

Pennsylvania Association of Conservation Districts

Testimony on HB 2443

**Comments by: MaryAnn Warren,
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Good afternoon. My name is MaryAnn Warren, and I am the President of the Pennsylvania Association of Conservation Districts (PACD). I also serve as a County Commissioner in Susquehanna County and am a member of the State Conservation Commission. I am pleased to appear before you today to further explain the PACD position in support of HB 2443 and a statewide severance tax with a portion dedicated to the Conservation District Fund.

Having already testified in front of this Committee in support of HB 2443, I will not reiterate what I have previously expressed. However, I would like to accomplish two things today. First I am providing a chart to you showing what state allocations have been made to the Conservation Districts over the last 40 years. If I could direct your attention to the 1999-2000 fiscal year, you will see that the state allocation to the conservation district line items in the DEP budget and the PA Department of Agriculture budget collectively was \$4,100,000, which is almost the same amount proposed for this 2010-2011 fiscal year allocation. You can also see that since the 2007-2008 fiscal year including the Governor's proposed numbers for the upcoming budget, our annual statewide allocation will be reduced collectively by 25.8 percent. While our budget has been reduced by nearly 26 percent from state funding, some of the conservation districts around the Commonwealth have also had significant cuts in county funding and because of the economic downturn. In addition, most conservation districts have had a decrease in erosion and sedimentation (E & S) permit/review fees, because development has been severely curtailed in most areas of the state. While all of these budget cuts are occurring, conservation districts are asked to administer, or participate in many programs. Also, even though conservation districts were taken out of the E & S program for oil/gas drilling, many of us have still been intricately involved in the gas exploration process.

In Susquehanna County, gas exploration has brought considerable anguish for me and other elected officials with the influx of gas wells being drilled in the County. I have been overwhelmed by phone calls and emails from residents regarding contaminated water wells and the deterioration of our state and municipal roads. The calls also include concern over muddied streams and creeks, and excessive truck traffic including overweight and oversized trucks on dirt roads which are clearly not built to handle the increased traffic.

One day in particular, I received an email with pictures and numerous phone calls regarding an overturned truck on Troy Road which was leaking fracturing fluids and dead fish in Stevens Creek. With a call to the Local Conservation Officer and another to our Conservation District Manager, we headed out to the scene of all the commotion. In reality, there indeed had been a spill in the wetlands as the drilling company had been horizontally boring under the wetlands and a blowout occurred in the process. The truck was actually vacuuming the bentonite. While the rumor mill had exaggerated what had actually happened, there were indeed environmental issues and consequences.

The Susquehanna County Conservation District spends a great deal of time dealing with complaints, referrals, questions, etc. The local residents have come to expect local support from the district office. After DEP removed conservation districts from the oil and gas E & S control program, we feel uncomfortable consulting with gas companies and other stakeholders and therefore will no longer be providing these services. Prior to this we were able provide local insight and a great deal of individual assistance. To compound the situation, we anticipate

having an increase in E&S plan activity related to construction of support industries, such as truck garages, transportation pipelines, etc. This infrastructure is a vital link in the growth of this crucial industry.

The Conservation District, in an effort to serve the county's communities, expects to be consulting with municipal officials and gas company construction firms to maintain roads in an environmentally sensitive manner. We anticipate hosting special Dirt and Gravel road training with focus on heavy road use. Of course, this all takes funding even though we will not be able to charge E & S review fees for these services. A dedicated portion of a severance tax will provide these much needed finances.

As a County Commissioner, I recognize the considerable benefit this gas rush brings to our local communities and I, for one, welcome the prosperity it brings to Susquehanna County residents. But, I also emphasize there must be a balance between the environment and the economic value of this new natural resource extraction opportunity. We must be responsible for the safety, health and welfare of all our residents. With dedicated funding from a severance tax directly to the conservation district fund, the state will be ensuring financial support for on the ground, local technical assistance to help assure proper environmental protections as we delve into this new and exciting industry.

Thank you for giving me this opportunity to present my comments and concerns, and thank you to each of you for serving the residents of the Commonwealth. I will be happy to answer questions at this time.

PA STATE BUDGET FOR CONSERVATION DISTRICTS
Line Items "Transfer to Conservation Districts"

Fiscal Year	Governor's Proposed Budget			Final Budget		
	DEP	PDA	Total	DEP	PDA	Total
1967-1968						15,000
1968-1969						35,000
1969-1970						35,000
1970-1971						35,000
1971-1972				50,000		50,000
1972-1973				50,000		50,000
1973-1974				50,000		50,000
1974-1975				75,000		75,000
1975-1976				75,000		75,000
1976-1977				100,000		100,000
1977-1978				100,000		100,000
1978-1979				100,000		100,000
1979-1980				100,000		100,000
1980-1981				250,000		250,000
1981-1982				250,000		250,000
1982-1983				250,000		250,000
1983-1984				750,000		750,000
1984-1985				750,000		750,000
1985-1986				800,000		800,000
1986-1987	950,000		950,000	1,000,000		1,000,000
1987-1988	1,000,000		1,000,000	1,200,000		1,200,000
1988-1989	1,200,000		1,200,000	1,500,000		1,500,000
1989-1990	1,500,000		1,500,000	1,500,000		1,500,000
1990-1991	1,500,000		1,500,000	1,500,000		1,500,000
1991-1992	1,500,000		1,500,000	1,500,000		1,500,000
1992-1993	1,500,000		1,500,000	1,500,000		1,500,000
1993-1994	1,500,000		1,500,000	1,500,000		1,500,000
1994-1995	1,750,000		1,750,000	2,225,000		2,225,000
1995-1996	2,225,000		2,225,000	2,225,000		2,225,000
1996-1997	3,000,000		3,000,000	2,750,000		2,750,000
1997-1998	2,850,000		2,850,000	2,850,000		2,850,000
1998-1999	2,850,000		2,850,000	2,850,000		2,850,000
1999-2000	3,100,000		3,100,000	3,100,000	1,000,000	4,100,000
2000-2001	3,100,000	1,000,000	4,100,000	3,100,000	1,150,000	4,250,000
2001-2002	3,100,000	1,210,000	4,310,000	3,100,000	1,210,000	4,310,000
2002-2003	3,100,000	1,210,000	4,310,000	3,100,000	1,210,000	4,310,000
2003-2004	3,100,000	1,210,000	4,310,000	3,100,000	1,210,000	4,310,000
2004-2005	3,100,000	1,210,000	4,310,000	3,550,000	1,660,000	5,210,000
2005-2006	3,100,000	1,210,000	4,310,000	3,550,000	1,660,000	5,210,000
2006-2007	3,100,000	1,210,000	4,310,000	3,600,000	1,800,000	5,400,000
2007-2008	3,100,000	1,210,000	4,310,000	3,600,000	1,660,000	5,260,000
2008-2009	3,100,000	1,210,000	4,310,000	3,600,000	1,660,000	5,260,000
2009-2010	3,060,000	1,194,000	4,254,000	3,060,000	1,650,000	4,710,000
2010-2011	3,029,000	1,080,000	4,109,000			

**Percent
Change**

133.3%
0.0%
0.0%
42.9%
0.0%
0.0%
50.0%
0.0%
33.3%
0.0%
0.0%
0.0%
150.0%
0.0%
0.0%
200.0%
0.0%
6.7%
25.0%
20.0%
25.0%
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0.0%
48.3%
0.0%
23.6%
3.6%
0.0%
43.9%
3.7%
1.4%
0.0%
0.0%
20.9%
0.0%
3.6%
-2.6%
0.0%
-10.5%