



**Pennsylvania State Association
of Township Supervisors**

TESTIMONY

OF

GALEN K. HECKMAN

PRESIDENT

PENNSYLVANIA STATE ASSOCIATION OF TOWNSHIP SUPERVISORS

BEFORE THE

TRANSPORTATION COMMITTEE

HOUSE OF REPRESENTATIVES

ON

HOUSE BILL 527, PRINTER'S No. 554

"PROPOSED HIGHWAY TRANSFER BOARD"

MAY 20, 1981

HARRISBURG, PA

MR. CHAIRMAN AND MEMBERS OF THE HOUSE TRANSPORTATION COMMITTEE, I AM GALEN HECKMAN, SUPERVISOR OF PETERS TOWNSHIP, FRANKLIN COUNTY, AND PRESIDENT OF THE PENNSYLVANIA STATE ASSOCIATION OF TOWNSHIP SUPERVISORS.

IT IS INDEED A PLEASURE TO HAVE THE OPPORTUNITY TODAY TO DISCUSS WITH YOU A PROPOSAL THAT WILL HAVE A MAJOR IMPACT ON PENNSYLVANIA'S 1,458 TOWNSHIPS OF THE SECOND CLASS. I AM, OF COURSE, REFERRING TO THE PROPOSED TURNBACK OF MORE THAN 12,000 MILES OF CLASS 6 ROADS AND HIGHWAYS BY THE STATE DEPARTMENT OF TRANSPORTATION TO LOCAL GOVERNMENTS.

BEFORE I OFFER SPECIFIC COMMENTS ON HOUSE BILL 527, I WOULD FIRST LIKE TO EXPLAIN THE IMPACT THAT ANY PROPOSAL TO TURN BACK STATE ROADS WILL HAVE ON TOWNSHIPS OF THE SECOND CLASS.

PRESENTLY, THE COMMONWEALTH'S TOTAL HIGHWAY TRANSPORTATION NETWORK CONTAINS ABOUT 110,000 MILES. OF THE TOTAL, 47,000 MILES ARE MAINTAINED BY TOWNSHIPS OF THE SECOND CLASS.

AND, OF THE 12,000 MILES OF CLASS 6 ROADS TARGETED BY THE DEPARTMENT OF TRANSPORTATION FOR TURNBACK, NEARLY 95 PERCENT OR 11,400 MILES WOULD BE TURNED BACK TO TOWNSHIPS OF THE SECOND CLASS.

ASSUMING FOR A MOMENT THAT A TURNBACK PROGRAM IS ADOPTED, YOU CAN QUICKLY SEE THAT TOWNSHIPS OF THE SECOND CLASS WOULD BE RESPONSIBLE FOR 53 PERCENT, OR MORE THAN HALF, OF PENNSYLVANIA'S HIGHWAY TRANSPORTATION SYSTEM. THE DEPARTMENT OF TRANSPORTATION WOULD ADMINISTER ABOUT 30 PERCENT OF THE SYSTEM, WHILE ALL OTHER LOCAL GOVERNMENTS WOULD MAINTAIN APPROXIMATELY 17 PERCENT OF THE NETWORK.

OF THE 12,000 MILES OF ROADS TO BE TURNED BACK TO LOCAL GOVERNMENTS, 80 PERCENT ARE MACADAMED ROADS THAT PENNDOT HAS DONE NO RESTORATION WORK ON, AND THE REMAINING 20 PERCENT ARE DIRT OR STABILIZED ROADS.

I HAVE PRESENTED THIS BRIEF STATISTICAL SUMMARY TO GIVE YOU A CLEARER IDEA OF THE POSITION OF TOWNSHIP OFFICIALS ON ANY TURNBACK PROPOSAL. CLEARLY, WE BELIEVE THAT NO OTHER LEVEL OF GOVERNMENT WOULD BE MORE AFFECTED BY THIS PROGRAM THAN TOWNSHIPS OF THE SECOND CLASS.

