

# MUNICIPAL FEE FOR STATE POLICE COVERAGE OF LOCAL MUNICIPALITIES

Rep. Mike  
Sturla  
Lancaster County  
96th Legislative District

## House Bill 959

## 2019-20 Legislative Session

### ABOUT THE BILL

House Bill 959 would require municipalities to pay a fee if the Pennsylvania State Police (PSP) provides their local municipal police patrol services.

Over 28 percent of Pennsylvania's population receives either a portion or all of their local police patrol coverage from the PSP for free while the rest of the state pays for both their own local police force and PSP services. **In essence, 9.4 million are subsidizing free police protection for 3.3 million.** In 2016, PSP received \$802 million from the Motor License Fund, but that fund is now being capped to ensure that the money goes to its originally intended purpose of road and bridge maintenance.

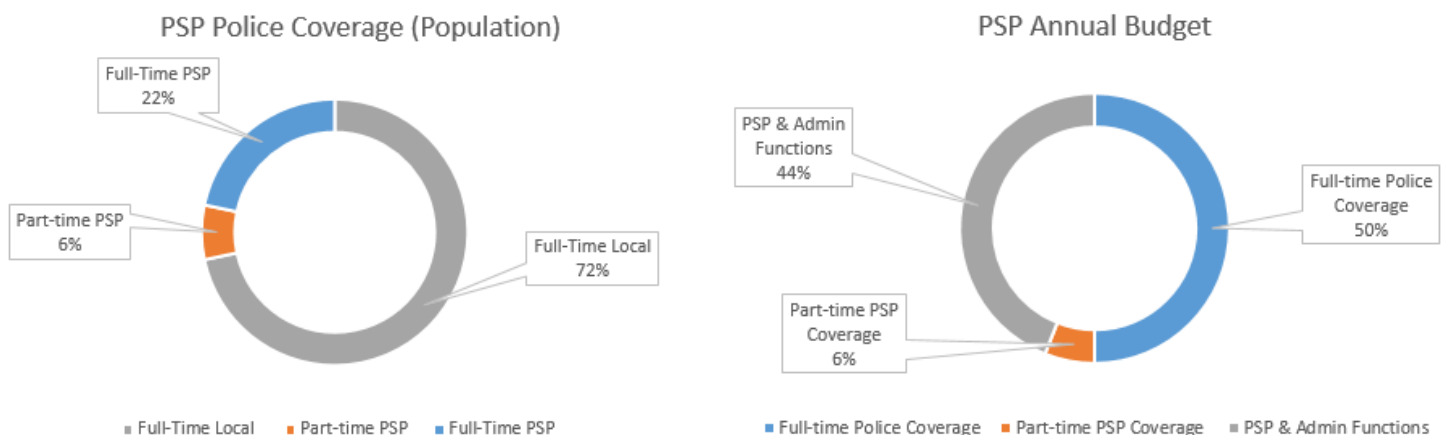
Without this action, the General Fund could become a target source for replacing the funding lost as a result of the cap.

The PSP and Legislative Budget and Finance Committee estimate the per capita cost of providing policing services is \$234. The fee proposed in this bill would offer these municipalities a bargain while protecting the General Fund and providing a dedicated funding source for the PSP to continue its local patrol services to municipalities.

In 2027, the Motor License Fund cap reduction ends and will remain at \$500 million. Thus, there will be no further increase in fees for PSP patrol services under House Bill 959. **The fee would generate over \$2 billion over an 11-year period by 2029 for PSP operations.**

*"All proceeds from gasoline and other motor fuel excise taxes, motor vehicle registration fees and license taxes, operators' license fees and other excise taxes imposed on products used in motor transportation ...shall be appropriated by the General Assembly to agencies of the State or political subdivisions thereof; and **used solely for construction, reconstruction, maintenance and repair of and safety on public highways and bridges and costs and expenses incident thereto, and for the payment of obligations incurred for such purposes, and shall not be diverted by transfer or otherwise to any other purpose ...**"*

- *Pa Const. art. VIII, §11 cl.(a) Gasoline Taxes and Motor License Fees Restricted*



**While the PSP provides some form of coverage to approximately 28% of the population (left), their budget breakdown shows that the cost to patrol these areas accounts for 56% of their annual budget (right).**

## ABOUT THE FEE

House Bill 959 would phase in a municipal fee to make for a more seamless transition for municipalities. The fee would be assessed to the municipality on a per capita basis assessed according to the most recent decennial census population, not including the institutionalized population. The formula used to implement the fee would charge municipalities annually to replace revenue PSP loses as a result of the cap on the Motor License Fund. **Municipalities receiving full-time PSP coverage would be charged a rate three times more than those receiving part-time PSP coverage.**

By 2029, the bill would generate over \$2 billion. This provision could protect the General Fund and result in **\$10 million more for maintenance of roads and bridges in each of the 203 legislative districts.**

If there are changes to a municipality's patrol status, the fee would reflect those changes. For example, if a municipality decides to implement part-time or full-time local service they would pay a reduced rate for the portion of the year the change occurred.

