



# Pennsylvania State Grange

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## **MEDIA STATEMENT ON LEASING FARM SHOW COMPLEX From PA State Grange President Wayne Campbell**

PA State Grange has deep concerns about Governor Wolf's decision October 9 to lease the PA Farm Show Complex to balance the State Budget for the current fiscal year. No one questions Pennsylvania's difficult State Budget situation, particularly since Penn State College of Agricultural Sciences and the University of Pennsylvania School of Veterinary Medicine funding are still in legislative limbo. However, the PA State Grange does not believe that a short-term Farm Show Complex leasing fix is the answer.

There are several reasons for this:

- The PA Farm Show is an icon of PA Agriculture and represents its economic and community importance to the citizens of Pennsylvania. A resource like that should remain under the Commonwealth, not leased out to an investor who (regardless of the lease language reassurance from the Governor) may decide to refocus the Complex.
- When Governor Wolf first proposed the idea back in February, it was described as being like a home equity loan. He now says he has the legal authority to do this on his own without concurrence by the General Assembly. That poses the question – does the Governor have the legal authority to commit PA to a \$200 million “home equity” loan?
- Debts must be repaid. His earlier decision to tap into future profits from the PA Liquor Control Board means a new obligation for PA taxpayers of \$86 million a year in interest. What would be the borrowing costs connected with the Farm Show lease? That is a 29-year obligation of loan repayment plus interest, long after his Administration is gone. In addition, debt servicing takes away from the future ability of the Commonwealth to spend on current needs because it is already obligated. Currently, \$1.2 billion of the current State Budget is debt service. Is this something we want to increase?
- On June 17, 2017, Governor Wolf said that his number one budget priority is that *“It should be a long-term solution to our budget challenges through a combination of savings, efficiencies, and closing loopholes to ensure everyone is paying their fair share.”* The Farm Show leasing is not *“a long term solution”*. It is a short-term fix for one year. That means that next year, PA will still be in the same situation in which we find ourselves today.

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