



Impacts to DCNR from Raiding of Keystone and Environmental Stewardship Funds FY 2017-18 Budget

Keystone and Environmental Stewardship Fund dollars are already committed to:

- Support grants to communities for local parks and recreation
- Protect natural resources
- Create and retain Pennsylvania jobs

In the proposal introduced September 5, it appears that the House Republican Taxpayers Caucus looked at Treasury's cash balances to develop a list of available amounts of special dedicated funds that it looked at as revenue sources.

Had they asked us, they would have learned that the \$145 million they identify as available is already committed to more hundreds of projects in communities across Pennsylvania and to address more than \$800 million in projects on public lands.

Cash balances showing on the Treasury reports do not account for the contractual commitments obligating the commonwealth to pay or reimburse a vendor or grantee.

There are nearly 650 active grant contracts with a total award of more \$100 million, and about \$63 million in contractual obligations needed to complete these projects in hundreds of communities across the commonwealth. Removing money from these special funds would mean postponing and cancelling projects to help Pennsylvania communities and public lands without the use of taxpayer dollars.

Examples of Projects that Would be Impacted by Loss of Keystone and ESF Funds

There are active grant projects in all 67 counties in Pennsylvania. Examples of projects that would be threatened include:

- South Middleton Township Park addition, Cumberland County
- West End trail connection, Carlisle, Cumberland County
- Waynesboro Memorial Park, Waynesboro Borough, Franklin County
- Lebanon Valley Rail Trail Cornwall Trailhead, Lebanon County
- Lower Macungie Township Greenway Trail links, Lehigh County
- Sweet Arrow Lake County Park waterfall, Schuylkill County
- Newhouse Park, Delmont Borough, Westmoreland County
- York County Rail Trail northern extension phase 3 and 4, York County
- Marge Goodfellow Park, New Freedom Borough, York County

Over the past five years, DCNR has invested more than \$90 million in Keystone funding to rehabilitate and repair state park and forest infrastructure based on priorities such as health, safety and natural resource/open space protection and conservation. Examples of projects that will be impacted by a transfer:

- Loyalsock State Forest -- Cancel road and bridge repairs caused by last year's devastating flooding. Negative impact on timber harvesting operations, hunting, general access and local traffic

- Delaware Canal Repairs, Southeast Pa. -- Cancel repairs to the Tincum Aqueduct, Kliens Run Aqueduct, pumping stations at Marshall Island and Bowman Hill, Bridge to Odette's in New Hope. Effectively dewater miles of the canal causing quality of life and economic tourism losses. Adversely affect a \$30 million public private partnership and local economy.
- Moraine State Park, Butler County -- Cancel the rehabilitation of the potable water system for the park, creating the potential of shutting down one of the most popular parks in western Pa.
- Cherry Springs/Leonard Harrison Complex, Potter County -- Cancel public safety and visitor access and services redesign to two of the highest visited parks in the Pennsylvania Wilds. Due to exponential increase in visitation these two parks need major redesign work to provide for health and public safety upgrades. The potential for pedestrian and vehicular accidents are great at both locations. Cherry Springs being a dark sky park increases the safety risks.
- Hickory Run, Carbon County - Cancel the replacement of the CCC era pit toilets in the campground, youth camping area and the group camping area. The current facilities are hardly fit for public use. Environmental and human health issues are a strong potential.

Impact on Jobs

With the loss of Keystone and ESF funds, DCNR would not be able to contract with private industry for park and forest road repair and construction; bridge repair and construction; sewage and water treatment plant work; cabin construction; bath house construction; and trail construction as well as all of the design work for those projects.

DCNR contracts for almost all of that work on public lands through private contractors, who would certainly feel the loss of work. Communities provide a 50 percent match to our grant funds, and then hire private contractors to complete the work.

The loss of \$100 million in Keystone and ESF to DCNR would cause a loss of millions of dollars infused into the economy through construction and design jobs, in addition to the loss of necessary improvements to our facilities and communities.

Background

The Keystone Fund is the only dedicated source of funding for recreation and conservation to meet the needs of our children, seniors and families for outdoor activities and more active living.

The Environmental Stewardship Fund continues the commitment to Growing Greener for investments in conservation of open space; protecting and restoring streams and rivers; expanding parks, trails and greenways.

Both funds support DCNR grants to communities for parks, trails and open space, and state park and forest projects. DCNR manages more than \$2 billion in infrastructure on public lands.

Keystone was created as a restricted revenue account and approved by an overwhelming voter referendum (67 percent approval).

Grants are typically paid out over 3-4 years to allow the community to design, bid and build the project. Monies are expended over the life of the projects as grantees and contractors provide invoices. These types of projects cannot be completed in a fiscal year so the enabling legislation made the appropriations continuing and nonlapsing.