Calendar Year	Part-Time PSP Fee	Full-Time PSP Fee	Total Fees Charged
2019	\$3.90	\$11.69	\$32,070,000
2020	\$7.79	\$23.38	\$64,140,000
2021	\$11.69	\$35.07	\$96,210,000
2022	\$15.59	\$46.76	\$128,280,000
2023	\$19.48	\$58.45	\$160,350,000
2024	\$23.38	\$70.14	\$192,420,000
2025	\$27.28	\$81.83	\$224,490,000
2026	\$31.18	\$93.55	\$256,650,000
2027	\$35.07	\$105.21	\$288,630,000
2028	\$36.66	\$109.99	\$301,743,000
2029	\$36.66	\$109.99	\$301,743,000

Payment for services would be paid on a quarterly basis with the first payment coming due on July 1, 2020. **If a municipality fails to pay for services, they would become ineligible for Liquid Fuel Tax funding in the amount owed for PSP services.**

**A municipality with local part-time patrol services is exempt from the fee if the municipality:**

- has a population of 1,000 or less and provides or contracts patrol services for at least 40 hours per week;
- has a population of more than 1,000 but less than 3,500 and provides or contracts for at least 80 hours per week; or
- provides or contracts for patrol services of an additional 40 hours per week over 80 hours per week for each 2,500 in population the municipality has a population of equal to or greater than 3,500.
- Is a distressed municipality that does not eliminate part-time local coverage after enactment.

If a municipality would eliminate their own policing services after the effective date of this legislation, they would then enter into an agreement with the state police for part-time or full-time patrol services. The PSP Commissioner would then establish fee schedules and agreement terms and renewals and may consider factors such as crime rates, population and distressed status.

**\$302 Million from the Motor License Fund translates to:**

 **1300+** **OR**  **DESIGN, REPLACEMENT AND MAINTENANCE OF BRIDGES** **165**

LANE MILES OF ROADWAY

SOURCE: Legislative Budget & Finance Committee Report- PA State Police Cost to Provide Safety on Public Highways

REP. MIKE STURLA

HOUSE DEMOCRATIC POLICY COMMITTEE CHAIRMAN • 96TH LEGISLATIVE DISTRICT • LANCASTER COUNTY

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**MOST POPULATION WITHOUT LOCAL POLICE DEPARTMENT**

<b>Rank</b>	<b>County</b>	<b>Municipality</b>	<b>Median Income</b>	<b>Millage Rate</b>	<b>Population</b>	<b>Coverage</b>	<b>2011-15 Shale Fees</b>
1	Westmoreland	Hempfield Township	\$58,037	3.000	43,241	F	\$682,557.11
2	Lehigh	Lower Macungie Township	\$82,584	0.500	30,633	F	
3	Westmoreland	Unity Township	\$56,100	3.200	22,607	F	\$286,962.13
4	Erie	Harborcreek Township	\$62,988	0.966	17,234	F	
5	Delaware	Concord Township	\$83,038	0.944	17,231	F	
6	Monroe	Chestnuthill Township	\$61,203	6.450	17,156	F	
7	Franklin	Greene Township	\$54,231	0.000	16,700	F	
8	Monroe	Middle Smithfield Township	\$57,618	9.500	15,997	F	
9	Indiana	White Township	\$46,021	0.000	15,821	F	\$131,282.36
10	Delaware	Middletown Township	\$85,593	1.600	15,807	F	
11	Lehigh	North Whitehall Township	\$76,732	0.500	15,703	F	
12	Franklin	Antrim Township	\$68,365	0.000	14,893	F	
13	Cumberland	South Middleton Township	\$68,917	0.250	14,663	F	
14	Franklin	Guilford Township	\$56,435	0.000	14,531	F	
15	Westmoreland	Derry Township	\$43,250	3.000	14,502	F	\$1,903,488.04
16	Montgomery	Skippack Township	\$107,321	0.350	13,715	F	
17	Fayette	North Union Township	\$38,107	0.647	12,728	F	\$635,848.77
18	Chester	West Bradford Township	\$104,393	0.000	12,223	F	
19	Somerset	Somerset Township	\$44,264	1.610	12,122	F	\$53,789.75
20	Pike	Dingman Township	\$76,620	7.250	11,926	F	
21	Lancaster	Salisbury Township	\$62,672	0.180	11,062	F	
22	Lycoming	Loyalsock Township	\$47,160	0.700	11,026	F	\$1,318,925.68
23	Westmoreland	Mount Pleasant Township	\$64,583	2.420	10,911	F	\$157,223.88
24	Franklin	Hamilton Township	\$57,004	0.400	10,788	F	
25	Fayette	South Union Township	\$50,410	0.600	10,681	F	\$283,857.98
26	Pike	Lehman Township	\$60,293	7.333	10,663	F	
27	Erie	Fairview Township	\$72,537	0.750	10,102	F	
28	Bucks	Milford Township	\$84,908	2.000	9,902	F	
29	Montgomery	Worcester Township	\$119,071	0.050	9,750	F	
30	Carbon	Penn Forest Township	\$57,334	0.500	9,581	F	

