TOWNSHIP SUPERVISORS**

**BEFORE THE
HOUSE INTERGOVERNMENTAL AFFAIRS COMMITTEE**

ON

THE AMERICAN REVITALIZATION AND REINVESTMENT ACT

PRESENTED BY

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**OCTOBER 29, 2009
SCRANTON, PA**

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Chairman Thomas and members of the House Intergovernmental Affairs Committee:

Good morning. My name is Marvin Meteer, and I am an Executive Board member for the Pennsylvania State Association of Township Supervisors and a township supervisor in Wyalusing Township, Bradford County. Thank you for the opportunity to appear before you today on behalf of the 1,455 townships in Pennsylvania represented by the Association.

Townships comprise 95 percent of the commonwealth's land area and are home to more than 5.4 million Pennsylvanians, nearly 42 percent of all state residents. These townships are very diverse, ranging from rural communities with fewer than 200 residents to more urban communities with populations approaching 70,000 residents.

The American Revitalization and Reinvestment Act, or ARRA, was passed by Congress in February to help the country recover from the recession and to create jobs. The hundreds of billions in funding were allocated through 28 different federal agencies, which in turn awarded grants to state or local governments or directly to schools and other organizations. This funding was awarded through approved allocation formulas, competitive or discretionary grants through a federal or state agency, or through entitlement programs such as unemployment compensation.

When originally passed, we were hopeful that townships would be eligible to receive a portion of the funding package designated for Pennsylvania. The Association worked to provide information to townships about how this money would be distributed and what opportunities they may want to take advantage of through special training sessions, the PSATS Web site, and our publications.

However, as time has passed, very few townships have actually received any funds through the ARRA. In many counties, the only visible signs of the federal stimulus are the additional PennDOT work zones on state highways and bridges. Those townships that report receiving funding to date appear to be primarily for sewer or water projects. For example, Findlay Township in Allegheny County was successful in obtaining funding for a waterline distribution project through its municipal authority. This particular township did not have any specific complaints about the application process for this \$2.4 million project that will be funded with 75 percent in federal funds and 25 percent in local funds.

Other townships report submitting applications for funding and are waiting for a response, including several townships that applied for Transportation Investment Generating Economic Recovery grants, also known as TIGER grants. These particular projects have been in the planning stages for some time and have been vetted to both PennDOT and the appropriate planning organization.

One township official remarked that they spent a good deal of time searching for grant opportunities from the ARRA, but that most of the grants appeared to be aimed towards larger entities or simply did not match their township's particular project. This

appears to be a common sentiment among township officials. Several township officials remarked that the process could have been improved if municipalities could have received funds for road repairs and parks and recreation improvements.

The majority of townships, to our knowledge, did not apply. Either they did not look for funds because they did not believe that their project would qualify, they did not have a project ready to go, or they did not have the staff time required to aggressively search out opportunities. While we have heard that the ARRA has onerous reporting requirements and substantial penalties for failure to comply with these requirements, this was not specifically cited as a reason for not applying.

One township noted that they used a consultant when applying for an energy grant because the application was much too complicated for the average township staff and a certified energy consultant was required. Another township received a small grant towards the purchase of a new truck because of a nonprofit association that reached out to the township and wrote the grant application on the township's behalf.

We believe that townships could have benefited from the stimulus funding if it had been distributed differently. A portion of the highway funding allocated to Pennsylvania could have been fairly distributed to municipalities across the state through the liquid fuels formula, which is based 50 percent on road mileage and 50 percent on population, and would have helped townships pave an extra mile of road or purchase road equipment. In fact, such a distribution could have helped to restore local government's fair share of 20 percent of Pennsylvania's transportation dollars, as the local share of the gas tax dollar has decreased over the years to less than 14 percent. Instead, all of Pennsylvania's designated funding for road maintenance and construction was allocated to the Pennsylvania Department of Transportation for projects on their 12-year plan.

From the Association's perspective, it took a good deal of effort on the part of townships to go after these grant opportunities. As mentioned earlier, the Association provided information about the ARRA and continues to promote grant opportunities as they arise through our Web site and regular publications. However, the difficulty is that these programs have a short window of opportunity, usually only 30-60 days from the time that the program announcement is made to the time that applications must be received. In some cases, the anticipated application timeframe was pushed back weeks or months as the agency worked to complete program guidelines. This makes coordination difficult and requires a municipal official to have a project ready to go and aggressively seek out and track new grant opportunities, since the timeframes are unforgiving.

The application process can be cumbersome and we have heard from townships that missed an application deadline for a state grant funded by ARRA because they did not have a DUNS number and ran out of time to obtain one. These DUNS numbers are unique 9-digit sequences recognized as a universal standard for identifying and tracking businesses that appear to be required for most, if not all, ARRA grant applications. While the turnaround time for obtaining a DUNS number is very short, most townships do not

have a DUNS number and this was one additional step in a compressed application schedule.

In closing, while the economic stimulus package offered a funding opportunity that could have benefited townships and their residents, few townships have actually received any funds due to difficulties in locating and applying for opportunities that fit a particular township's needs. A direct allocation or more flexible distribution process by state agencies would have produced greater benefits for townships.

Thank you for the opportunity to testify today on behalf of townships across the state.