State Police Coverage of Municipalities

As the 2018/19 budget season begins, Pennsylvania State Police funding, the commonwealth's use of the Motor License Fund, and state police coverage of municipalities continue to be hot topics. Rising state police costs that outpace revenue growth, and budgetary pressures created by the 2016 Fiscal Code cap on Motor License Fund appropriations to state police, add urgency to the matter.

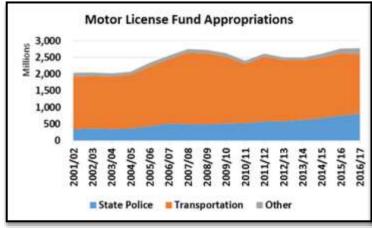
The Wolf administration and legislators have looked at state police coverage of municipalities as an equity issue and as an opportunity to generate much needed revenue to pay for the estimated \$665 million worth of state police patrol services they receive. Currently, PSP provides full- or part-time coverage to two thirds of municipalities, spread across the vast majority of the commonwealth's land mass. But, most Pennsylvanians live in smaller areas not covered by state police, creating an urban-rural divide on the issue of local and state police coverage.

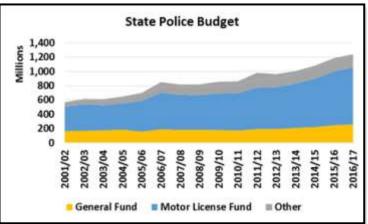
Municipality fees, contracts between municipalities and PSP, and new revenue sources are among the proposals to resolve this decades old question.

The Funding Challenge

Legislators and administrations on both sides of the aisle agree that public safety, in general, and the state police, in particular, are important functions of government and must be funded. Yet, the question of how to do so comes up each budget cycle. Looking back at the past 15 years, the state police budget has grown from \$570 million to \$1.2 billion, an annual growth rate of 5.33 percent per year. This is a faster rate than either the General Fund or the Motor License Fund, which provide the bulk of PSP's funding.

So where has the money come from? Typically, the answer has been to increase the appropriation for state police from the Motor License Fund. In 2001/02, state police received \$340 million from the MLF, which was 17 percent of total appropriations from that fund and paid for 60 percent of the PSP budget. By 2016/17, the appropriation to PSP from MLF was \$802 million, or 29 percent of all appropriations from the MLF, and that amount paid for 65 percent of the state police budget.





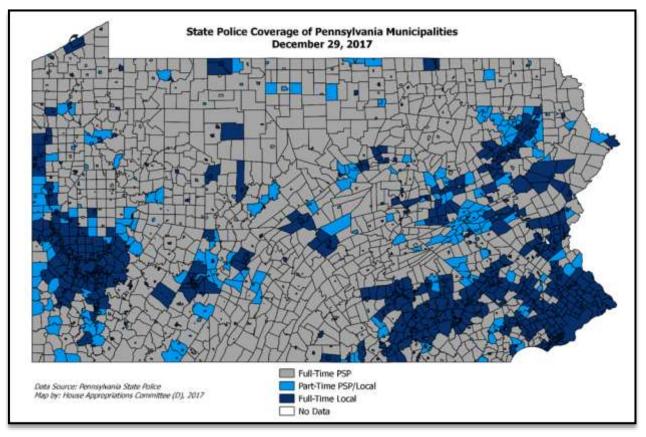
Lawmakers have long noted the unsustainable funding path for state police. In particular, use of the Motor License Fund has raised eyebrows given the constitutional restrictions on use of the fund for the construction, maintenance, and safety of public highways and bridges. Use of the fund for state police is argued to provide for highway safety, however a 2017 report by the Legislative Budget and Finance Committee said PSP could reasonably claim just \$533 million of its spending went for that purpose in 2015/16; \$222 million less than the amount it received from the Motor License Fund.