**TOTAL**

**453,899**

# HIGHEST MEDIAN INCOME WITHOUT LOCAL POLICE DEPARTMENT

Rank	County	Municipality	Median Income	Millage Rate	Population	Coverage
1	Delaware	Rose Valley Borough	\$150,250	2.370	913	F
2	Chester	Charlestown Township	\$144,327	0.750	5,671	F
3	Chester	Pocopson Township	\$140,469	2.200	4,582	F
4	Chester	Pennsbury Township	\$124,896	1.490	3,604	F
5	Chester	London Britain Township	\$122,750	4.655	3,139	F
6	Chester	Franklin Township	\$121,760	2.495	4,352	F
7	Delaware	Thornbury Township	\$120,509	0.000	8,028	F
8	Chester	New London Township	\$119,761	1.000	5,631	F
9	Montgomery	Worcester Township	\$119,071	0.050	9,750	F
10	Delaware	Chadds Ford Township	\$115,500	0.882	3,640	F
11	Centre	Halfmoon Township	\$115,048	4.980	2,667	F
12	Delaware	Edgmont Township	\$114,355	0.828	3,987	F
13	Chester	Wallace Township	\$110,469	0.000	3,458	F
14	Montgomery	Skippack Township	\$107,321	0.350	13,715	F
15	Montgomery	Perkiomen Township	\$105,789	0.620	9,139	F
16	Chester	East Nantmeal Township	\$104,773	0.500	1,803	F
17	Chester	West Bradford Township	\$104,393	0.000	12,223	F
18	Chester	Newlin Township	\$104,205	1.100	1,285	F
19	Luzerne	Bear Creek Village Borough	\$102,857	0.549	257	F
20	Chester	London Grove Township	\$91,065	1.250	7,475	F
21	Bucks	Durham Township	\$90,833	6.000	1,144	F
22	Montgomery	Upper Salford Township	\$90,417	1.500	3,299	F
23	Northampton	Williams Township	\$90,035	2.250	5,884	F
24	Dauphin	Conewago Township	\$88,958	0.000	2,997	F
25	Chester	South Coventry Township	\$88,333	0.500	2,604	F
26	York	Hopewell Township	\$86,758	0.210	5,435	F
27	Chester	Elk Township	\$86,042	0.257	1,681	F
28	Bucks	Haycock Township	\$85,774	6.000	2,225	F
29	Delaware	Middletown Township	\$85,593	1.600	15,807	F
30	Montgomery	Upper Hanover Township	\$85,541	1.450	6,464	F

