

PETER J. ZUG, MEMBER

HARRISBURG OFFICE:  
HOUSE POST OFFICE BOX 202020  
MAIN CAPITOL BUILDING  
HARRISBURG, PENNSYLVANIA 17120-2020  
PHONE: (717) 787-2686  
TOLL FREE 1-800-956-4050

MYERSTOWN OFFICE:  
112 WEST MAIN AVENUE  
MYERSTOWN, PA 17067  
PHONE: (717) 866-9144



House of Representatives  
COMMONWEALTH OF PENNSYLVANIA  
HARRISBURG

COMMITTEES

APPROPRIATIONS  
CHAIRMAN, SUBCOMMITTEE ON  
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VETERANS AFFAIRS &  
EMERGENCY PREPAREDNESS  
CHESAPEAKE BAY COMMISSION

# MEMORANDUM

**To:** All House Members  
**From:** Peter Zug, Chairman  
**Date:** December 30, 2004  
**Subject:** AICUP Capital Proposal Legislation (prior HB2483)

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I am re-introducing legislation for the Association of Independent Colleges and Universities (AICUP) capital funding proposal.

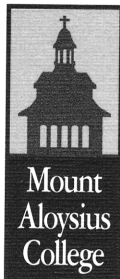
You may recall this proposal was initially championed by the late Representative Karl Boyes and also offered as amendment A3757 to Senate Bill 10 by Representative Rod Wilt. In addition, last fall the Appropriations Subcommittee on Education, which I chair, held an informational meeting on this subject. At the meeting, we heard from several college and university presidents about the need for capital funding for renovation and other important building projects.

AICUP's proposal authorizes the Pennsylvania Higher Education Facilities Authority (PHEFA) to issue \$50 million in bonds annually up to a maximum of \$250 million for independent institutions of higher education. The Commonwealth would be responsible for 50 percent of the debt service on these bonds. Projects that could be financed through this proposal include education facilities and facilities providing an economic development benefit to the local community. Dormitories and residence halls are not eligible for funding under the plan.

There are 82 members of AICUP in Pennsylvania, as well as several other institutions that are not members of the association. These fine schools offer valuable education resources to our residents and play an important role in local economies across the Commonwealth. It is also important to point out that our successful private higher education community invests considerable dollars in Pennsylvania's young people, thus helping to control the state's costs of higher education.

To join me in sponsoring this legislation, please contact Lori Losch in my office at 787-2686 or [llosch@pahousegop.com](mailto:llosch@pahousegop.com).





Office of the President  
7373 Admiral Peary Highway  
Cresson, PA 16630-1999

[www.mtaloy.edu](http://www.mtaloy.edu)

(814) 886-6411  
Fax (814) 886-2978

April 18, 2005

The Honorable Peter J. Zug  
Pennsylvania House of Representatives  
P. O. Box 202020  
Harrisburg, Pennsylvania 17120-2020

Dear Representative Zug,

I am writing to thank you for your sponsorship of House Bill 616, the Independent Higher Education and Community Financing Program. This legislation will be critical in enabling Pennsylvania's private colleges and universities to continue their long-standing educational partnership with the Commonwealth. These monies will leverage substantial private sector investment in our campuses.

For small institutions like Mount Aloysius College this source of funding means so much! Thank you for your vision and leadership in serving the students of Pennsylvania.

Sincerely,

Sr. Mary Ann Dillon, Ph. D.  
President



Association of  
**Independent Colleges & Universities**  
of Pennsylvania

101 North Front Street • Harrisburg, Pennsylvania 17101-1405

April 18, 2005

The Honorable Peter Zug  
PA House of Representatives  
P.O. Box 202020  
Harrisburg, PA 17120-2020

*Pete*  
Dear Representative Zug:

On behalf of all the independent college and university presidents in the Association, I want to thank you for sponsoring House Bill 616 (The Independent Higher Education and Community Financing Program Act) and for guiding it to passage in the House of Representatives last Wednesday. I am well aware that this legislation would not have passed the House in the first few months of this legislative session without your determination and legislative skill. You saw to its assignment in the House Appropriations Committee and you eloquently answered the charge on the House floor that the bill was being rushed through the process when you defeated the motion to table. Your comments helped create a favorable environment for passage of the legislation. I was pleasantly surprised by the size of the vote in favor of your bill! Congratulations and thanks!

