



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

HOUSE BILL NO. 2625

PRINTER'S NO. 3741

PRIME SPONSOR: Neilson

COST / (SAVINGS)

FUND	FY 2024/25	FY 2025/26
General Fund	(\$186,500,000)	(\$287,900,000)
Public Transportation Trust Fund	\$186,500,000	\$287,900,000

SUMMARY: HB 2625 PN 3741 increases the transfer amount of Sale and Use Tax collections to the Public Transportation Trust Fund to 6.15 percent. The legislation would take effect immediately.

ANALYSIS: This legislation amends Title 74 (Transportation) Section 1506 (relating to Public Transportation Trust Fund) to increase the transfer of Sales and Use Tax (SUT) collections deposited into the Public Transportation Trust Fund (the "fund") from 4.4 percent to 6.15 percent. Additionally, language provides that the total financial assistance provided to each local transportation organization is permitted to exceed 20 percent of the prior year allocation and allows the Secretary of Transportation to adjust and hold harmless the amount of annual increase in local match for a period of five fiscal years beginning in Fiscal Year 2024/25.

FISCAL IMPACT: The enactment of this legislation would have a fiscal impact on commonwealth funds, specifically the General Fund and the Public Transportation Trust Fund. The increase in the percentage of SUT transferred to the Public Transportation Trust Fund would result in an increase in available funds within the fund and would reduce available funds in the General Fund beginning in fiscal year 2024/25. Based on current SUT revenue estimates, it is projected that an additional \$186.5 million would be transferred from the General Fund to the fund in Fiscal Year 2024/25 and \$287.9 million in Fiscal Year 2025/26.

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House Appropriations Committee (D)

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