

Dear Governor Shapiro and the Honorable Members of the General Assembly,

On behalf of Pennsylvania's leading business and industry associations, we respectfully urge that your upcoming budget proposal for FY 2025-2026 emphasize and encourage the vital role Pennsylvania's energy industry plays in our economy.

The natural gas industry provides hundreds of thousands of family-sustaining jobs, attracts investment, and drives economic growth across the Commonwealth. With our abundant natural resources, innovative industries, and skilled workforce, Pennsylvania is uniquely positioned to thrive—so long as our tax, regulatory, and competitiveness landscapes support this critical sector.

Affordable energy is a cornerstone of Pennsylvania's economic competitiveness. Therefore, we urge you to avoid proposing new or increased energy taxes, which hinders economic growth, competitiveness, and stability. New energy taxes could increase costs for families and businesses while making Pennsylvania less attractive compared to states with more competitive, business-friendly environments. The resulting higher costs will exacerbate the challenges Pennsylvania employers are already facing and reduce our ability to compete for investment and opportunities in the future.

We believe bipartisan collaboration on pro-growth policies — like maintaining tax stability and encouraging innovation and establishing efficient permitting processes — is key to keeping Pennsylvania competitive. Sound, growth-oriented public policy fosters business investment, supports emerging technologies, and drives economic innovation without creating undue financial strain for our state's residents or job creators.

A budget that preserves Pennsylvania's energy tax structure, which since 2012 has returned over \$2.7 billion to communities across the state through the natural gas Impact Fee, reinforces the Commonwealth's commitment to fostering economic growth and opportunity. Prioritizing stability in this area will help us retain existing businesses, attract new and innovative industries, and secure our Commonwealth's long-term economic success.

Thank you for your time and consideration. We value your leadership and sincerely hope you will continue to view us as a resource as you make key public policy decisions impacting the people of Pennsylvania.

Sincerely,

PA Chamber of Business and Industry

American Petroleum Institute – Pennsylvania

Associated Pennsylvania Constructors

Consumer Energy Alliance

Keystone Contractors Association

Manufacturer & Business Association

Marcellus Shale Coalition

National Federation of Independent Business--Pennsylvania

Pennsylvania Aggregates and Concrete Association

Pennsylvania Builders Association

Pennsylvania Chemical Industry Council

Pennsylvania Forest Products Association

Pennsylvania Independent Oil & Gas Association

Pennsylvania Manufacturers' Association

Pennsylvania Motor Truck Association

Pennsylvania Septage Management Association

Pennsylvania State Grange