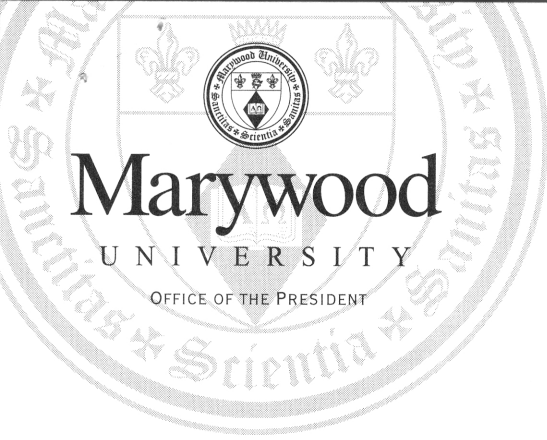
House Bill 616 correctly reminds legislators that our private colleges and universities serve Pennsylvania students as well as local economies and that state policymakers should support all sectors of higher education in the Commonwealth.

Pete, thank you so much for your thoughtful leadership on this issue and the work you do for students throughout Pennsylvania.

Best Wishes,

Don L. Francis  
President

c: Dr. Stephen MacDonald, President, Lebanon Valley College  
Sister Mary Ann Dillon, Chair, AICUP and President, Mount Aloysius College



MARYWOOD UNIVERSITY  
SCRANTON, PA 18509-1598  
TEL: (570) 348-6231  
FAX: (570) 340-6014  
MREAP@AC.MARYWOOD.EDU  
HTTP://WWW.MARYWOOD.EDU

April 19, 2005

Honorable Peter Zug  
Pennsylvania House of Representatives  
PO Box 202020  
Harrisburg, PA 17120-2020

Dear Representative Zug:

As President of Marywood University, a Catholic University sponsored by the Sisters, Servants of the Immaculate Heart of Mary located in Scranton, PA, I thank you for your critical support of HB. 616, legislation approving the Independent Higher Education and Community Financing Program Act.

Marywood University is one of the 93 member institutions of the Pennsylvania Association of Independent Colleges and Universities and share, with pride, in the tradition of regional economic support driven by the location of independent institutions of higher learning in the Commonwealth of Pennsylvania. Combined these institutions account for more than 150,000 on and off-campus jobs in the Commonwealth as well as generating \$4 billion in earnings. I enclose a copy of Marywood University's Economic Impact Statement for your perusal.

With a track record of providing enormous an economic impact throughout Pennsylvania, AICUP universities and colleges have proven that these institutions deserve additional financing opportunities afforded to state institutions.

On behalf of the Marywood University Board of Trustees and the entire Marywood community, thank you for your continued assistance.

Sincerely,

Sister Mary Reap, I.H.M., Ph.D.  
President

SMR/sh



For Column  
Your Approval

## **Zug Encourages Young Adults to Participate in PA Conservation Corps Program**

*by Peter Zug*

*State Representative, 102 Legislative District*

I would like to encourage young adults to participate in the Pennsylvania Conservation Corps (PCC) program in order to promote preservation and education within the Commonwealth.

The PCC is a statewide organization that offers work experience, job training and educational opportunities for the young adults who complete conservation, recreation, and historical preservation projects on Pennsylvania's public lands.

The mission of the PCC is to develop workplace skills, life skills, and self-confidence and teach the values of citizenship. The program is committed to a comprehensive approach that fosters teamwork and individual empowerment through community service projects.

Corps members consist of Pennsylvania residents between 18 and 25 years of age. The members can serve an initial one-year term that can extend an additional six to 12 months. The members earn minimum wage for the first six months and will receive a 10 percent increase after six months on the job.

At the completion of their one-year term of service, members receive a cash bonus of \$1,000 and may qualify for an educational award of \$4,725.

Since the program began in 1984, more than 13,000 young Pennsylvanians have served. The corps members gain work experience while completing substantial and needed projects.

The PCC also offers a mentoring program, which allows corps members with eight months experience to work a few hours each week for a business or craftsman in their community. Nearly half of participants in the mentoring program have been hired for full-time positions at their mentoring locations.

Participants learn valuable life experiences during their service with the PCC and are able to re-enter school or attend college for the first time. The PCC is a great opportunity for young people to make a contribution to a community and also receive financial assistance for attending college.

More than 1,000 PCC projects have been completed in urban, suburban and rural areas in Pennsylvania. Some of the projects include:

- The improvement of 100 miles of streams, 4,800 acres of wildlife habitat and 21,000 acres of forest lands.
- The construction or renovation of 663 picnic areas, 590 cabins and 8,800 miles of trails.

