SENATE APPROPRIATIONS COMMITTEE FISCAL NOTE

BILL NO. Senate Bill 48 PRINTER'S NO. 33

AMOUNT

No Fiscal Impact General

DATE INTRODUCED PRIME SPONSOR

Jan. 20, 2009 Senator Greenleaf

HISTORY OF BILL

Referred to VETERANS AFFAIRS & EMERGENCY PREPAREDNESS, Jan. 20, 2009
Reported as committed, March 18, 2009
First consideration, March 18, 2009
Re-referred to APPROPRIATIONS, March 23, 2009
Re-reported as committed, April 20, 2009

DESCRIPTION AND PURPOSE OF BILL

An Act providing for the acquisition and operation of the Horsham Joint Interagency Installation and limitation on use of installation.

Senate Bill 48 provides for the acquisition and operation of the Horsham Joint Interagency Installation and provides for limitations on use of the installation. This legislation specifically provides for the transfer of the Willow Grove Air Station in Horsham Township, Montgomery County from the Department of Defense to the Commonwealth. In addition, it further defines restrictions on the installation use and occupancy.

H.R.2206 of 2007 (Public Law 110-28 - 2007) was enacted by the United States Congress and signed into law by the President of the United States on May 25th, 2007. Section 3703 of the Act provides for a land transfer ordering the U.S. Secretary of the Navy to transfer to the Secretary of the U.S. Air Force, <u>at no cost</u>, all lands, easements, Air Installation Compatible Use Zones, and facilities at NASJRB Willow

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Grove designated for operation as a Joint Interagency Installation for use by the Pennsylvania National Guard and other Department of Defense components, government agencies, and associated users to perform national defense, homeland security, and emergency preparedness missions.

Senate Bill 48 also restricts the use of the installation by stating that it can only be occupied and used by governmental agencies, military units and non-governmental associated users performing the missions of national defense, emergency preparedness and homeland security. All commercial, business and non-governmental uses would be prohibited.

FISCAL IMPACT:

According to the Department of Military and Veterans Affairs (Department), this legislation would have no fiscal impact on Commonwealth funds due to the fact that only "non-governmental" associated users of the installation would have to pay local property taxes on their leasehold interests or improvements. Additionally, the property, all of which is tax exempt now, would remain exempt, except for those parcels leased to non-governmental users.

The Department also predicts that federal subsidies will continue to be provided for the operations of the installation due to the fact that a robust military enclave will remain at Willow Grove and it will provide a variety of services and funding. In addition, it is expected, based on the preliminary expressions of interest in use of the property, that a majority of the users will be federal agencies, which will be expected to bear their fair share of the costs.