



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

HOUSE BILL NO. 1112

PRINTERS NO. 1426

PRIME SPONSOR: McGinnis

COST / (SAVINGS)

FUND	FY 2012/13	FY 2013/14
General Fund	\$0	\$0
State Treasury Armory Fund	see fiscal impact	see fiscal impact

SUMMARY: Authorizes the Department of General Services (DGS), with the approval of the Department of Military and Veterans Affairs (DMVA) and the Governor, to grant and convey, at a price to be determined through a competitive bid process, certain lands, buildings and improvements used as State armories throughout this Commonwealth.

ANALYSIS: HB 1112 authorizes DGS, with the approval of DMVA and the Governor, to grant and convey, at a price to be determined through a competitive bid process, 12 armory properties. The proceeds from the sales shall be deposited in the State Treasury Armory Fund.

Property	County	Acres
Altoona Armory	Blair	8.52
Tyrone Armory	Blair	0.6
Bellefonte Armory	Centre	10
Berwick Armory	Columbia	0.82
Ridgway Armory	Elk	0.23
Ridgway Weekend Training Site	Elk	15
Waynesboro Armory	Franklin	10.65
Huntingdon Armory	Huntingdon	5.88
Scranton Armory	Lackawanna	1.5
Lancaster Armory	Lancaster	0.63
Bradford Armory	McKean	0.29
Sunbury Armory	Northumberland	10

The proposed legislation, if enacted, will require DGS to include a covenant in the deed of conveyance prohibiting the property from being utilized as a licensed gaming facility. In addition, the oil, gas and mineral rights associated with the 12 armory properties shall be retained by DGS on behalf of the Commonwealth.

FISCAL IMPACT: The PA Historical and Museum Commission, DMVA and DGS entered into a Cooperative Agreement regarding the historical preservation of certain state armories. The Agreement stipulates that DMVA and DGS shall market the property and accept 80% of the appraised market value, as consideration for the property, in an effort to target potential buyers who will accept the historic protective covenants and inclusion of the same within the transferring deed.

If all the properties were to be sold at fair market value a total of \$5,860,000 would be deposited in the State Treasury Armory Fund. Of the 12 armory properties, 11 of them qualify to be sold under the Cooperative Agreement. If the 11 properties are sold at 80% of the appraised market value and the Ridgway Weekend Training Site is sold for 100% of the appraised market value, a total of \$4,701,200 would be deposited in the State Treasury Armory Fund.

PREPARED BY: Thomas Gwinn
House Appropriations Committee (R)

DATE: April 15, 2013

Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.