**SMALLEST POPULATION WITH LOCAL POLICE DEPARTMENT**

<b>Rank</b>	<b>County</b>	<b>Municipality</b>	<b>Median Income</b>	<b>Millage Rate</b>	<b>Population</b>	<b>Coverage</b>
1	Allegheny	Trafford Borough	\$25,714	28.500	61	L
2	Blair	Tunnelhill Borough	\$42,361	30.000	118	L
3	Washington	Coal Center Borough	\$31,458	29.000	139	L
4	Lebanon	Mount Gretna Borough	\$114,250	2.235	196	L
5	Northampton	Chapman Borough	\$73,929	4.000	199	L
6	Beaver	Eastvale Borough	\$35,000	24.000	225	L
7	Washington	Twilight Borough	\$47,917	16.000	233	L
8	Beaver	Darlington Borough	\$37,614	7.400	254	L
9	Beaver	Fallston Borough	\$48,250	18.000	266	L
10	York	Railroad Borough	\$56,071	0.690	278	L
11	Luzerne	Penn Lake Park Borough	\$49,583	0.600	308	L
12	Armstrong	Applewold Borough	\$42,500	3.489	310	L
13	Cambria	Daisytown Borough	\$48,393	7.000	326	L
14	Allegheny	South Versailles Township	\$53,750	2.900	351	L
15	York	Lewisberry Borough	\$51,667	1.600	362	L
16	Allegheny	Ben Avon Heights Borough	\$148,750	7.950	371	L
17	Beaver	New Galilee Borough	\$37,321	19.500	379	L
18	Allegheny	McDonald Borough	\$24,506	40.750	383	L
19	Allegheny	Rosslyn Farms Borough	\$121,786	8.000	427	L
20	Washington	Long Branch Borough	\$45,469	11.000	447	L
21	Allegheny	Thornburg Borough	\$112,500	5.600	455	L
22	Washington	Finleyville Borough	\$30,667	25.000	461	L
23	York	Felton Borough	\$52,188	3.000	506	L
24	Adams	Fairfield Borough	\$50,714	1.407	507	L
25	Allegheny	West Elizabeth Borough	\$37,917	3.930	518	L
26	Fayette	Newell Borough	\$49,083	3.000	541	L
27	Columbia	Roaring Creek Township	\$49,500	3.800	545	L
28	Allegheny	Glen Osborne Borough	\$113,125	4.600	547	L
29	Beaver	Potter Township	\$53,287	7.000	548	L
30	Butler	Valencia Borough	\$43,382	0.007	551	L

