PA Environment Digest

An Update On Environmental Issues In PA

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Growing Leaner: Shrinking Commitment To The Environment Over Last 10 Years

On February 5 Gov. Corbett will present his FY 2013-14 budget proposal to the General Assembly outlining how he would spend the \$28 billion or so in General Fund tax revenue received by the Commonwealth.

In anticipation of the Governor's budget address, here's a yardstick readers of **PA Environment Digest** can use to better judge the impacts of Gov. Corbett's budget proposals on environmental programs.

Shrinking Commitment

There is no doubt about it, Pennsylvania isn't Growing Greener, it's Growing Leaner.

The last 10 years have seen a steady shrinking of the commitment to provide adequate funding and staff and innovation for environmental protection and restoration programs.

In fact, over \$1.7 billion has been cut or diverted from environmental programs over the last decade to balance the state budget or to provide funding to other programs which could not get funding on their own.

It all started with the record budget and staff cuts in each and every year of the Rendell Administration.

Gov. Rendell's share of these cuts/diversions is \$1.4 billion. Gov. Corbett's share is \$314.7 million, so far. (*Click Here for an itemized list of cuts and diversions.*)

The cuts included support for operating local wastewater treatment plants, environmental education programs, training programs for staff, citizen water monitoring programs, and staff for water quality and many other programs.

The diversions included hundreds of millions of dollars to balance the General Fund budget taken from the Underground Storage Tank Cleanup Fund, Keystone Recreation, Parks and Conservation Fund, Oil and Gas Fund and the Environmental Stewardship (Growing Greener) Fund and the Recycling Fund to name a few.

Programs like Growing Greener set up originally to fund watershed restoration, farm conservation and other on-the-ground projects with real, measurable environmental benefits were first bankrupt by the Rendell Administration and then hijacked to fund windmills, parking

garages and other non-environmental projects.

DEP Staff Cuts

Significant cuts in staff have also occurred. The state's <u>PennWATCH website</u> confirmed in December DEP lost 615 permanent positions—nearly 20 percent—since FY 2002-03, from 3,211 to 2,596.

DCNR's now has 1,300 salaried employees, down from 1,391 in FY 2002-03.

The DEP numbers, however, include <u>over 105 positions</u> added or reassigned by DEP internally to regulate Marcellus Shale natural gas drilling. With these are added in, DEP lost over 22 percent of its permanent positions over the last 10 years.

The FY 2009-10 budget cuts alone by Gov. Rendell required DEP and DCNR to furlough or eliminate 333 full time positions. DCNR had to eliminate or reduce hours for 1,131 seasonal workers, putting appropriations for DEP <u>way below 1994 levels</u> and for DCNR below 1995-96 levels.

The Rendell Administration also diverted staff time to non-environmental protection and restoration programs.

Over 100 DEP Air, Waste and Water Quality field staff were used as managers for federal stimulus projects, projects funded by the Energy Harvest and PA Energy Development Authority programs taking time away from permit reviews, inspections and compliance activities.

General Fund Budget Slashed

The state's General Fund budget has always been a huge part of how environmental programs and agencies are funded, but that has changed dramatically over the last 10 years.

In most cases, General Fund cuts to DEP and Agriculture resulted in significant reductions in agency staff complement with only a small portion being made up in things like permit review fee increases.

In the case of DCNR, monies from the Oil and Gas Fund fed by Marcellus Shale drilling revenues on State Forest land made up many of the losses.

Here's some perspective on General Fund appropriations since FY 20003--

- -- Environmental Protection: FY 2002-03: \$728.2 million; FY 2012-13: \$124.8 million
- -- Conservation & Natural Resources: FY 2002-03: \$322.9 million; FY 2012-13: \$52.7 million
- -- **Agriculture:** FY 2002-03: \$274.3 million; FY 2012-13: \$129.5 million

Fee Increases/More Funding

Some funding has been restored through increases in permit review fees and the Marcellus Shale drilling fee enacted in 2012.

In an attempt to make up for drastic reductions in General Fund support for environmental protection efforts, DEP adopted a series of <u>permit fee increases</u> totalling about \$26.5 million over the last four years.

Last February the General Assembly, under the leadership of Sen. Joe Scarnati (R-Jefferson) and others, adopted <u>Marcellus Shale drilling fees</u> under Act 13 which restored over over \$200 million in environmental project funding to programs like Growing Greener, conservation districts and other selected state environmental programs.

The Corbett Administration also restored the full \$10 million in funding for the Resource Protection and Enhancement Program farm conservation tax credit program to help Pennsylvania meet its federal watershed and Chesapeake Bay cleanup commitments.

The Rendell Administration did increase funding for alternative energy and energy conservation projects by passing the \$625 million Growing Greener II program and an additional \$650 million in funding, however, these initiatives actually diverted funding from real environmental protection and restoration projects.

The Growing Greener II bond issue put a cap on new project funding because annual revenues from the \$4.25/ton municipal waste fee going to fund Growing Greener projects was actually used to pay off the bond issue collapsing the Growing Greener Program.

Consequences

The result of a decade of budget and staff cuts has been a decrease in environmental compliance, an increase in the time between compliance inspections, permit review backlogs and few if any environmental and compliance education programs to improve compliance or our understanding of the environment.

