

TO: Members of the Pennsylvania General Assembly
FROM: Citizens Advisory Council to DEP
RE: Budget Concerns
DATE: July 24, 2009

Allegheny County
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Bernie Hoffnar, Ph.D.

Bucks County
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The Citizens Advisory Council (CAC) to the Department of Environmental Protection appreciates the difficult task facing the General Assembly as you consider resolution of Pennsylvania's budget impasse. As you continue negotiations, we want to focus your attention on two critical issues: future leases for gas extraction on state forest and park lands, and overall environmental funding.

Gas Leases

We have serious concerns regarding the practicality of proposals to immediately and significantly expand gas extraction on state lands.

- The impacts of gas drilling on the 660,000 acres of publicly owned state forest which are already under lease for drilling have yet to be assessed. We ask that the impacts of existing and planned gas extraction be evaluated in a careful and timely manner before leasing additional state forest or park lands for this purpose.
- Pursuing additional natural gas leasing at a time when demand and prices for gas are low appears less than ideal from a revenue perspective. Given current market conditions and the amount of acreage already available for this use, additional leases will not generate the projected level of revenues and may not be in the Commonwealth's best interest at this time. Pennsylvania should allow time for the financial markets to improve before considering any additional leasing of state forest and park lands.
- Potential future leases of state forest land for natural gas extraction should be designed to maximize financial return while avoiding ecologically important areas and minimizing impacts where drilling takes place.

Environmental Budgets

As you are already aware, DEP and DCNR have already experienced significant budget and complement reductions in each of the past several years, and as a result, have dramatically streamlined their operations. Further reductions may jeopardize vital environmental assets as well as services critical to future economic development and recovery. In particular, DEP permits are required for many economic activities; the department's ability to continue to issue permits and inspect permitted activities for compliance may be threatened by additional budget cuts, thereby slowing future economic development and recovery.

We understand that in these tough budget times, difficult financial decisions must be made as part of any budget agreement. We urge your strong support for environmental funding in the FY 09-10 state budget as further reductions to DEP's and DCNR's budgets will not only imperil our environment and public health, but may jeopardize the state's ability to provide services critical to future economic development and recovery.

Thank you for your attention to these concerns.