



# HOUSE COMMITTEE ON APPROPRIATIONS

## FISCAL NOTE

HOUSE BILL NO. 2132

PRINTER'S NO. 3739

PRIME SPONSOR: Daley

### COST / (SAVINGS)

FUND	FY 2024/25	FY 2025/26
General Fund	See Fiscal Impact	See Fiscal Impact

### SUMMARY:

Amends Title 12 (Commerce and Trade) to establish the Pennsylvania-Ireland Trade Commission and adds Chapter 32 to move the Entertainment Economic Enhancement Program from the Tax Code to Title 12.

### ANALYSIS:

#### Pennsylvania-Ireland Trade Commission

House Bill 2132, Printer's Number 3739 adds a new Chapter 15 to Title 12 of the Pennsylvania Consolidated Statutes establishing the Pennsylvania-Ireland Trade Commission. The Commission is empowered to advance bilateral trade and investment between Pennsylvania and Ireland; initiate joint action on policy issues of mutual interest to Pennsylvania and Ireland; promote business and academic exchanges between Pennsylvania and Ireland; encourage mutual economic support between Pennsylvania and Ireland; and encourage mutual investment in the infrastructure of Pennsylvania and Ireland.

The Commission will have fifteen members:

- The Secretary of the Department of Community and Economic Development or a designee, who shall serve as chair.
- Six individuals appointed by the Governor, which shall include:
  - At least one representative from a public institution of higher education;
  - At least one representative from the Pennsylvania Chamber of Business and Industry; and,
  - At least two members representing Irish-American communities, neither of whom shall be members of the same political party.
- Two individuals appointed by the President pro tempore of the Senate.
- Two individuals appointed by the Speaker of the House of Representatives.
- Two individuals appointed by the Minority Leader of the Senate.
- Two individuals appointed by the Minority Leader of the House of Representatives.

Members shall receive no compensation but may be reimbursed for expenses incurred in the performance of their duties. The Commission shall meet at least quarterly and report its findings, results, and recommendations to the Governor and the General Assembly annually.

The legislation also establishes Pennsylvania-Ireland Trade Commission Fund as a nonlapsing fund within the State Treasury. The fund shall accept financial assets to defray the expenses of the Commission.

#### Entertainment Economic Enhancement Program

The Senate amended H.B. 2132 to repeal the Entertainment Economic Enhancement Program (EEEP) in the

Tax Code and insert it into Title 12. Several changes to the EEEP were made as part of this bill, including:

- Shortening the length of the application period from 30 days to 10 days;
- Providing for bimonthly rather than quarterly application periods;
- Increasing the maximum amount of qualified tax liability that the purchaser or assignee may offset with the tax credit from 50% to 75%;
- Requiring that corporations register with the Department of Community and Economic Development and provide evidence of qualification in order to be deemed a qualified concert facility; and
- Requiring that entities register with the Department of Community and Economic Development and provide evidence of qualification in order to be deemed a representative.

The bill also alters the amount of tax credit that an individual taxpayer can receive to:

- \$1,500,000 if the taxpayer purchases or rents concert tour equipment from this Commonwealth or contributions to a qualified charitable corporation totaling between \$2,500,000 and \$3,500,000 (down from \$3,000,000 and \$4,000 respectively);
- \$2,250,000 if the taxpayer purchases or rents concert tour equipment from this Commonwealth or contributions to a qualified charitable corporation totaling between \$3,500,000 and \$5,500,000;
- \$3,000,000 if the taxpayer purchases or rents concert tour equipment from this Commonwealth or contributions to a qualified charitable corporation totaling between \$5,500,000 and \$7,500,000;
- \$3,500,000 if the taxpayer purchases or rents concert tour equipment from this Commonwealth or contributions to a qualified charitable corporation totaling between \$7,500,000 and \$10,000,000;
- \$4,250,000 if the taxpayer purchases or rents concert tour equipment from this Commonwealth or contributions to a qualified charitable corporation totaling between \$10,000,000 and \$12,000,000; and
- \$5,00,000 if the taxpayer purchases or rents concert tour equipment from this Commonwealth or contributions to a qualified charitable corporation totaling more than \$12,000,000.

This legislation will take effect immediately upon enactment.

**FISCAL IMPACT:**

The bill contains no appropriation from the General Fund or any other state source to the Pennsylvania-Ireland Trade Commission Fund. No staff or other resources are specifically assigned to the Commission, and the Commission's members are not compensated. Therefore, the legislation would have no fiscal impact on commonwealth funds unless a subsequent appropriation is made.

Neither the Department of Revenue nor the Department of Community and Economic Development anticipate any fiscal impact on Commonwealth funds from the changes to the EEEP.

**PREPARED BY:** Chris Fetterman, Special Advisor, MPA  
House Appropriations Committee (D)

**DATE:** October 21, 2024

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