

**Rep. Tom Tangretti**  
**Talking Points -- NAACP**  
**Thursday, Oct. 14**

---

- For the past decade, Pennsylvania has been struggling to find effective ways to grow its economy and create more jobs, improve its schools and the quality of education it provides to its children, and begin the process of fixing the archaic and unfair systems of taxes it uses to fund its schools.
- Many approaches have been tried, very few with any measurable success.
- In 2002, Ed Rendell campaigned for governor with a number of unique and creative ideas for tackling these issues – many based on programs and legislation proposed during the past decade by Democrats in the state House of Representatives.
- The people in Pennsylvania voted to give those proposals a chance; they sensed that our approach to these problems made sense – our strategy treated these issues not separately, but as part of one coordinated effort.
- Pennsylvania cannot grow its economy without good schools, it cannot have good schools until it fixes the system for funding those schools, and any approach the state takes to fixing its schools or tax structure will mean little if the state's workers do not have jobs and its economy continues to slump.
- That was the philosophy behind many of the programs enacted in the first half of 2004, and many of the votes I cast in 2004.
- I strongly believe the 2003-04 legislative session will be remembered as a watershed moment in Pennsylvania.

*-more-*

- It's when we began to make a serious and comprehensive investment in Pennsylvania's comeback; and I was proud to be a major part of it.
- We accomplished three major goals this session: economic stimulus, property tax reduction and early education initiatives.
- First, the General Assembly passed a comprehensive economic development package that will make the state a significant force in helping the private sector expand industry and create new jobs in Pennsylvania.
- The package provides more than \$1 billion in state investment for site preparation, business capital, venture capital and other purposes.
- The old approach to economic development in Pennsylvania was not working.
- Pennsylvania had to expand what had been until now a very narrow role for the state in economic development.
- A decade of tax cutting alone had left Pennsylvania at the bottom of the national heap in job creation.
- We were hemorrhaging jobs and hemorrhaging young people.
- We needed a new approach and this stimulus package offers it."
- The economic development package I helped enact this session includes programs to help communities prepare sites for future development; attract private financing for real estate development projects; provide loan financing and guarantees to boost the state's top two industries – agriculture and tourism; help smaller municipalities take advantage of Tax Increment Financing methods; and provide loan guarantees to private venture capitalists that invest in Pennsylvania's high-tech and high-growth industries.

*-more-*

- Our local communities have the infrastructure, the land and the workers to make new industries very successful.
- What we haven't had so far is programs to put the last few pieces of the puzzle – capital funding, site improvements and technical assistance – in place so that businesses can actually take advantage of what we have to offer.
- This package puts those pieces in place.
- Coupled with other economic development initiatives the General Assembly has passed, such as the Elm Street Program and new bond funding for local water and sewer improvements, we're giving Pennsylvania workers and their families a much bigger return now on their tax dollars that are used for economic development than ever before.
- During the next session of the legislature, I hope to add historic preservation tax incentive program to this mix; a program that will help people rebuild and revitalize our historic residential areas in older established communities.
- The second thing we did this session was start the process of local tax reform by offering significant and long-term school property tax reductions.
- In about two years or years, new slots facilities in Pennsylvania will be generating as much as \$1 billion annually to fund school property tax cuts across Pennsylvania.
- Every homeowner in every school district that participates will receive a tax cut, and not just a one-time cut – these tax cuts will be sustained year after year after year.
- Unlike other proposals for lowering or eliminating property taxes, this plan will cut property taxes without increasing other taxes.

*-more-*

- It also begins, finally, to shift some of the school funding burden that over the past 30 has fallen on local taxpayers – particularly homeowners – back to the state, where it belongs.
- The mechanism for providing these tax cuts – slots gaming – has the added benefit of creating tens of thousands of new jobs and economic activity, increasing tourism and providing extra money for local and statewide revitalization and cultural projects.
- It will also save from extinction one of the most important parts of our state's agriculture industry and keep much of the \$3 billion a year Pennsylvanians currently spend on gaming in other states here in Pennsylvania to help our communities, our economy, our taxpayers, and our schools and students.
- Once the slots are up and running within a few years, homeowners across Pennsylvania should see property tax reductions of between 15 percent and 40 percent.
- By any comparison to other tax reform efforts of the past 20 years, that is significant property tax savings, and a significant step forward for Pennsylvania's tax reform efforts.
- Third, last year the General Assembly approved \$175 million for a new grant program called Accountability Block Grants to help pay for early education programs in our schools. This year's budget increased that amount to \$200,000.
- These grants are awarded to schools to pay for programs like pre-school, all-day kindergarten, tutoring, teacher recruitment and training, and smaller class sizes.
- Extensive research over the past few decades shows that when instituted in the early grades, these programs have tremendous success in boosting student and school achievement levels, and in improving the educational environment in schools.

