

**SENATE APPROPRIATIONS COMMITTEE
FISCAL NOTE**

BILL NO. Senate Bill 591

PRINTER'S NO. 565

AMOUNT

No Fiscal Impact

FUND

Local Government Capital Project Loan Fund

DATE INTRODUCED

March 1, 2013

PRIME SPONSOR

Senator Vulakovich

HISTORY OF BILL

Referred to LOCAL GOVERNMENT, March 1, 2013
Reported as committed, March 12, 2013
First consideration, March 12, 2013
Second consideration, March 19, 2013
Re-referred to APPROPRIATIONS, March 19, 2013
Re-reported as committed, April 8, 2013

DESCRIPTION AND PURPOSE OF BILL

Senate Bill 591 amends Article XVI-D of The Fiscal Code (Act 176 of 1929), known as the Local Government Capital Project Loan Fund Act, to increase the amount of a loan municipalities may receive from the Local Government Capital Project Loan Fund.

The amount of a loan for purchasing equipment is increased from \$25,000 to \$50,000. The amount of a loan made for purchasing, constructing, renovating or rehabilitating facilities is increased from \$50,000 to \$100,000 for any single facility or 50% of the total cost for purchasing, constructing, renovating or rehabilitating the facility, whichever is less.

The legislation also provides that loans made by the Department of Community and Economic Development for the purchase of equipment shall be for a period not to exceed the useful life of the equipment. The duration of loans made for facilities is increased from a period of not more than ten years to not more than fifteen years.

The act shall take effect in 60 days.

FISCAL IMPACT:

Senate Bill 591 will have no adverse fiscal impact on Commonwealth or local funds.