



## **\$252 million in Impact Fees Disbursed Statewide**

**POTTER COUNTY, Pa.** – On June 27, the Pennsylvania Utility Commission (PUC) announced nearly \$252 million in natural gas impact fee disbursements for 2018, the largest annual amount generated by the tax since its inception. Locally, Potter County government received \$421,948, while individual municipalities within the county received \$705,685 in total. Topping the list of municipal disbursements in Potter County are Sweden Township at more than \$92,000 and Ulysses Township at more than \$82,000.

According to the PUC, JKLM Energy, LLC paid \$1,844,000 in Impact Fees in 2018, exceeding collections from 2017 by \$192,100. JKLM Energy's total Impact Fee payments total more than \$4.5 million since drilling began in 2015.

The Impact Fee is a tax paid by Pennsylvania's natural gas producers on each well drilled. It is Pennsylvania's equivalent to a severance tax. The tax directly supports communities in every county across the Commonwealth, as well as key statewide environmental and conservation programs. However, funds are distributed in a way that ensures the counties and municipalities with drilling activity receive the vast majority of Impact Fee proceeds.

Local governments are authorized to allocate funds to support a variety of needs in the community, including emergency preparedness and public safety, public infrastructure construction, environmental programs, water preservation and reclamation projects, storm water and sewer systems, housing projects, social services, judicial services, career and technical centers, planning initiatives, records management, reducing taxes, or for deposit into a capital reserve fund.

"Eulalia Township has benefited tremendously from the \$180,000 we've received from the impact fee. Most of the funds have been used for the township building. We've been able to redo our well, replace overhead doors, and put up a cinder bay," said township secretary treasurer Nancy Grupp. "The township plans to continue use of Act 13 impact fee funds to update the township facility and make necessary improvements needed for more accessible space for equipment and other public areas," she added.

In Sweden Township, the impact fee funds go towards police department expenses and its annual fire contract with the Coudersport Volunteer Fire Department.

Since its inception in 2012, the impact fee tax has generated nearly \$1.7 billion for Pennsylvanians and will continue to provide an important source of revenue for counties and municipalities in our Commonwealth. A complete list of collections and disbursements can be found on the PUC's Act 13 website.