

My name is Chris Petrone and I am the Legislative Director for the International Union of Operating Engineers Local 66. We represent nearly 8,000 women and men throughout Western Pennsylvania and Eastern Ohio that operate and maintain heavy equipment in the construction industry. So, when we talk about economic development and recovery we are talking about the lifeblood for our members.

Prior to the pandemic, our Local had substantial work and we were growing. From the Shell Cracker Plant to the Southern Beltway, there were major projects being built all over our region. Since the pandemic, work has slowed significantly. PennDOT lettings are down because revenue is shrinking as people telecommute more and travel less. Natural gas has seen a slow down as gas prices have fallen forcing production and investment to shrink in kind. Our region has amazing potential; but, we need to put forth a real effort to stoke the economic engines that have seemingly cooled over the past year.

To start, many may remember the 1989 movie "Field of Dreams." And yes it was that long ago...If you build it they will come. This not only holds true for the ghosts of baseball legends, it also relates to infrastructure. We need look no further than route 279 and the explosive growth of Cranberry Township to find a great example of how crucial infrastructure is to growth. As a region, we need to invest significant dollars to improve our infrastructure, connect struggling communities, reduce highway congestion, improve and expand (dramatically) public transit options, and create good paying, family sustaining jobs along the way. Representative DelRosso's district is one in which could see significant benefit from expanding areas of Route 28 to reduce highway congestion. It also has real opportunity for commuter rail to conveniently connect many struggling and affluent communities to each other and the City of Pittsburgh. This type of investment creates huge economic opportunities from reduced logistical cost for business, to an influx of residential living as the traditional office paradigm changes and creates new opportunities for suburban growth, and the direct job creation for the building trades and my members who will physically build this new infrastructure.

Finding ways to pay for this investment is a great challenge. We need the Federal Government to actually act on a real and comprehensive infrastructure bill that has been bandied about for too long. We also need to identify new funding sources to fund Pennsylvania's Motor License Fund. In 2013 we passed Act 89, which created billions of dollars in new revenue aimed at repairing our aging infrastructure. However, this relied on a regressive gas tax that creates a shrinking revenue stream as better vehicle fuel economy, hybrid, and electric vehicles squeeze more miles out of each gallon sold in the commonwealth. Ideas like user fees in the forms of tolls or shifting to a vehicle miles traveled (VMT) system need to be explored.

As we expand our infrastructure to regions in need, it will reveal access to warehouses, buildings, and manufacturing centers that have been abandoned from the offshoring and automation trends that left Pittsburgh gasping for air in the 1980's. We need to promote development of these sites and can do so in a number of ways. The first, supporting our energy sector and enhancing our energy grid through the resources our region has been naturally blessed with. As with infrastructure, jobs in coal and natural gas create good paying jobs for middle class Pennsylvanians like the members of my local. It also will reduce energy costs contributing the lower operating costs to new business that can find affordable locations in regions in need of new jobs. Additionally, the Legislature has several bills being offered to give development tax credits to companies locating in these types of abandoned sites. This type of investment can draw new businesses to our region, while actually creating new revenue for state coffers. People that argue against these types of tax credits often forget that new businesses contribute

tax dollars in a number of direct and indirect ways. If done right, these bills should require local contractors associated with Registered Pennsylvania Apprenticeship programs that have health care and retirement benefits. This will create income tax revenue from the highly skilled craftspeople building out the sites. In turn, those workers will spend their income in the region, supporting other local businesses and all the different tax streams associated. These developments will also require a consistent, on site workforce that will support the region in the same way as the construction of the site. The investment from the state will run full circle, likely returning more money to the state than invested, while revitalizing the regions that benefit from the tax credits.

Our region has seen a serious come back over the last decade and my members have experienced many of those benefits. However, opposition to the energy sector and a global pandemic have slowed that growth in a serious way; and, some regions have not felt the revival as significantly as other areas. We need to address these challenges in a wholistic manner that will lead to economic revitalization and development for our region.