THIS FACT BECOMES EVEN MORE EVIDENT WHEN WE LOOK AT THE BUDGETS OF TOWNSHIPS OF THE SECOND CLASS. TRADITIONALLY, TOWNSHIPS HAVE CONSIDERABLY FEWER FINANCIAL RESOURCES THAN THOSE OF OTHER LEVELS OF GOVERNMENT. ALSO, THE COST OF TRANSPORTATION AND TRANSPORTATION-RELATED ACTIVITIES IN TOWNSHIPS USUALLY REPRESENTS MORE THAN HALF OF THE TOTAL EXPENDITURES OF A TOWNSHIP.

AS A UNIT OF GOVERNMENT, TOWNSHIPS ARE REQUIRED BY STATE LAW TO ADOPT A BALANCED BUDGET EACH YEAR. AND WHEN YOU CONSIDER THAT INFLATION IN THE TRANSPORTATION INDUSTRY HAS INCREASED AT RATES AS HIGH AS 35 PERCENT ANNUALLY, THE FINANCIAL IMPACT OF THE TURNBACK PROPOSAL ON TOWNSHIPS BECOMES EVEN MORE UNCERTAIN.

THE STATE ASSOCIATION OF TOWNSHIP SUPERVISORS IS NOT OPPOSED TO THE TURNBACK OF THESE ROADS AS WE RECOGNIZE THE BUDGET CONSTRAINTS FACING THE STATE DEPARTMENT OF TRANSPORTATION. OUR POSITION ON TURNBACK IS BEST EXPRESSED IN TWO RESOLUTIONS THAT WERE APPROVED LAST MONTH DURING OUR STATE CONVENTION IN PITTSBURGH. THE DELEGATES ADOPTED A POSITION THAT "A VIABLE ALTERNATIVE FOR THE FAIR AND EQUITABLE TURNBACK OF ROADS BY PENNDOT BE SOUGHT" AND THAT "THE STATE ASSOCIATION STRONGLY URGE THE PENNSYLVANIA DEPARTMENT OF TRANSPORTATION TO PLACE CLASS 6 ROADS IT INTENDS TO TURN BACK TO MUNICIPALITIES IN A CONDITION ACCEPTABLE TO THE MUNICIPALITY AND PROVIDE THEM WITH THE FUNDS EQUIVALENT TO WHAT THE STATE'S EXPENDITURES WOULD BE ON THE SAME ROADS, AND THAT A PROVISION BE MADE FOR INCREASING SUCH FUNDS EACH YEAR IN PROPORTION TO THE INCREASE IN THE COST OF MATERIALS AND SERVICES."

AS I SAID EARLIER, SIMPLY TO TURN BACK THESE THOUSANDS OF MILES OF ROADS TO TOWNSHIPS WITHOUT RESTORING THEM AND WITHOUT PROVIDING ADDITIONAL MAINTENANCE FUNDS WILL FORCE TOWNSHIPS TO LEVY ADDITIONAL TAXES TO MEET THIS ADDED FINANCIAL OBLIGATION.

WE FIRMLY BELIEVE THAT THE FINANCIAL OBLIGATION OF THE STATE IS TWO-FOLD. FIRST, THE ROADS SHOULD BE RESTORED TO A CONDITION ACCEPTABLE TO BOTH THE DEPARTMENT OF TRANSPORTATION AND THE MUNICIPALITY. SECONDLY, THE ANNUAL ALLOCATION TO HELP MEET THE INHERENT MAINTENANCE COSTS MUST ACCURATELY REFLECT THE NEED.

RECENTLY, THE DEPARTMENT OF TRANSPORTATION ISSUED A "HIGHWAY TURNBACK UPDATE" STATING THAT SOME 96 MILES OF ROADS AND HIGHWAYS PRESENTLY UNDER STATE JURISDICTION WERE AWAITING FURTHER ACTION BY THE DEPARTMENT FOR TURNBACK TO LOCAL GOVERNMENTS. THE DEPARTMENT ESTIMATES THAT IT WOULD COST MORE THAN 5.2 MILLION DOLLARS TO RESTORE THESE 96 MILES OF ROADS TO AN ACCEPTABLE CONDITION PRIOR TO TURNBACK.

