ROBERT L. FREEMAN DEMOCRATIC CHAIRMAN LOCAL GOVERNMENT COMMITTEE



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August 24, 2011

To:

All House Members

From:

Representative Robert L. Freeman

Re:

Proposed Legislation

In the near future, I plan to reintroduce HB2018 from the 2007-2008 legislative session. This legislation would provide a dedicated state funding source to municipalities who have at least 15% tax-exempt properties within their municipal borders.

This legislation would establish the Tax Exempt Property Municipal Assistance Fund using the revenue generated from the 18% Liquor Tax ("Johnstown Flood Tax") to provide funding to municipalities with high levels of tax exempt properties. As you are aware, municipalities with high levels of tax-exempt properties are facing difficult fiscal decisions. A shrinking tax base makes it difficult for some to provide the basic services expected from local government. By providing annual funding to these municipalities, we can help to alleviate this pressure and enable them to fix and maintain infrastructure and to provide the basic services to ensure the health and safety of their citizens.

This program would be beneficial to Act 47 communities, county seats, cities, and any community with a major institution of higher learning, a large non-profit health care facility, or considerable state forest or game land.

If you would like to join me in cosponsoring this legislation, please contact my legislative assistant, Danielle at 783-3815 or dbrown@pahouse.net.