- The rehabilitation of 301 historical buildings.

For more information about the Pennsylvania Conservation Corps, write to 1304 Labor and Industry Building, Harrisburg, PA 17120. Or call (717) 783-6385 or 1-888-577-4722. Or e-mail [pcc@state.pa.us](mailto:pcc@state.pa.us).

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ECONOMIC IMPACT OF INDEPENDENT HIGHER EDUCATION  
ON PENNSYLVANIA  
PRESS CONFERENCE  
REMARKS FOR REP. PETER ZUG  
MARCH 8, 2005

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GREETINGS. I WANT TO THANK ALL OF  
YOU FOR YOUR ATTENDANCE AT THIS  
PRESS CONFERENCE TODAY.

I AM PLEASED TO JOIN PRESIDENT MARY  
ANN DILLION OF MOUNT ALOYSIUS  
COLLEGE, PRESIDENT LANCE MASTERS OF  
THIEL COLLEGE AND PRESIDENT DON  
FRANCIS OF AICUP IN ANNOUNCING THE  
RELEASE OF THE ASSOCIATION'S REPORT  
ON THE ECONOMIC IMPACT OF  
INDEPENDENT HIGHER EDUCATION ON  
PENNSYLVANIA.

I AM FORTUNATE TO HAVE A PRIVATE  
COLLEGE, LEBANON VALLEY COLLEGE, IN  
MY LEGISLATIVE DISTRICT AND I KNOW  
THE DIFFERENCE THAT A COLLEGE MAKES  
TO THE ECONOMY OF AN AREA.

INDEPENDENT COLLEGES ARE MAJOR EMPLOYERS AND IN THE CAPITAL AREA ALONE PAY WAGES OF \$185 MILLION TO MORE THAN 5,300 PEOPLE. IN FACT, THE TOTAL ECONOMIC IMPACT OF THE THIRTEEN PRIVATE COLLEGES AND UNIVERSITIES IN THE CAPITAL AREA IS \$1.1 BILLION DOLLARS. BETTER YET, THESE COLLEGES NEVER LEAVE THE STATE OR CLOSE DOWN. LVC, FOR EXAMPLE, WAS FOUNDED IN 1866. THAT'S 139 YEARS OF CONTRIBUTING TO OUR COMMUNITY AND REGION.

AS A LEGISLATOR, I AM ALSO VERY AWARE  
THAT THE PRESENCE OF INDEPENDENT  
HIGHER EDUCATION ALSO SAVES MILLIONS  
OF DOLLARS FOR PENNSYLVANIA  
TAXPAYERS.

IN FACT, MORE THAN \$332 MILLION  
ANNUALLY IS SAVED BY EDUCATING  
STATE RESIDENTS AT PRIVATE  
INSTITUTIONS.



BUT TODAY, WE ARE PRIMARILY FOCUSING  
ON THE ECONOMIC BENEFIT OF OUR  
PRIVATE HIGHER EDUCATION SECTOR AND  
HOW OUR COMMONWEALTH CAN HELP  
THESE INVALUABLE INSTITUTIONS  
COMPLETE THEIR IMPORTANT MISSION.

I AM THE PROUD SPONSOR OF HOUSE BILL  
616, LEGISLATION THAT WILL HELP  
PRIVATE COLLEGES AND UNIVERSITIES  
MEET THE ECONOMIC DEVELOPMENT  
NEEDS OF THEIR COMMUNITIES BY  
HELPING TO MEET THEIR CAPITAL NEEDS.

MANY TIMES YOU WILL NOT HEAR ABOUT  
A PRIVATE COLLEGE'S UNMET CAPITAL  
NEEDS. IT IS MORE LIKELY THAT YOU WILL  
HEAR ABOUT THEIR ACCOMPLISHMENTS  
AND THEIR LAST CAPITAL CAMPAIGN.  
REMEMBER THESE ARE COMPETITIVE  
ENTERPRISES AND THEY NEED TO PUT  
THEIR BEST FOOT FORWARD TO ATTRACT  
STUDENTS.

BUT WE KNOW THAT THERE IS OVER A \$1  
BILLION OF UNMET NEED IN THE 83  
COLLEGES AND UNIVERSITIES OF THE  
ASSOCIATION. I HAVE INTRODUCED HB 616  
TO ADDRESS THAT NEED.

