

Corbett will listen to gas drilling impact fee ideas

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HARRISBURG (AP) — Gov. Tom Corbett said Wednesday that he's not opposed to proposals that would allow communities or counties to impose fees to deal with the impact from Pennsylvania's booming natural gas industry, despite his continuing opposition to a new tax on the industry to support the state government.

But the Republican governor also called discussion of the topic speculative, since there's no such proposal making progress in the Legislature or in front of him, and he wants to see what his just-appointed Marcellus Shale Advisory Commission comes up with first.

Corbett said he would listen to such proposals, and acknowledged that the state needs to finance road repairs and other work necessary to counter the effect of the rush to drill into the lucrative Marcellus Shale formation.

"First off, I would have to see what they would propose and where the money would go," Corbett said in response to questions from reporters at a public appearance. "Money just to the (state government's) general fund? No. Money to the locals? Money to the county? I'd sit down and listen to them."

Corbett also took pains Wednesday to draw a bright line between a local impact fee and a tax.

"I don't want you to confuse impact fee with money coming to the general fund that would then be distributed across the board," Corbett said, and added, "the local communities do have to be taken care of, I certainly understand that."

Corbett ran for governor on a pledge not to raise taxes or fees, including any levy on the multinational companies and others pouring billions of dollars into Pennsylvania to extract gas trapped in the shale deep underground.

Pennsylvania is the largest gas-drilling state without such a tax, but Corbett has justified his opposition by saying that he wants the state's economy to get the full benefit of the industry's investment, rather than scare it away by imposing a tax on it.

The drilling frenzy in the Marcellus Shale is credited with enriching landowners and pumping new life into trucking companies, short-line railroads, quarries, steel-pipe makers and other businesses. However, the heavy use of water, toxic chemicals and sand to drill the wells is raising pollution concerns.

Among the proponents of a so-called impact fee is Senate President Pro Tempore Joe Scarnati, R-Jefferson. Proponents of a tax on the drilling say it could help offset deep cuts in education spending being proposed by Corbett, as well as addressing the environmental damage from drilling.

Since 2008, the companies have drilled more than 2,000 wells, transforming swaths of Pennsylvania that had never before seen a drilling rig. Countless acres of land have been cleared and millions of gallons of toxic wastewater have emerged from the wells. Pipeline-laying and heavy truck traffic is also leaving an imprint on many areas.

Corbett did not elaborate on the scope of what he believes the impact to communities to be, other than saying that the impact needs to be addressed and that many companies are already doing it.

"Many companies are out there rebuilding the roads and they're doing it, from what I'm hearing anecdotally, better than the local communities or PennDOT would rebuild the road," Corbett said. "That would be one consideration of how that's done through the private sector."

Corbett, who received nearly \$1 million in donations for his gubernatorial campaign from the industry, is seen as a lot friendlier toward the industry than his predecessor, Democrat Ed Rendell, who has clashed with natural gas companies over both taxes and tougher new clean-water regulations.

For two years, Rendell tried and failed to persuade the Republican-controlled Senate to approve a tax on the industry. In addition, Corbett has also said he will lift Rendell's executive order preventing the issuing of any more drilling leases in state forests.