

December 10, 2008

The Honorable Edward Rendell
Governor
225 Main Capitol
Harrisburg, PA 17120

Dear Governor Rendell:

We are writing on behalf of a coalition of organizations to express our serious concerns regarding your proposed reallocation of funds derived from the recent Marcellus Shale gas leases on State Forest lands – a part of your recently announced plan to address the General Fund shortfall. We also write to offer suggestions for use of gas lease revenues, consistent with the traditional purposes of the Oil and Gas Lease Fund and the need for economic stimulus.

We appreciate the very tough budgetary situation facing the Commonwealth, and understand that all the state agencies need to share the budgetary reductions. We also agree with the ideas that you have expressed regarding the need to invest in projects to get the economy moving. We suggest that the best use of the oil and gas fund revenues, consistent with five decades of precedent, would be to invest in green infrastructure projects in Pennsylvania's parks, forests and waterways. These projects could build on the successful work done by the 1930's Civilian Conservation Corps and more recently, the Pennsylvania Conservation Corps.

Our economy would benefit from the construction work and the associated jobs that would be created. The Commonwealth's tourism, sporting and recreational businesses would also benefit preserving many retail and service sector jobs. With the economy in a downturn, Pennsylvanians, who may have otherwise been planning to travel out-of-state, will more likely be staying closer to home visiting our parks, forests, and many related businesses.

This important work would also supplement the investments that you've already made through the Growing Greener II bond program.

DCNR could use this one time infusion of dollars for the following currently unfunded projects:

- Gas compliance audits and monitoring of impacts from gas development;
- Repairing or replacing old dams at state parks and forests;
- Improvements to infrastructure and trails at 22 state parks and 18 forest districts;
- Land acquisitions to improve the integrity of existing parks and forests;
- Habitat restoration;
- Acid mine drainage cleanup;
- Recreation equipment for the Get Outdoors PA program;
- Invasive species remediation;
- Obtaining sub-surface mineral rights for areas of the state forest where the department currently does not have them;
- Heavy equipment, radios, vehicles and computers that support the state parks and forest bureaus;
- Studies of plants and wildlife.

For more than a century, Pennsylvania's governors, senators and representatives have invested in Pennsylvania's future by building and maintaining a magnificent state park and forest system. When the General Assembly created the Oil and Gas Lease Fund in 1955, they committed a funding stream to reinvest in the magnificent system of public conservation lands they inherited from their predecessors. They showed respect for the generations yet to come who deserved to inherit more than just empty gas and oil wells and degraded public lands. In 1955, Pennsylvania's elected leaders recognized that when government allows oil or gas to be extracted from the state forests owned by the people of the Commonwealth, the government should reinvest the resulting revenues in our future – not in daily operations. They recognized that the revenues should be invested in green infrastructure to mitigate the environmental damage done from extracting drilling. They adopted a farsighted policy of taking the money from the sale of *nonrenewable* oil and gas resources owned by the state and reinvesting this money into public conservation assets that would last for generations.

Through seven recessions and more than half a century, the Oil and Gas Lease Fund has been used to reinvest in Pennsylvania's green infrastructure. It would be a great loss for the Fund to now be diverted to pay for day-to-day operations.

We strongly believe that the gas leasing revenues from our publicly-owned conservation areas should be dedicated to conservation purposes consistent with the intentions of the Oil and Gas Act and the needs brought about by the present recession to make capital investments in Pennsylvania's future.

Thank you for considering our suggestions. We look forward to working with you and members of the General Assembly to find the best solutions to the current financial crisis and to help get Pennsylvania's economy back on track by investing in our green infrastructure and putting people to work.

Sincerely,

Signed by the following organizations:

10,000 Friends of Pennsylvania
Audubon Pennsylvania
Citizens for Pennsylvania's Future (PennFuture)
Foundation for Pennsylvania Watersheds
Lancaster Farmland Trust
Natural Lands Trust
PennEnvironment
Pennsylvania Environmental Council
Pennsylvania Land Trust Association
Pennsylvania Recreation and Park Society
Preservation Pennsylvania
Sierra Club, Pennsylvania Chapter
The Nature Conservancy
Western Pennsylvania Conservancy