



House “Putting People First” Revenue Proposal (HB 453) – County Impacts

Updated September 14, 2017

Conservation District Fund

- **House Proposal:** Transfer of \$2.506 million
- **The Facts:** This \$2.5 million, which has been mischaracterized as a surplus, instead reflects how cash flows into the Fund, and is actually funds that were deposited late in the FY 2016-2017 fiscal year from revenues dedicated to conservation districts under Act 13 of 2012. Those funds have been committed to conservation districts this fiscal year, and support positions, technical assistance to farmers and special projects that are vital to improving water quality and offering other local environmental services throughout the commonwealth, and are already reflected in the district's budgets.

Recycling Fund

- **House Proposal:** Transfer of \$70 million
- **The Facts:** The Recycling Fund provides grants to local governments with recycling programs; counties benefit from assistance for developing their state-mandated solid waste plans every ten years, for planning and implementation of programs and for covering the cost of the county recycling coordinator, and for supplemental recycling service such as household hazardous waste pickup, recycling of electronics and tires, and recycling drop-off centers. Many of the grants awarded from the Recycling Fund operate on multi-year contracts and on a reimbursement basis. After being awarded a grant, a local government or nonprofit organization must spend its own money first on the project and then seek reimbursement from its approved grant after the project is done or at critical stages; this can sometimes take two or three years depending on the project. In the meantime, the amount of the grants are reserved so the funds are available when the reimbursement requests come in. If this transfer occurs, there will be no funding available to reimburse those grants already approved or underway over the last two years, leaving local governments responsible for the entire cost of the project even though they relied on the promise of state funding to move forward.

Justice Reinvestment Fund

- **House Proposal:** Transfer of \$2.735 million
- **The Facts:** Pennsylvania has the highest incarceration rate in the Northeast. The Justice Reinvestment Fund looks to provide money to improve the delivery of criminal justice services. Of those services, this program aims to enable the state to reinvest savings from reducing prison populations into strategies to improve public safety, including strengthening probation and parole supervision and increasing funding for alternatives to incarceration that have been shown to reduce recidivism. This transfer would

frontload funding to adult probation departments which would result in an immediate impact; without it, there would be no means or alternatives sources for funds to help counties meet case load demands.

Multimodal Transportation Fund

- **House Proposal:** Transfer of \$50 million
- **The Facts:** The Multimodal Transportation Fund provides assistance to communities, rail freight lines, and airports across the state. Communities around the state have limited resources for transportation improvements and the inclusion of this fund in Act 89 was intended to fill the gap and meet important needs like safety improvements to intersections and safety improvements for pedestrians and bicyclists. Cuts to the Multimodal Transportation Fund would put more than 200 projects from across the state in jeopardy.

Public Transportation Trust Fund

- **House Proposal:** Transfer of \$50 million
- **The Facts:** A \$357 million transfer from the Public Transportation Trust Fund would mean a 35 percent reduction in operating subsidies this fiscal year for the state's 37 fixed route transit agencies, translating into a 30 percent service reduction and fare increases. Cuts to transit agencies of that magnitude would be catastrophic, not just for urban centers but also for those located in smaller, more rural areas of the state which are often more reliant on the state for their operating subsidies. A loss of these funds also would eliminate the needed funding for Amtrak's cross-state Pennsylvania passenger train, and comes at a time when many western-Pennsylvanians have been advocating for increased daily trips.

Additional transfers that may impact counties:

- Ben Franklin Technology Development Authority Fund: \$5 million
- Energy Development Fund: \$3.967 million
- Environmental Education Fund: \$500,000
- Environmental Stewardship Fund: \$70 million
- Highway Beautification: \$500,000
- Historical Preservation Fund: \$4 million
- Industrial Development Fund: \$47,000
- Industrial Sites Cleanup Fund: \$10 million
- Industrial Sites Environmental Assessment Fund: \$7.5 million
- Job Training Fund: \$359,000
- Keystone Recreation, Park, and Conservation Fund: \$50 million
- Local Government Capital Project Loan Fund: \$2 million
- PA Infrastructure Bank: \$25 million
- Solid Waste-Resource Recovery Development Fund: \$448,000
- Substance Abuse Education and Demand Reduction Fund: \$4.5 million
- Underground Storage Tank Indemnification Fund: \$100 million (loan against fund balance)