**TOTAL**

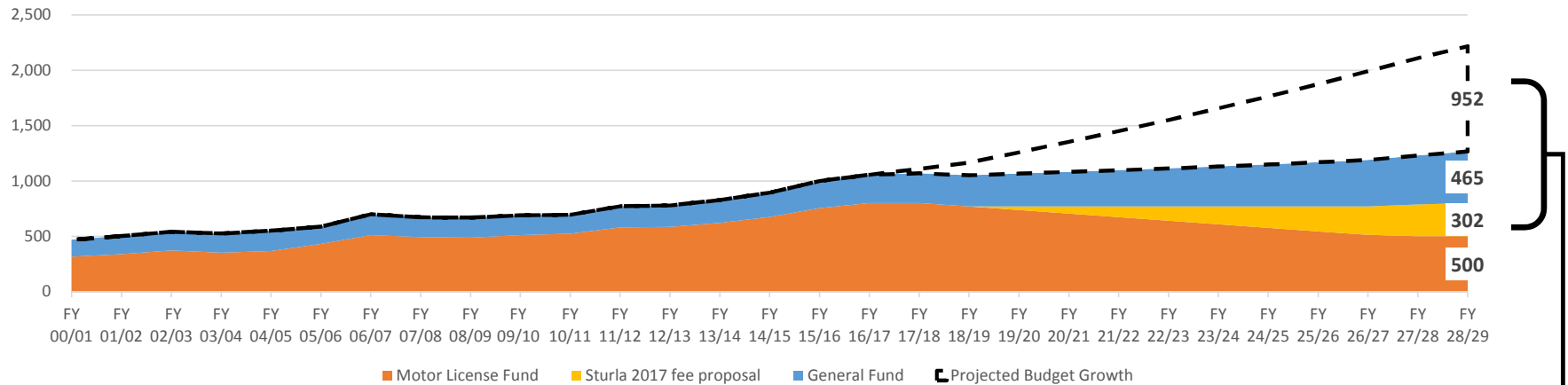
**10,812**

**LOWEST MEDIAN INCOME WITH LOCAL POLICE DEPARTMENT**

<b>Rank</b>	<b>County</b>	<b>Municipality</b>	<b>Median Income</b>	<b>Millage Rate</b>	<b>Population</b>	<b>Coverage</b>
1	Allegheny	Rankin Borough	\$20,000	9.692	2,122	L
2	Allegheny	Duquesne City	\$20,152	17.316	5,565	L
3	Allegheny	Wilmerding Borough	\$21,161	10.000	2,190	L
4	Allegheny	Braddock Borough	\$22,212	11.650	2,159	L
5	Allegheny	McDonald Borough	\$24,506	40.750	383	L
6	Clinton	Lock Haven City	\$24,591	9.010	9,772	L
7	Indiana	Indiana Borough	\$24,877	30.500	13,975	L
8	Beaver	Midland Borough	\$24,945	32.390	2,635	L
9	Allegheny	Mount Oliver Borough	\$25,536	13.500	3,403	L
10	Cambria	Johnstown City	\$25,542	52.480	20,978	L
11	Allegheny	Trafford Borough	\$25,714	28.500	61	L
12	Westmoreland	Arnold City	\$25,758	43.500	5,157	L
13	Allegheny	North Braddock Borough	\$25,773	11.000	4,857	L
14	Centre	State College Borough	\$26,007	16.400	42,034	L
15	Mercer	Wheatland Borough	\$26,136	24.250	632	L
16	Allegheny	East Pittsburgh Borough	\$26,336	13.450	1,822	L
17	Fayette	Belle Vernon Borough	\$26,583	6.000	1,093	L
18	Northumberland	Sunbury City	\$26,597	25.425	9,905	L
19	Berks	Reading City	\$26,777	17.689	88,082	L
20	Schuylkill	Mahanoy City Borough	\$26,893	35.524	4,162	L
21	Somerset	Paint Borough	\$27,104	10.000	1,023	L
22	Allegheny	McKees Rocks Borough	\$27,120	9.400	6,104	L
23	Delaware	Chester City	\$27,249	33.684	33,972	L
24	Beaver	Beaver Falls City	\$27,250	32.000	8,987	L
25	Allegheny	Clairton City	\$27,442	10.432	6,796	L
26	Washington	Charleroi Borough	\$27,444	43.050	4,120	L
27	Fayette	Uniontown City	\$27,962	12.234	10,372	L
28	Wayne	Honesdale Borough	\$28,135	5.850	4,480	L
29	Crawford	Titusville City	\$28,171	25.094	5,601	L
30	Columbia	Bloomsburg Town	\$28,204	14.321	14,855	L

# HOUSE DEMOCRATIC APPROPRIATIONS COMMITTEE

Projected funding shortfall to maintain current PSP budget growth rate  
\$ in Millions



Amounts below in thousands

Note: based on historical growth, projections reflect a 5.1% annual growth rate; no modifications or updates to reflect the governor's 2017/18 budget proposal

	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27	FY 27/28	FY 28/29
<b>General Fund</b>	256,938	310,637	399,130	490,484	584,845	682,366	783,207	887,537	995,531	1,107,377	1,223,269	1,324,456	1,718,737
<b>Motor License Fund</b>	801,739	801,739	769,669	737,600	705,530	673,461	641,391	609,322	577,252	545,183	513,113	500,000	500,000
<b>Total GF &amp; MLF</b>	1,058,677	1,112,376	1,168,799	1,228,084	1,290,376	1,355,827	1,424,599	1,496,858	1,572,783	1,652,559	1,736,382	1,824,456	2,218,737

	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27	FY 27/28	FY 28/29
<b>Proposed Municipality Fee (Sturla, HB959)</b>	0	32,070	64,139	96,209	128,278	160,348	192,417	224,487	256,556	288,626	301,739