*-more-*

- Every school district in Pennsylvania gets to decide how it wants to use its Accountability Block Grant money for early childhood education, so that district efforts best match district and student needs.
- Accountability Block Grants are just the first step in shifting some of the financial burden for education improvement and reform to the state and away from local districts.
- They are also one of the first of many ways to put programs in our schools that are proven to work in leaving no child behind, and in preparing young people for their educational future and beyond.
- I believe these three initiatives have Pennsylvania moving once again in the right direction.
- Change never comes fast or easy, but if we continue to strive for improvement using ideas that we know – and that other states have shown – will work, improvement is exactly what we will see for our economy, our taxpayers and our schools and their students.
- In addition to these three very important initiatives, I'd also like to mention some of the specific funding items I was able to help add to this year's budget for programs and initiatives that I believe are important for all residents of this region, but particularly our minority community.
- For one, we were able to increase the budget appropriation for Mass Transit to almost \$288 million, an increase of nearly \$18 million over last year.
- Mass Transit is very important for our elderly population, residents who do not own cars but who still need a reliable way to work, to shopping, to the doctor and to transport their children where they need to go.

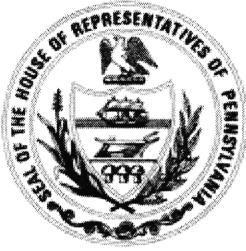
*-more-*

- We must continue to pledge more support in future years to Mass Transit in this region and across Pennsylvania.
- Also, I helped to place money in the state budget to provide a 2 percent statewide cost of living increase for workers in our state's human services agencies.
- This is the first COLA for these very important workers in three years.
- I also joined other House Democrats in having language added to the 2004-05 state budget that commits the state to protect our counties from adverse fiscal impacts during this fiscal year if promised and anticipated federal income for our assistance programs does not materialize.
- To help small businesses get off the ground, I was able to join other legislators in adding \$6.75 million to the budget for Pennsylvania's small business development centers.
- This is \$350,000 more the governor requested, and marks my commitment to helping our entrepreneurs become successful in helping themselves and in helping our local economy.
- I was also able to add \$16 million in additional funding to the governor's request for state-sponsored health coverage for adults.
- I'd also like to mention an initiative I've undertaken to use some of the huge surpluses currently held by the state's Blue Cross/Blue Shield affiliates to eliminate the 90,000-person waiting list for adult Basic health coverage.
- Using these surpluses, we could provide health coverage for more than 100,000 additional Pennsylvanians who are either working without access to health coverage from their employer or who have been laid off and lost their health coverage.

*-more-*

- Finally, I'm also proud of the responsible approach we took to the budget overall this year – we deposited \$190 million in the state's rainy day fund and left \$250 million in reserve funds to protect the state from any shortfalls in future Medical Assistance budgets.
- I believe both with the budget and the initiatives I talked about earlier, we have laid the groundwork to deal with Pennsylvania's current problems and challenges, and built a foundation for avoiding future problems.
- Most importantly, we have finally started to focus on what needs to be done to take all Pennsylvanians forward in the future, and to ensure that Pennsylvania's growing economy and growing strength is reflected in, and benefits, every Pennsylvania resident, not just a few.
- Thank you.

###



## NEWS RELEASE

State Rep. Jake Wheatley, Jr.

D-Pittsburgh

[www.pahouse.com/Wheatley](http://www.pahouse.com/Wheatley)

**CONTACT: Ben Turner**

**House Democratic Communications Office**

**Phone: 717-787-7895**

**Fax: 717-783-6839**

**E-mail: [bturner@pahouse.net](mailto:bturner@pahouse.net)**

*FOR IMMEDIATE RELEASE*

---

### **Wheatley welcomes Oct. 3 hearing on lack of urban supermarkets** ***Written testimony from constituents invited***

**PITTSBURGH, Sept. 25** – State Rep. Jake Wheatley Jr., D-Pittsburgh, is welcoming an upcoming public hearing in his district on the lack of supermarkets in urban areas.

