

**LEAGUE OF WOMEN VOTERS OF WASHINGTON COUNTY (LWVWC)
437 Washington Trust Building
Washington, PA 15301**

Public Hearing Statement: Judy Hughes, president LWVWC

MAY 20, 2010, City of Washington Council Chambers 1 to 4 p.m.

**RE: PA Finance Committee Public Hearing on HB 2443 establishing a
severance tax on Marcellus Shale Natural Gas Extraction.**

The League of Women Voters of Pennsylvania (LWVPA) having completed its 2009-2010 statewide study of Marcellus Shale natural gas extraction in Pennsylvania has published the following statement--as part of the League's official position--on the creation of a severance tax on natural gas as a source of revenue.

LWVPA would like to see the revenue primarily designated for:

- the preservation and enhancement of natural resources;
- the monitoring and protection of public health;
- an escrow fund for supporting community adjustment as the industry grows and declines; and
- research on the effects of natural gas extraction from Marcellus Shale on the economy, environment and public health of Pennsylvanians.



LEAGUE OF WOMEN VOTERS®
OF PENNSYLVANIA

**POSITION STATEMENT
MARCELLUS SHALE NATURAL GAS EXTRACTION
Adopted May 1, 2010**

The LWVPA recognizes that natural gas extracted from Marcellus Shale is a finite, carbon-based, energy resource and that its production significantly affects the environment and the economy of the Commonwealth. Under Natural Resources positions adopted by LWVUS, we believe government policies should promote an environment beneficial to life through the protection and wise management of natural resources in the public interest. Under the Fiscal Policy position adopted by LWVPA, we support an equitable and flexible revenue system for funding state and local government services. Finally, in concert with the Pennsylvania Constitution, Article 1, Section 27, we believe:

The people have a right to clean air, pure water, and to the preservation of the natural, scenic, historic and esthetic values of the environment. Pennsylvania's public natural resources are the common property of all the people, including generations yet to come. As trustee of these resources, the Commonwealth shall conserve and maintain them for the benefit of all the people."

POSITION

The League supports

- 1 the maximum protection of public health and the environment in all aspects of Marcellus Shale natural gas production, site restoration, and delivery to the customer, by requiring the use of best practices, and promoting comprehensive regulation, communication, and adequate staffing across government agencies.
- 2 encouragement of employment opportunities at the local level and economic development related to natural gas extraction that will result in new streams of revenue for state and local government agencies—but not at the expense of tourism related to natural recreation areas.
- 3 preventing a burden on Pennsylvania taxpayers by establishing a sufficient fee structure on natural gas extraction for permits, bonds, and surcharges for the funds to plug abandoned and orphan oil and gas wells, that reflects projected costs and unanticipated consequences.
- 4 creation of a severance tax on natural gas as a revenue source primarily designated for
 - the preservation and enhancement of natural resources;
 - the monitoring and protection of public health;
 - an escrow fund for supporting community adjustment as the industry grows and declines; and
 - research on the effects of natural gas extraction from Marcellus Shale on the economy, environment, and public health of Pennsylvanians.