To address concerns about the increasing share of the Motor License Fund going to PSP, the 2016/17 budget package capped – and then reduced – appropriations from MLF to PSP by 40 percent over a 10-year period. This cap forced the question of how to pay for state police services. Of particular interest to lawmakers and the public is the \$665 million spent on local patrolling, the majority of which goes to municipalities that do not have a full-time police department.¹

State Police Coverage of Municipalities

The Pennsylvania State Police, established in 1905, provides law enforcement throughout the commonwealth. Half of PA municipalities do not have a local, regional, or contracted police force, which makes PSP the only law enforcement in those areas. An additional 16 percent of municipalities have only part time local coverage, and rely on PSP to fill in the gaps. Overall, PSP patrols 82 percent of Pennsylvania's land mass, but that only encompasses 26 percent of the state population.

	Full Time	Part Time	Full Time	
	State Police	State Police	Local	Total
Municipalities	1,298	415	858	2,571
(Percent)	50.49%	16.14%	33.37%	100%
Cities	0	1	57	58
Boroughs	288	240	438	966
Townships	1,010	174	363	1,547
Area (Sq. Miles)	32,603	4,138	8,092	44,833
(Percent)	72.72%	9.23%	18.05%	100%
Population	2,557,802	766,445	9,459,635	12,783,882
(Percent)	20.01%	6.00%	74.00%	100%



¹Total cost for troops A through R, which are all troops assigned to patrol municipalities. Note, this does not include the cost of specialized services such as SERT, crime labs, amber alerts, and others. Additionally, this figure includes all patrolling costs, even in municipalities with full- or part-time local police.

Changes in Coverage

While many municipalities recognize the benefits of a local police force (such as faster response times and enforcement of local ordinances), they often also struggle with the cost. Faced with the inability to pay for a police department, municipalities can contract for services from a neighboring municipality, join or create a regional police force, or turn to the state police for coverage. In 2017, PSP reported their coverage increased in nine municipalities, with three more added Jan. 1, 2018 (12 total). Among these, five communities that previously had full-time coverage from a local police department or regional contract will now rely on PSP for full-time coverage. Meanwhile, one community, Franklintown Borough, York County, added local coverage.

Changes in Coverage	Land Area					
Jan. 1, 2017 - Jan. 1, 2018	Municipalities	Population	Square Miles			
Was full-time local, now full-time PSP	5	14,197	37.9	;	⊿ [
Was full-time local, now part-time PSP	5	6,155	1.7	,	7	
Was part-time PSP, now full-time PSP	2	985	4.1		겨 [
Was full-time PSP, now full-time local	(1)	(490)	(0.2)		L	
Increases in PSP coverage	12	21,337	43.7			
Decreases in PSP coverage	(1)	(490)	(0.2)			
Net change in PSP coverage	11	20,847	43.5			·

Should Municipalities Pay?

Over the years there have been repeated efforts to require municipalities to pay for state police patrol services. Proponents of these efforts argue that residents of municipalities with a local police department pay twice for police services. First, their local tax dollars pay for a municipal police force, and then their state tax dollars pay for the state police, which other municipalities rely on in lieu of a local police force. In this way, municipalities that have a local police force subsidize areas that do not.

Advocates for municipalities that rely on state police coverage argue that the cost to establish a local department would be prohibitive or that having a local police force would not suit the needs of the area. Notably, PSP serves all areas of the state with specialized services (ranging from background checks to investigations), and responding to calls for service.

While it is true that the majority of state police calls for service come from communities that have no local police department or only a part-time department, a Center for Rural PA <u>analysis</u> showed that 26 percent of state police responses to calls for service occurred in localities that have a full-time local police force.

New Jersey Comparison

In the Mid-Atlantic and Northeastern regions, state police coverage of communities without a local police department is common. In contrast, counties are the primary provider of local law enforcement in other regions of the country. As state budgets tighten, walking back services that are already being provided at no cost is a tall order for any government.

Although geographically smaller, New Jersey faces many of the same challenges as Pennsylvania relating to state police coverage of municipalities. In the Garden State, there are two examples of policy changes similar to proposals being considered in Pennsylvania: one that failed and one that took effect. The New Jersey change that failed did so because it was overturned by its Council on Local Mandates, a body which Pennsylvania does not have. The Council on Local Mandates is an independent governmental body in New Jersey with the power to rule unconstitutional any law, rule, or regulation that imposes an unfunded local mandate.