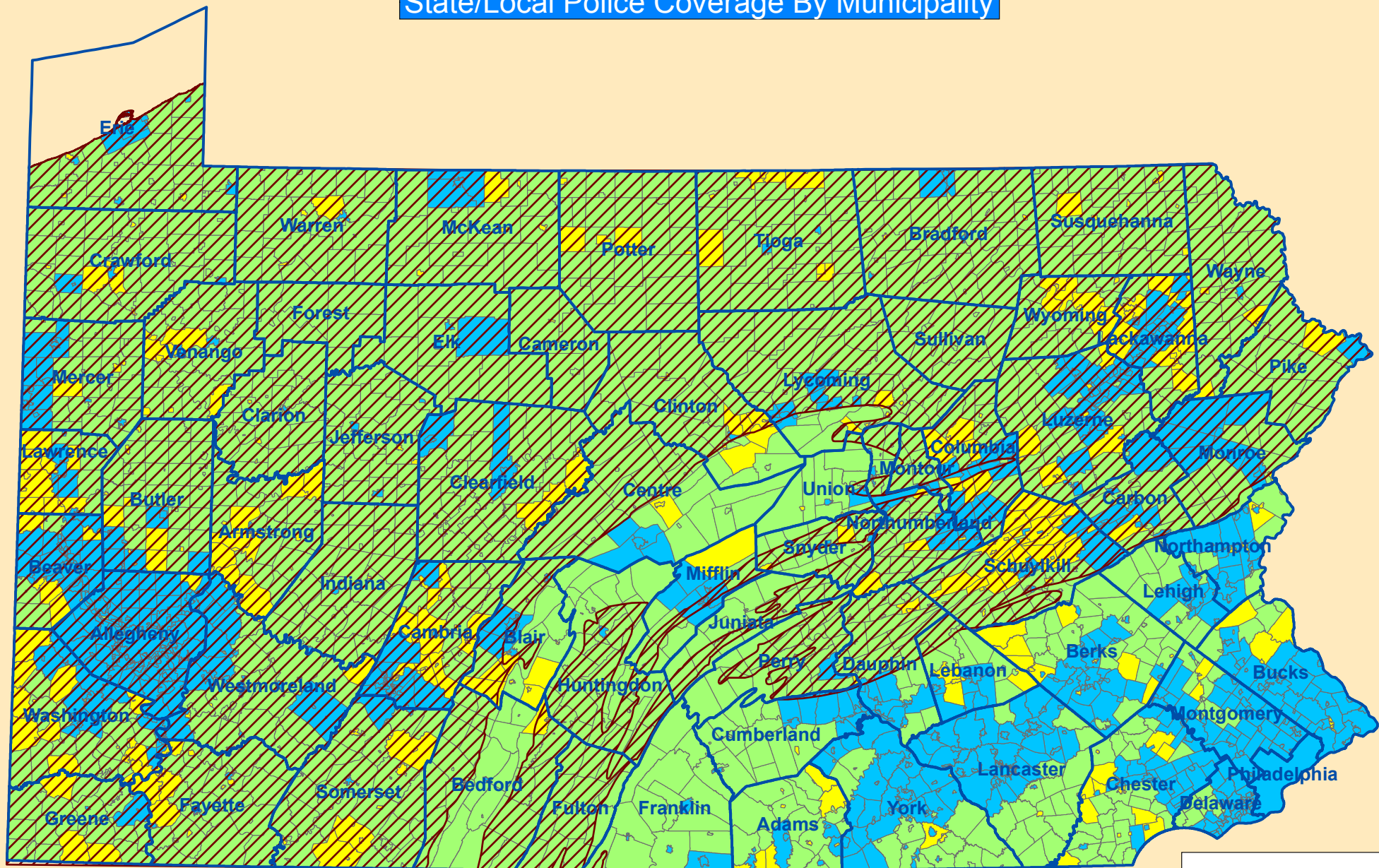
  

Annual Change [1]:	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27	FY 27/28	FY 28/29
General Fund \$		53,699	88,492	91,354	94,361	97,521	100,841	104,329	107,994	111,846	115,892	101,187	394,281
General Fund %		21%	28%	23%	19%	17%	15%	13%	12%	11%	10%	8%	30%
Motor License Fund \$		0	(32,070)	(32,070)	(32,070)	(32,070)	(32,070)	(32,070)	(32,070)	(32,070)	(32,070)	(13,113)	0
Motor License Fund %		0%	-4%	-4%	-4%	-5%	-5%	-5%	-5%	-6%	-6%	-3%	0%

[1] Annual change assumes 5.1% annual growth rate to combined General Fund and Motor License Fund appropriations to State Police. General Fund is calculated as the total less the maximum allowable appropriation from the Motor License Fund. The maximum allowable appropriation from the MLF is defined in the Fiscal Code of 2016 (Act 85), which imposes a cap on MLF appropriations at 2016/17 appropriated levels beginning in 2017/18 and decreasing by 4% annually until 2027/28. In the final year the cap is set at the greater of 60% of the 2016/17 appropriation, or \$500 million. The appropriation in 2016/17 was 801.7 million, therefore the cap in 2027/28 will be \$500 million.



# State/Local Police Coverage By Municipality



County Boundary

Marcellus Shale

## Police Coverage

### By Municipality

Full Time State Police

Local Police

Partial State Police