

Remarks of Rep. Tangretti

Joint Service Clubs

April 29, 1991

(Usual Greetings and Acknowledgements)

Thank you for inviting me here to.....
this gathering of distinguished
organizations and individuals who
generously provide so much of the
leadership and vitality to our
communities.

I regard our service clubs as part
of a constellation -- along with our
churches and schools -- that are among
the cornerstones of our communities'
character and strength.

I know the interest in public
service seems to wax and wane over time
and from generation to generation.

But I dread to think what our communities would be like---and---what services would be withdrawn if public spirited organizations like those represented here did not exist.

I'm encouraged for the future of service clubs, however. I see enormous support for volunteer activity...from the "Thousand Points of Light" theme of President Bush...to our own state's Pennserve program that encourages community involvement among students and other volunteers.

And I sense a reaction to the runaway individualism...some might say selfishness...that was believed to be a characteristic of the 1980s.

A recent cover story of Time magazine touched upon this idea.

Called "The Simple Life," it talked about the large numbers of young men and women who are abandoning life in the fast lane and seeking out the traditional comforts of home, family and community.

And how the energies they might have spent on making money are instead going into community service projects of all kinds.

If that is truly occurring, it must be a great source of satisfaction to people such as yourselves who have kept this tradition alive year in and year out...not because it was the popular thing to do but because it was the right thing to do.

There's another reason why volunteer public service will become increasingly important.

And that's the state of the economy and the condition of public finances everywhere in this country...at the federal, state and local levels.

You know from the news that Pennsylvania's in a bad way. But Pennsylvania, with about a \$300 million deficit this year, is relatively well off compared with states of similar size.

California's \$12 billion in the red this year. New York, more than six billion in the hole.

Massachusetts, still about a billion short despite major tax increases in the past three years.

New Jersey's finances remain unstable after tax hikes that have led to almost a citizen revolt in that state.

Even little Maine is running a \$170 million deficit and they have nowhere near the population and the service requirements that Pennsylvania has.

Are we having these problems because Pennsylvania is badly managed?

Many people are surprised to know that Pennsylvania ranks dead last -- 50th -- in the number of state employees in relation to its population.....

Repeat
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There are fewer state employees in Pennsylvania now than there were ten or fifteen years ago.

That's probably one of the reasons why our Commonwealth ranks 39th among all 50 states in the amount its citizens pay in state and local taxes.

And good management is one of the reasons why our state's personal and corporate income taxes have been cut in five out of the last seven years.....

Indeed, at 2.1 percent, the state's personal income tax is still lower than it was in 1984 when it was 2.45 percent and lower than when it was first enacted in the early 1970s despite all the inflation we've had since then.

As a matter of fact - INSERT #1

Maybe you saw the story in the papers the other day...not the one about Pennsylvania's flat income tax being a burden to the poor, although that is a serious problem.

I mean the story about Pennsylvania's being among the top seven states in economic performance last year and the year before that.

The ratings were based on the Commonwealth's business vitality, its human, technological and financial resources and its state government policies.

The bottom line is that Pennsylvania is weathering the national recession better than most states because of its economic policies and programs...policies and programs that were only developed over the last ten years or so.

It wasn't so long ago that, as the saying goes, when the nation's economy had a cold Pennsylvania got pneumonia.

Sure, things are tough in Pennsylvania because of the national recession.

But not nearly as tough as many other states and not nearly as tough as they would have been had Pennsylvania not been as well managed as it's been in recent years under both the current and previous governors.

That's why what the Gov's proposed Budget overall is wrong message - #2 - #3 just a proposal

You probably read, too, about the Philadelphia situation. And just this past week in the House we passed legislation...not to provide a handout to Philadelphia as it's been interpreted...but to force Philadelphia to put its House in order.

App Comm - strategy - develop what level of services then what & how we pay for them

So called bail out

Not one cent or one dime of state tax money will go to the city government of Philadelphia from this bill.

Instead, the legislation permits the city to enact its own one percent sales tax and impose that tax on its own people.

The revenues raised from that self-imposed tax will be used to help the city pay off its debt and balance its budget.

In fact, its budget will have to be balanced each year, because the bill also creates a five-member board to ensure the city's revenues and spending are in balance or they lose state aid.

In Philadelphia, at the state level and here in Westmoreland County, government resources are becoming increasingly strained. And, of course, in Washington we've got ...what?...a 700 trillion dollar deficit. They might have even lost count.

It's not like the days when revenue sharing funds were flowing...out...of Washington and the state and local government coffers were overflowing.

The new era of budgetary discipline we're in now may well be a good thing. At least it will force some choices about what can and cannot be funded and what our real priorities are.

And a good thing, too, if it makes our citizens take a new and more appreciative look at what can be accomplished by volunteer service. And at what is being accomplished by the services of organizations like yours.

My personal belief is we should get away from the least and ~~best~~ ^{perhaps} ~~budget~~ ^{strategic} approach - long-term goal oriented approach with dedicated taxes -

We need those services. We've always needed those services. And it looks like we'll be needing them even more than ever in the immediate years ahead.

Thank you.