IT IS IMPORTANT TO NOTE THAT THIS EXPENDITURE OF 5.2 MILLION DOLLARS IS MORE THAN AN ESTIMATE OF COST; IT IS AN AMOUNT THAT THE DEPARTMENT IS WILLING TO SPEND TO UPGRADE THESE ROADS. THIS IS EQUIVALENT TO APPROXIMATELY \$54,000 PER MILE TO UPGRADE THESE ROADS.

MOREOVER, WE MUST ALSO REMEMBER THAT INCLUDED IN THE 12,000 MILES OF ROADS TO BE TURNED BACK ARE APPROXIMATELY 5,700 BRIDGES. UNFORTUNATELY, WE DO NOT HAVE ANY HARD COST ESTIMATES FOR THE RESTORATION AND ANNUAL MAINTENANCE OF THESE BRIDGES. BUT NEVERTHELESS, LOCAL GOVERNMENTS WOULD INCUR SIGNIFICANT, ADDITIONAL COSTS IN ACCEPTING THE RESPONSIBILITY FOR THESE BRIDGES.

CONSIDERING THE ANNUAL MAINTENANCE COST OF THE ROADS TO BE TURNED BACK, WE MUST FIRST LOOK AT THE HISTORY OF THOSE ROADS OR HIGHWAYS THAT HAVE BEEN TURNED BACK BY THE STATE TO LOCAL GOVERNMENTS. IN EACH CASE, THE MILES OF ROADS TURNED BACK HAVE BEEN ADDED TO THE TOTAL LIQUID FUELS FORMULA. AND, WITH THE RECENT PATTERN OF DECREASING REVENUES IN THE LIQUID FUELS FUND, THIS DEFICIENCY BECOMES EVEN MORE IMPORTANT. NOT ONLY WILL A TOWNSHIP RECEIVING ADDITIONAL ROADS FROM THE STATE HAVE FEWER LIQUID FUELS DOLLARS PER ROAD MILE, BUT EVERY OTHER LOCAL GOVERNMENT PARTICIPATING IN THE LIQUID FUELS PROGRAM WILL SEE A REDUCTION IN THEIR PER MILE ALLOCATION.

MOREOVER, HISTORY REVEALS THAT WHEN THE COMMONWEALTH HAS TURNED BACK ROADS OR HIGHWAYS TO LOCAL GOVERNMENTS, THERE HAS NOT BEEN A CORRESPONDING REDUCTION IN THE LIQUID FUELS REVENUES FOR THE DEPARTMENT OF TRANSPORTATION. NOT ONLY IS THE DEPARTMENT ABLE TO REDUCE ITS TOTAL HIGHWAY RESPONSIBILITY, BUT IT FINDS ITSELF IN THE ENVIABLE POSITION OF HAVING EXTRA DOLLARS AVAILABLE AS A RESULT OF THE TRANSFER.

WE ARE NOT FOOLISH ENOUGH TO SUGGEST THAT THE COST TO THE DEPARTMENT OF TRANSPORTATION TO MAINTAIN A MILE OF ROAD IS EQUAL TO THAT OF A TOWNSHIP. THE DEPARTMENT ITSELF HAS PUBLICLY ADMITTED ON NUMEROUS OCCASIONS THAT THE UPGRADING OF A HIGHWAY AND MAINTENANCE OF ROADS CAN BE DONE LESS EXPENSIVELY AND MORE EFFECTIVELY AT THE TOWNSHIP LEVEL.

THE STATE ASSOCIATION BELIEVES THE 12,000 MILES OF ROADS UNDER DISCUSSION SHOULD BE TURNED BACK TO LOCAL GOVERNMENTS. WE AGREE WITH THE DEPARTMENT OF TRANSPORTATION THAT TO MAINTAIN THESE ROADS OUR CITIZENRY WILL HAVE A FAR GREATER YIELD FOR THEIR TAX DOLLARS IF IT IS DONE AT THE LOCAL GOVERNMENT LEVEL. BUT, AS I STATED EARLIER, IT IS ESSENTIAL THAT ANY TURNBACK PROPOSAL BE FAIR AND EQUITABLE TO BOTH THE STATE DEPARTMENT OF TRANSPORTATION AND TOWNSHIPS.