There have also been no annual reports on DEP's accomplishments or a detailed annual report on environmental compliance program by program to measure the agency's progress and performance since 2003.

In addition, objective measures of indicators like acres of abandoned mine land reclaimed, miles of streams restored and miles of stream buffers installed are not being reported or measured. In fact, there are still 16,599 miles of impaired streams in the state which do not meet water quality standards.

In December, the Budget Office released the general 2011-12 Report on State Performance which shows the percentage of sites in full compliance with DEP dropped significantly from 2001. (Click Here for full summary.)

The report said compliance dropped 12 percentage points since 2001, from 89.9 percent in 2001 to 77.71 percent in 2011-12 performance report and lower than in 2009-10 at 78.75 percent.

At the same time, the report said the percentage of inspections with violations increased by 0.6 percent-- 14.9 percent to 15.51 percent, and higher than in 2009-10 at 15.03 percent.

The Department of Conservation and Natural Resources reported a 10,428 acre drop in the number of land acquired through fee simple acquisition or easements for conservation purposes, from 17,405 last year to 6,977 in 2011-12 and less than in 2009-10 at 11,936 acres. DCNR did see a \$2.3 million increase in Community Conservation Partnership Grants awarded in 2011-12-- \$29.1 million to \$31.4 million, which was more than in 2009-10 at \$25.3 million.

Another result of all these cuts is the <u>permit review backlog</u> DEP said was already building in 2009 and in truth the last 7 years, delaying hundreds of millions of dollars in economic development projects across the state.

For example, the Rendell Administration left a backlog of 5,000 permits and approvals in DEP's Southwest Regional Office alone, according to the Regional Director.

The Ridge and Schweiker Administrations left office in 2003 with few backlogged permit applications as a result of the 1995 Money-Back Guarantee Permit Review Program created by Executive Order 1995-5.

The recent efforts by the Corbett Administration through its <u>Permit Review Guarantee</u> <u>Program</u> will certainly bring some order back to the permit review process, but the fact remains it will take staff time to clear the backlog and address new permits, staff DEP the agency has too little of.

Of course, overall, DEP and DCNR still have the same amount of work to do, the same laws to enforce and the same State Forests and State Parks to protect and manage.

Neither the General Assembly nor the Governor eliminated any of the responsibilities of DEP or DCNR like private industry would do when faced with these kinds of significant cuts in budgets and staff.

In the case of DEP, they face the further challenge of new programs to get up and running, like the electronics recycling program, and the continuing challenges of regulating Marcellus Shale drilling.

Support For Green Funding

<u>Public opinion surveys</u> have repeatedly found significant support for environmental funding.

In December, the <u>Growing Greener Coalition</u> pointed to a newly <u>released statewide</u> <u>survey</u> as clear evidence of strong public support for state funding to preserve farmland and open space, provide parks and trails and protect rivers and streams.

Overall, the survey found that more than 92 percent of the 608 Pennsylvanians surveyed think that state funds dedicated to preserving farmland and open space, providing parks and trails and protecting rivers and streams should continue to be used for these purposes.

In addition, the survey found that nearly 78 percent of respondents support increasing state funds to conserve and protect open space, clean water, natural areas, wildlife habitats, parks, historic sites, forests and farms even if would cost the average household \$10 more annually. Further, these high levels of support are constant throughout every geographic region and every gender, ethnic, educational and economic demographic throughout the state.

Bottom Line

Given the drastic cuts in funding and staff over the last 10 years, we face three options: consider which programs should be eliminated to match its shrinking resources; find ways to fund those programs without stealing; or take drastic steps to restructure programs.

As Gov. Corbett said during his campaign, shouldn't DEP be returning to its core functions?

Here are some steps to think about.

Are there federally mandated environmental programs Pennsylvania should be returning to the federal government to administer-- Air Quality, Mining, Waste, NPDES Water Quality, etc.?

Should DEP really be spending money and staff time on alternative energy and energy efficiency programs when it lacks funds to restore the water quality in our rivers and streams? (You Can't Go Fishing With A Solar Panel)

Is climate change a "must" issue for DEP to address like it is now, or is it a "nice to have?" Or should state government actually pay for it.

Should some programs be turned over entirely to other agencies on a fee-for-service basis, for example, county conservation districts? The Chapter 102 erosion and sedimentation control program comes to mind.

Another option is to centralize things like permit reviews rather than have each of DEP's six major regional offices and six district mining offices. In this age of advanced communications technology there is no reason for certain functions to be repeated a dozen times in the field.

It seems pretty basic, but the General Assembly should not give DEP any new responsibilities without providing full funding for those programs. Unfunded mandates can be imposed on state agencies as well as local governments and they have been repeatedly in the past.

Pretending DEP is now doing everything it's required to do by law defies common sense. It's time for state government leaders to deal with that fact and try to dig environmental protection programs out of the hole they spent 10 years excavating by either cutting, funding and restructuring programs.

And as a start, why not take some of the \$75 million devoted to giving <u>tax breaks to movies</u> like Zack and Miri Make A Porno that was filmed in Pennsylvania, and make that money do some good for a change.