

SENATE APPROPRIATIONS COMMITTEE FISCAL NOTE

BILL NO. House Bill 941

PRINTER NO. 2649

AMOUNT

(\$261,000)
\$12,198,000

FUND

General Fund
State Racing Fund

DATE INTRODUCED

April 16, 2015

PRIME SPONSOR

Representative Regan

DESCRIPTION AND PURPOSE OF BILL

House Bill 941 amends the act of April 9, 1929 (P.L. 177, No. 175), known as The Administrative Code of 1929, to provide for the following:

The Citizens Advisory Council

The Citizens Advisory Council (Council) shall be an independent advisory council administratively housed within the Department of Environmental Protection. The Secretary of Environmental Protection shall serve in an ex officio capacity on the Council. The Council shall have the sole power to employ and fix the compensation of an executive director.

Fiscal Impact- No adverse impact on Commonwealth funds.

Transportation Network Companies

Authorizes the Philadelphia Parking Authority to enforce PUC regulations in regard to transportation network companies.

Fiscal Impact- No adverse impact on Commonwealth funds.

Race Horse Industry Reform

Includes language similar to SB 352 which passed the Senate in June. Repeals provisions related to the State Horse Racing Commission and State Harness Racing Commission and establishes the State Horse Racing Commission to regulate horse racing and pari-mutuel operations.

Fiscal Impact - The legislation redirects an estimated \$261,000 in annual fine revenue from the General Fund to the State Racing Fund. The increase in the distribution of breakage deposited in the State Racing Fund from 25% to 75% is estimated to generate an additional \$630,000 annually. The elimination of the admissions tax is estimated to result in a loss of \$39,000 in revenue to the State Racing Fund annually.

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The transfer of funding from the Race Horse Development Fund to the State Racing Fund to pay for the actual costs associated with drug testing by the commission as estimated by the Department of Agriculture will result in the transfer of \$11,346,000 in FY 2016-17.

The fiscal impact of the licensing of entities that conduct advance deposit account wagering and imposing the wagering tax on advanced deposit account wagers will be dependent on the number of entities that seek licensure and comply with this law.

There may be additional revenues that accrue to the State Racing Fund to the extent that totalisator and other license fees and fines set by the new State Racing Commission exceed those established under current law.

Historical Distillery License Fee Reduction

Reduces the license fee for a distillery of historical significance from the current \$5,400 to \$1,200. A distillery of historical significance is a distillery which was established prior to January 1, 1875. A distillery of historical significance can only produce 20,000 gallons of liquor per year.

Fiscal Impact- No adverse impact on Commonwealth funds.