WE DO NOT BELIEVE THAT HOUSE BILL 527, IN ITS PRESENT FORM, ACCOMPLISHES THIS. IT IS TRUE THAT THE LEGISLATION PROPOSES TO ESTABLISH A SINGLE PROCESS BY WHICH TURNBACK WOULD BE ADMINISTERED. BUT, IN DOING SO, THE BILL WOULD CREATE SERIOUS FINANCIAL HARDSHIPS FOR ALL TOWNSHIPS AFFECTED BY ANY TURNBACK EFFORT OF THE COMMONWEALTH.

SECTION 4 OF THE LEGISLATION WOULD CREATE A HIGHWAY TRANSFER BOARD TO OVERSEE AND ADMINISTER THE TURNBACK OF ROADS TO MUNICIPALITIES. AS I STATED EARLIER, THE INTEREST OF TOWNSHIPS OF THE SECOND CLASS IN THE PROPOSED TURNBACK FAR EXCEEDS THAT OF ANY OTHER LEVEL OF LOCAL GOVERNMENT. WE BELIEVE THAT A SEPARATE HIGHWAY TRANSFER BOARD SHOULD BE ESTABLISHED FOR TOWNSHIPS OF THE SECOND CLASS. BECAUSE NEARLY 95 PERCENT OF THE TOTAL MILES OF ROADS AND HIGHWAYS TO BE TURNED BACK WOULD GO TO TOWNSHIPS, WE BELIEVE IT IS WELL WITHIN REASON TO EXPECT THAT THE HIGHWAY TRANSFER BOARD OVERSEEING THIS PORTION OF THE PROGRAM BE COMPRISED ONLY OF REPRESENTATIVES OF OUR STATE ASSOCIATION AND THE COMMONWEALTH.

FOR THE APPROXIMATELY 700 MILES OF ROADS THAT WOULD BE TURNED OVER TO ALL OTHER LEVELS OF LOCAL GOVERNMENT, THERE SHOULD BE A SEPARATE HIGHWAY TRANSFER BOARD THAT WOULD INCLUDE FAIR REPRESENTATION FOR THESE LOCAL GOVERNMENTS. WE DO NOT FEEL THAT TOWNSHIP OFFICIALS SHOULD BE DETERMINING POLICIES FOR OTHER LEVELS OF LOCAL GOVERNMENT.

WE ALSO HAVE A MAJOR CONCERN WITH SECTIONS 7 AND 8 OF THE LEGISLATION. SECTION 7 PROVIDES THAT IF A MUNICIPALITY WERE TO REJECT A PROPOSED TRANSFER, THE MATTER WOULD BE SETTLED UNDER BINDING ARBITRATION. SECTION 8 CONTINUES BY ESTABLISHING THAT "NO DECISION FROM THIS ACTION (BINDING ARBITRATION) SHALL BE TAKEN TO ANY COURT." WE BELIEVE THAT NEITHER OF THESE PROVISIONS IS ACCEPTABLE OR IN THE INTEREST OF THE CITIZENRY OF THIS STATE BECAUSE THEY IMPLY THAT THE HIGHWAY TRANSFER BOARD WOULD HAVE MORE POWER THAN EITHER THE PENNSYLVANIA OR UNITED STATES SUPREME COURT. TO DENY AN APPEAL IS TO DENY THE VERY FUNDAMENTAL CONSTITUTIONAL RIGHT AVAILABLE TO ALL PERSONS. TO DENY VOLUNTARY NEGOTIATIONS BETWEEN THE STATE AND LOCAL GOVERNMENTS IS TO DENY OUR CITIZENRY THE RIGHT OF FREEDOM OF GOVERNMENT AT THE LOCAL LEVEL.

THROUGHOUT THESE REMARKS, I HAVE CONSISTENTLY TALKED OF THE FINANCIAL BURDEN THAT WOULD BE PLACED ON TOWNSHIPS IF ADEQUATE FUNDING FOR THE ANNUAL MAINTENANCE OF THE ROADS TO BE TURNED BACK IS NOT PROVIDED. UNDER SECTION 11 OF HOUSE BILL 527, FUNDING WOULD BE ESTABLISHED IN THE AMOUNT OF \$2,500 PER LINEAL MILE PER YEAR. THIS AMOUNT, WE BELIEVE, IS AN ARBITRARY ESTIMATE AND WOULD NOT BEGIN

TO MEET THE ACTUAL COST OF MAINTAINING A MILE OF ROAD. WE BELIEVE THAT \$3,500 PER MILE WOULD BE A MORE REALISTIC ANNUAL MAINTENANCE APPROPRIATION.

