

**SENATE APPROPRIATIONS COMMITTEE  
FISCAL NOTE**

**BILL NO.** House Bill 930

**PRINTER NO.** 1455

**AMOUNT**

No Immediate Fiscal Impact

**FUND**

General Fund

**DATE INTRODUCED**

May 6, 2015

**PRIME SPONSOR**

Representative Toohill

**DESCRIPTION AND PURPOSE OF BILL**

House Bill 930 amends the Capital Facilities Debt Enabling Act (Act of February 9, 1999, P.L. 1, No. 1), as amended, to limit the annual release amounts for Public Improvement Projects and Redevelopment Assistance Capital Projects (RACP).

Specifically, this legislation does the following:

- Amends Section 317 by adding new subsections to limit the additional capital project releases that are financed by debt. The release amounts shall be as follows:
  - 1) Public Improvement Projects (includes building and structures; furniture and equipment) shall not exceed \$350,000,000 in a fiscal year; and
  - 2) Redevelopment Assistance Capital Projects shall not exceed \$125,000,000 in a fiscal year.
- The legislation stipulates that any unused allocation in a fiscal year may be carried forward and added to the following fiscal year's limitation, but the amount carried forward may not exceed half of the total amount authorized to be released for that project category for the previous fiscal year.

This act shall take effect immediately.

**FISCAL IMPACT:**

Enactment of this legislation will have no immediate fiscal impact on Commonwealth funds. If future debt issuances are reduced, the Commonwealth's future debt service costs will also be reduced. While precise savings estimates cannot be determined due to the amount, timing and interest rates of future bond sales, an estimate of debt service payments that can be avoided based on each \$100,000,000 of bonds not sold, assuming level annual debt service and a 3.8% interest rate, will be \$7,228,000 annually or \$144,569,000 over 20 years.