

SENATE APPROPRIATIONS COMMITTEE FISCAL NOTE

BILL NO. Senate Bill 566

PRINTER NO. 539

AMOUNT

No Fiscal Impact

FUND

General Fund

DATE INTRODUCED

February 25, 2015

PRIME SPONSOR

Senator Vogel

DESCRIPTION AND PURPOSE OF BILL

Senate Bill 566 amends the Housing Finance Agency Law (Act 621 of 1959) to provide additional funding for the Pennsylvania Housing Affordability and Rehabilitation Enhancement Fund (Housing Trust Fund).

This legislation would provide for an annual transfer of funds to the Housing Trust Fund if revenues from the Realty Transfer Tax (RTT) exceed the final revenue estimate for the FY 2014-15 General Appropriations Act.

The legislation requires the State Treasurer to annually transfer the lesser of the following:

- 40% of the difference between the total dollar amount of the RTT collected for the prior fiscal year and the total dollar amount of the RTT final estimate for the FY 2014-15 General Appropriations Act that was signed by the Governor in accordance with the Administrative Code.

OR

- \$25 million

The legislation also contains language to clarify that nothing within the legislation shall affect the tax rate of the RTT or affect funding for the Keystone Recreation, Park and Conservation Fund, which also receives a transfer of funds from the RTT.

This act shall take effect in 90 days.

FISCAL IMPACT:

Senate Bill 566 will have no adverse fiscal impact on Commonwealth funds in fiscal year 2015-16. The legislation would provide the opportunity for additional funding for the Housing Trust Fund in the event that RTT collections exceed the final estimate for that tax from FY 2014-15. The final estimate for the RTT in FY 2014-15 was \$447.5 million. With less than one week remaining in FY 2014-15, the RTT is running nearly \$44 million under estimate, and so it is almost certain that no additional funding would be transferred to the Housing Trust Fund in FY 2015-16.