In 2008, under then-Gov. Jon Corzine, New Jersey implemented a <u>per-capita fee on municipalities</u> receiving full- or part -time state police coverage. At the time, 96 percent of NJ residents lived in municipalities with a local police force, and subsidized the remaining 4 percent. (By comparison, 80 percent of Pennsylvania residents pay for local police coverage and subsidize the remaining 20 percent.) The New Jersey fee was projected to raise residential taxes in those areas by up to \$100 per capita, and provide enough state revenue to pay for 16 percent of the actual cost of services. However, the New Jersey Council on Local Mandates declared the plan an unfunded mandate and struck it down.

Two years later, a more limited measure became law in New Jersey to block municipalities from disbanding existing local departments in favor of state police coverage. This backstop, which has been upheld against challenges, will keep state police coverage in New Jersey from expanding beyond 2010 levels to additional municipalities or from adding hours of service to existing municipalities, but still allows the status quo of "free coverage" to continue.

Status of Current Proposals

In the current legislative session, four distinct types of legislative proposals are attempting to address the financial strain attributed to state police coverage of municipalities without a local police force. Where data is available, maps corresponding to these proposals are shown on page 5.

None of the bills described below have moved out of committee. The House bills are with the Transportation Committee (with the exception of HB113, which is a severance tax bill), and the Senate bills are awaiting action in that chamber's Law and Justice Committee. Although the bills have not moved, the House Transportation Committee and the Senate Appropriations Sub-Committee on Infrastructure, Environment and Government Operation held hearings in 2017, with more planned in the Senate in 2018.

I. Individual Contracts between Municipalities and State Police

<u>Senate Bill 258</u> (Sen. Kim Ward) and <u>House Bill 860</u> (Rep. Seth Grove) would amend the Administrative Code to establish a program of contracts between state troopers and the localities they serve. These bills would update and reauthorize a similar program that was established in 1991 and expired at the end of 1992.

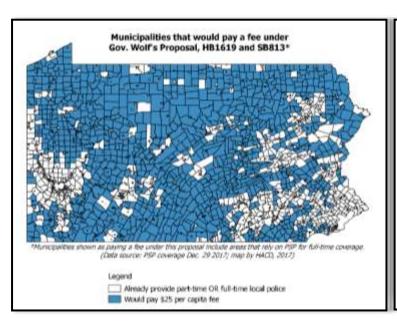
Act 12-1991 added Section 713 to the Administrative Code to create a resident state trooper program so the state police commissioner could assign troopers to specific municipalities that did not have a police force, if the municipality agreed to pay for the full cost of service. The law allowed adjacent municipalities to join together and enter into a contract with PSP as a group, allowing them to share the cost. It also required the municipality (or group of municipalities) to adopt a resolution or ordinance authorizing the agreement before it could take effect. At the time, it was estimated communities would pay at least \$50,000 per year for the services.

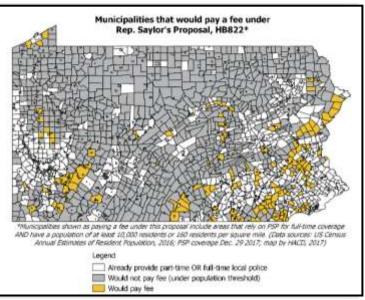
Rep. Grove and Sen. Ward's legislation would add a new section, 714, to the Administrative Code to establish a similar program. Sen. Ward's legislation would, like the 1991 law, make the program optional, whereas Rep. Grove's proposal would make the program mandatory for any municipality that has a local police force (or had one prior to 2013) and subsequently disbands it.

II. Fees for Municipalities Receiving State Police Coverage

<u>Senate Bill 813</u> (Sen. Jay Costa) and <u>House Bill 1619</u> (Rep. Nick Miccarelli), both introduced in June 2017, would implement the governor's 2017 budget proposal: a \$25 per capita fee. The legislation would apply only to those municipalities that rely on state police for full-time coverage (shown in blue on the map, pg. 5), and was projected to raise \$63.1 million in 2017/18 had it been enacted with that year's budget.