FOR YEARS, THE COMMONWEALTH HAS  
PROVIDED FINANCIAL ASSISTANCE TO OUR  
PUBLIC UNIVERSITIES TO MEET THEIR  
CAPITAL REQUIREMENTS. I FULLY  
SUPPORT THAT BUT WE NEED TO MAINTAIN  
A COMPETITIVE BALANCE.

THE BILL THAT I HAVE INTRODUCED  
ALONG WITH 46 CO-SPONSORS PROVIDES  
FOR A \$250 MILLION BOND ISSUE OVER A 5  
YEAR PERIOD AT \$50 MILLION PER YEAR.  
PROJECTS WOULD BE LIMITED TO \$5  
MILLION PER PROJECT WITH THE  
COMMONWEALTH PROVIDING AN ANNUAL  
APPROPRIATION TO PAY 50% OF THE DEBT  
SERVICE ON THE BOND. IN THE CURRENT  
MARKET, THAT WOULD BE AROUND \$8  
MILLION PER YEAR FOR THE TERM OF THE  
BOND. FOR THOSE OF YOU THAT ARE  
INTERESTED, THERE ARE BROCHURES

DESCRIBING THIS PROGRAM PROVIDED BY  
THE ASSOCIATION.

GOVERNOR PATAKI OF NEW YORK HAS  
PROPOSED A SIMILAR BILL IN HIS MOST  
RECENT BUDGET. CLEARLY, HE  
RECOGNIZES THE VALUE OF THESE  
INSTITUTIONS TO HIS STATE AND WANTS  
TO FIND A WAY TO SUPPORT THEIR NEEDS.  
I THINK WE SHOULD FOLLOW SUIT IN  
PENNSYLVANIA-NO LET'S BE A LEADER IN  
THIS AREA AND PASS THIS BILL AND  
SUPPORT THE INSTITUTIONS THAT HAVE  
PROVIDED ~~SUCH A POWERFUL~~ LONG TERM  
SUPPORT FOR THE PEOPLE OF THIS STATE.  
  
THANK YOU.



**Rep. Peter Zug**  
**102nd District**  
**Pennsylvania House of Representatives**  
(717) 866-9144  
(717) 787-2686  
www.repzug.com  
Contact: Christina Reese  
House Republican Public Relations  
(717) 787-9105  
www.pahousegop.com

**FOR IMMEDIATE RELEASE**

**March 8, 2005**

**Zug Supports Funding Assistance  
for Private Colleges and Universities**

**HARRISBURG --** Rep. Peter Zug (R-Lebanon) today expressed his support for private colleges and announced introduction of his legislation that would provide state financial assistance to these colleges.

Zug spoke at a press conference this morning in the Capitol Rotunda organized by the Association of Independent Colleges and Universities of Pennsylvania (AICUP). The association was presenting results of its report on independent colleges' and universities' positive impact on Pennsylvania's economy.

"I am fortunate to have Lebanon Valley College, in my legislative district," said Zug. "I know the college makes a significant contribution to the economy of the area and provides outstanding educational opportunities to thousands of students.

"Considering the great contributions made by Lebanon Valley and other private colleges and universities like it, I believe they deserve some financial assistance from the state. We need to ensure these higher education institutions have the resources they need to continue providing quality educational services and employment opportunities as well as attracting business to our communities."

House Bill 616 will establish the Independent Higher Education Community Financing program that will assist independent institutions of higher education with capital projects related to community development. The bill allows \$50 million in bonds per year for five years through the Pennsylvania Higher Education Facilities Authority (PIHEFA).

Bonds funds will be dispersed through an application and approval process administered by a board of review that is established in the bill. The state will provide funding for 50 percent of the debt service on a bond that can be amortized for up to 30 years.

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Zug joined Mary Ann Dillon, president of Mt. Aloysius College, Lance Master, resident of Thiel College and Don Francis, president of the AICUP at the press conference.

AICUP's report highlighted many examples of ways independent colleges and universities provide services to their communities. For example, the colleges serve as major employers by providing more than 71,000 jobs in the state.

"Independent colleges and universities over the years have enriched the lives of Pennsylvanians. It is hard to assess the true value of their services, but it is evident that the impact is significant. Providing financial assistance for capital projects that benefit communities is one way of showing our appreciation," Zug said.

To obtain a copy of AICUP's report, visit [www.aicup.org](http://www.aicup.org)

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