

# TOWNSHIPS TODAY

A QUARTERLY NEWSLETTER BROUGHT TO YOU BY YOUR TOWNSHIP

## **Court Ruling Could Lead to Higher Taxes, Unsafe Roads Here and Elsewhere**

Residents urged to get involved in fight for increased transportation funding

Are you already fed up with the spike in gas prices? Well, take heed. A recent ruling by the Pennsylvania Supreme Court has the potential to lighten your wallet even more and may jeopardize the safety of the roads your family travels every day.

The decision in *Youngwood v. Pennsylvania Prevailing Wage Appeals Board* means that your township must now pay contracted workers higher wages — commonly referred to as "prevailing wages" — for routine road maintenance projects, a mandate that could add up to 30 percent to their wage costs and fuel local property tax increases statewide.

This decision is just one more blow for the commonwealth's municipalities, which maintain more miles of roads than the state Department of Transportation; however, lawmakers continue to ignore their growing need for increased transportation funding.

#### Who's the real loser?

In early 2007, for instance, Gov. Ed Rendell began pushing the General Assembly to scrape together the money to improve the state's aging roads and bridges and prop up mass transit. As a result, lawmakers passed Act 44 last summer,



Recent court rulings and the failure of state lawmakers to adequately support local roads and bridges could lead to higher taxes for you as township officials scramble to overcome serious budget gaps. The lack of funding also means that road repair and maintenance projects could be put on hold. which would turn Interstate 80 into a toll road and generate about \$900 million a year in new transportation dollars with only a small percentage earmarked for municipalities.

Controversial from the start, Act 44 faces an uncertain future.

Now, Rendell is touting the benefits of leasing the Pennsylvania Turnpike, a move he claims will raise an estimated \$1 billion a year for roads, bridges, and mass transit. At the same time, Senate Majority Leader Joe Scarnati has introduced legislation to repeal Act 44 and divert \$510 million a year from the state's Motor License Fund to pay for transportation projects.

But there's a troubling side to these proposals that you, as a township resident, must understand: These transportation initiatives would funnel very little money — and in some cases, *no money at all* — to your township, which is responsible for maintaining many of the roads and bridges that you use to get to work and your children take to school.

Instead, millions of dollars of vital funding would go to PennDOT, the Southeastern Pennsylvania Transportation Authority in Philadelphia, the Port Authority of Allegheny County in Pittsburgh, and other public transportation providers.

"The state is looking out for the state and mass transit," says Ken Grimes, president of the Pennsylvania State Association of Townships Supervisors, which represents 1,465 townships of the second class, "but what lawmakers are forgetting is that township roads connect Pennsylvanians to state highways and bridges.

"If those local roads deteriorate to the point where they can't handle the traffic or they pose safety risks to travelers, then what have we really accomplished — other than wasting precious tax dollars?"

And the sad truth is, this lack of support from the state, coupled with the court's prevailing wage mandate and escalating gasoline, diesel, and asphalt costs, is backing many township officials into a corner.

Some, unfortunately, may be forced to raise property taxes or cut services to cover the gaps in their transportation budgets. Others may simply have to put much-needed road repairs on the back burner, a situation that could turn good roads to bad very quickly.

Either way, there's one real loser in this equation: you.

#### The voice of voters is critical

That's why it's imperative that you get involved in the grassroots fight to change Pennsylvania's

Prevailing Wage Act and secure new state funding to improve your township's roads and bridges.

The voice of voters is critical, especially on the prevailing wage front, says Rep. Ronald Marsico (*R-Dauphin*), who has been pushing to amend the law for 20 years, with little luck. In fact, in recent months, he and other lawmakers have proposed numerous amendments that would bring financial relief to townships, but all have remained buried in committee.

Marsico isn't surprised. "We have a labor union-dominated legislature," he says. "Many of us have been fighting for a repeal or a local option, and we just don't have enough votes."

That would change, Marsico believes, if Pennsylvanians, like you, knew the price they are paying to support prevailing wages.

"This is costing the commonwealth hundreds of millions of tax dollars a year that could be saved by repealing the prevailing wage and making it the market wage," he says. "I think it's about time the taxpayers realize the prevailing wage rates are costing them higher taxes across the board.

"You have to change the legislators' minds," Marsico adds, "and what it takes to do that is the citizens getting more vocal and getting active."

### Support your township

So what can you do?

First, call the township office or attend one of the supervisors' monthly meetings. Ask them about the Supreme Court's *Youngwood* decision and its impact on your community. Very likely, you will hear that local officials have had to make some tough choices.

Document their stories, tell your neighbors, and encourage them to become advocates for your township. This includes calling the state senators and representatives who serve your district and demanding they first address the prevailing wage mandate and then provide additional funding for local roads. (You can get lawmakers' names and phone numbers from your township.)

The bottom line is that townships statewide are facing a lot of rising costs, from fuel to steel and concrete, PSATS President Ken Grimes says. "There's nothing the state can do about those," he says, "but it can do something about the prevailing wage law."

That won't happen, he adds, unless municipalities, residents, and other groups form a united front. "If we do nothing, we'll get nothing," Grimes says. "We all have to heed a call to action."

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