Wheatley, Democratic secretary of the House Health and Human Services Committee, said the committee will hold the hearing from **2 p.m. to 4 p.m. Friday, October 3, at the Hill House's Kaufmann Auditorium, 1835 Centre Ave.**

"Many urban residents are forced to take long car or bus trips or miss out on the selection and savings provided to suburban grocery shoppers. But the companies are also missing out on these underserved markets," Wheatley said.

"Bringing more supermarkets back to our urban neighborhoods would improve our quality of life and help to revitalize the cities that are the cores of our regional economies. This change would also help to put the brakes on suburban sprawl that results in longer commutes, more traffic jams and damage to our region's shared environment," Wheatley said.

Wheatley said residents can provide written testimony that will be submitted to the committee. For more information, residents may contact Wheatley's constituent service center, The People's Office, at (412) 471-7760, or stop by the office at 2015-2017 Centre Ave.

The hearing is part of an investigation authorized by the House of Representatives in February under a resolution (H.R. 13) that Wheatley supported. The committee, which is also holding a hearing in Philadelphia this week, is scheduled to report its findings to the House in late October.

###bt/2003/eahb

I:\writers\releases\supermkt.019



DWIGHT EVANS, MEMBER  
CHAIRMAN

MIRIAM A. FOX  
EXECUTIVE DIRECTOR



512-E MAIN CAPITOL BUILDING  
HARRISBURG, PA 17120-2020

PHONE: (717) 783-1540  
FAX: (717) 787-2334

COMMITTEE ON APPROPRIATIONS  
HOUSE OF REPRESENTATIVES  
COMMONWEALTH OF PENNSYLVANIA  
HARRISBURG

September 29, 2004

The Hon. Thomas A. Tangretti  
105 Station Place, 101 Ehalt Street  
Greensburg, PA 15601

Dear Tom:

By now you have received the hard copy of our *Highlights in Perspective* review of the 2004/05 budget. I urge you to use it and take credit for a job well done this year.

Because House Democrats insisted on a common sense approach to this budget, we were able to accomplish most of what we set out to do. Our commitment to the education of our children is noteworthy. We appropriated \$200 million for the *new* education Accountability Block Grant to support academic achievement standards, up from \$175 million initially anticipated in December 2003 legislation. The Basic Education Subsidy increased by over \$150 million, for a total of \$4.6 billion and we provided increased support for our libraries.

Other notable budget priorities included increased funding for Mass Transit to almost \$288 million, an increase of close to \$18 million over last year. Also, funding for a two percent COLA increase for human services programs across several agencies is in place, the first increase in three years (see attachment for detail). Many House Democrats expressed concerns that the Department of Public Welfare has overestimated the amount of federal Title IV-E funds for Child Welfare services. While the enacted budget assumes an offset from these federal funds, the General Appropriation Act states that the intent of the General Assembly is to protect counties from an adverse fiscal impact if Pennsylvania fails to secure these additional federal funds.

In your letter to me you especially were concerned about funding for the Small Business Development centers. I am pleased to report that we increased funding \$350,000 above the Governor's request for a total of \$6.75 million. In addition, more than \$16 million above the Governor's request will be available for adult health care insurance.

Looking to the future, we were able to enact a \$440 million hedge against an emerging fiscal crisis that began long before Governor Rendell took office. We deposited \$190 million in the Rainy Day Fund, bringing the Fund's total to \$260 million. We left untouched \$250 million of Intergovernmental Transfer (IGT) reserve funds initially targeted for use in the 2003/04 budget, reserves now available to help cover anticipated shortfalls in future Medical Assistance budgets.

As we work our way to the General Election and the end of a busy session and as we spend time talking with our constituents, be proud of the balanced budget the General Assembly has provided for the people of Pennsylvania and take credit for the groundwork we have laid to deal with problems we may face in the next few years.

As always, please don't hesitate to contact my office if you have any concerns or questions about the newly-enacted budget or any other matter before the General Assembly.

Sincerely,



Dwight Evans

cc: The Hon. H. William DeWeese  
The Hon. Mike Veon