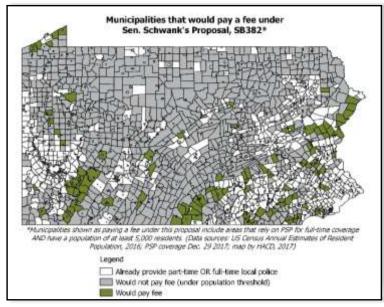
House Bill 822 (Rep. Stan Saylor) and House Bill 959 (Rep. Mike Sturla) would create fee schedules for areas currently receiving state police patrolling services at no cost. Rep. Saylor's bill would apply only to municipalities with at least 10,000 residents or 160 residents per square mile (shown in gold on the map on page 5), leaving large stretches of central and northern Pennsylvania unaffected. Rep. Sturla's proposal would set a threshold for the number of hours of local policing a municipality must provide based on their population, beginning with a minimum of 40 hours per week in areas with up to 1,000 residents. Hours per week increase incrementally as municipality population increases.





III. Reduced Share of Liquid Fuels Tax Municipal Allocation for Areas Receiving State Police Coverage

<u>Senate Bill 382</u> (Sen. Judy Schwank) would subtract the full cost of providing state police patrol services from a municipality's share of its liquid fuels tax allocation if the municipality relies on state police for full-time coverage AND has a population of at least 5,000 residents (shown in green on the map below).



IV. Additional revenue allocated to PSP

House Bill 113 (Rep. Kate Harper) would create a natural gas severance tax, the revenue from which would be evenly split between the Public School Employees' Retirement Fund (PSERS) and the Pennsylvania State Police. A discharge resolution to move this bill from the Environmental Resources and Energy Committee failed Oct. 4, 2017.

Other Relevant Legislation

Incentivizing municipalities to maintain a local police force

Under current law, half of vehicle code fines collected by state police in a municipality are returned to that municipality with the exception that municipalities with at least 3,000 residents must provide 40 hours per week of local

police coverage to get their half of the fines. The portion of fines that is not returned to those municipalities is set aside to help pay for state police cadet classes, which amounts to about \$1 million annually. House Bill 1058 (Rep. Mike Sturla) would increase that carve-out by making the requirement that a community provide at least 40 hours per week of local policing to receive a share of the vehicle code fines apply to ALL municipalities; not only those with at least 3,000 people.

Another proposal, <u>Senate Bill 457</u> (Sen. Jim Brewster), is geared toward making it easier for municipalities to maintain a local police force by establishing a special fund administered by the Municipal Police Officers' Education and Training Commission. The fund would provide grants of up to \$5,000 per part-time position or up to 85 percent of salary up to \$15 per hour to help municipalities hire and retain part-time police officers. The fund would be supported by a new \$10 surcharge on non-parking traffic violations.

Adding law enforcement back-up across the commonwealth

House Bill 466 (Rep. Jim Marshall) would give sheriffs and deputy sheriffs the same powers as municipal police officers: namely, the power to investigate crimes and make arrests. As discussed in a House State Government Committee hearing in May, sheriffs and deputy sheriffs would not take over the role of state police in patrolling municipalities that do not have a local police force, but the measure would allow them to be additional back-up for law enforcement.

Conclusion

In the 2018/19 budget, policymakers will again consider what, if anything, to do about state police coverage of municipalities. If the solution is a fee on municipalities, many options remain on what form that could take and who it would affect. On the other hand, the solution may be to reduce state police services or to find a new revenue source. One thing we know for sure, if nothing is done, state police will continue to do what they can with the resources they have – and eventually the budgetary strain may be felt by all Pennsylvanians in the form of slower response times and fewer services.

As many long-time lawmakers know, this is not a new issue. Two decades ago then-Gov. Tom Ridge proposed a fee on municipalities with at least 9,000 residents. That proposal, and general interest in the issue, spurred a <u>task force</u> on improving local policing. Twenty years later, the conversation continues.