UNLESS LOCAL GOVERNMENTS HAVE SUFFICIENT REVENUES AVAILABLE TO MAINTAIN THESE ADDITIONAL MILES OF ROADS, IT IS PROBABLE THAT WHAT IS NOW A PROBLEM OF THE STATE DEPARTMENT OF TRANSPORTATION WILL, IN THE FUTURE, BECOME A PROBLEM OF LOCAL GOVERNMENTS. THE NEED FOR ADEQUATE FUNDING IS INDISPUTABLE. IT IS ONE OF THE MOST IMPORTANT INGREDIENTS OF THE PROPOSED TURNBACK OF STATE ROADS AND HIGHWAYS TO LOCAL GOVERNMENTS.

THE STATE ASSOCIATION OF TOWNSHIP SUPERVISORS STRONGLY BELIEVES THAT THE DEPARTMENT OF TRANSPORTATION'S EFFORTS TO TURN BACK THESE 12,000 MILES OF ROADS TO LOCAL GOVERNMENTS MUST BE UNDERTAKEN THROUGH A PROGRAM WHICH (1) IS COMPLETELY VOLUNTARY BETWEEN THE DEPARTMENT OF TRANSPORTATION AND THE AFFECTED MUNICIPALITY; (2) PROVIDES FOR THE RESTORATION OF ROADS TO A CONDITION THAT IS ACCEPTABLE TO BOTH THE MUNICIPALITY AND THE DEPARTMENT; AND (3) ESTABLISHES AN ANNUAL MAINTENANCE ALLOCATION SEPARATE FROM THE CURRENT LIQUID FUELS ALLOCATION FORMULA FOR EACH MILE OF ROAD THAT IS TURNED BACK, REFLECTING THE ACTUAL COST OF ROAD MAINTENANCE. THE STATE ASSOCIATION RECOMMENDS THAT THIS AMOUNT BE NO LESS THAN \$3,500 PER MILE PER YEAR. AND, AS PROPOSED IN HOUSE BILL 527, THE DEPARTMENT BE REQUIRED TO ADJUST THIS AMOUNT ANNUALLY IN PROPORTION TO THE PERCENTAGE CHANGE IN THE ANNUAL FEDERAL HIGHWAY CONSTRUCTION COMPOSITE INDEX.

ANY PROPOSAL WHICH WOULD NOT FULLY ADDRESS THESE RECOMMENDATIONS WOULD CLEARLY RESULT IN PLACING MANY TOWNSHIPS OF THE SECOND CLASS ON THE BRINK OF FINANCIAL BANKRUPTCY. THE 12,000 MILES OF ROADS WHICH HAVE BEEN TARGETED BY THE DEPARTMENT OF TRANSPORTATION PROBABLY SHOULD BE TURNED BACK TO LOCAL GOVERNMENTS AS SUCH A TRANSFER WOULD SERVE TO IMPROVE AND STRENGTHEN PENNSYLVANIA'S TOTAL HIGHWAY TRANSPORTATION NETWORK.

IN CONCLUSION, I SIMPLY WISH TO REAFFIRM THE STATE ASSOCIATION'S POSITION THAT ADEQUATE FUNDING FOR THE TURNBACK OF ROADS IS PARAMOUNT TO THE PRESERVATION OF THE FINANCIAL STABILITY OF THE COMMONWEALTH'S 1,458 TOWNSHIPS OF THE SECOND CLASS.

AGAIN, I THANK YOU FOR THIS OPPORTUNITY TO PRESENT THE VIEWS OF TOWNSHIP OFFICIALS REGARDING THE TURNBACK OF ROADS PROPOSED IN HOUSE BILL 527. IF YOU HAVE ANY QUESTIONS, I WILL BE HAPPY TO ANSWER THEM AT THIS TIME.