

# SENATE APPROPRIATIONS COMMITTEE FISCAL NOTE

**BILL NO.** House Bill 2328

**PRINTER NO.** 3602

**AMOUNT**

\$1,395,000,000  
Maximum Additional Authorized Debt

**FUND**

Capital Facilities Fund

**DATE INTRODUCED**

April 10, 2024

**PRIME SPONSOR**

Representative Harris

**DESCRIPTION**

House Bill 2328 provides for the Capital Budget Act (act) of Fiscal Year 2024-25. The act establishes the maximum bond indebtedness the Commonwealth may incur during the fiscal year for capital projects specifically itemized in a capital budget project itemization act.

This legislation sets the maximum authorizations at the following amounts:

- Public Improvement Projects: \$900,000,000
  - Furniture and Equipment Projects: \$ 20,000,000
  - Transportation Assistance Projects: \$175,000,000
  - Redevelopment Assistance Projects: \$300,000,000
  - Flood Control Projects: \$           0
- Total:           \$1,395,000,000**

This act shall take effect immediately.

**FISCAL IMPACT:**

The Constitution of the Commonwealth of Pennsylvania limits outstanding capital budget debt to 1.75 times the average tax revenues during the previous five (5) fiscal years. Voter-approved and disaster relief debt are not subject to the constitutional debt limit.

Based on the Auditor General’s most recent debt certification (dated August 31, 2024), the average annual tax revenue in all funds over the last five fiscal years was \$50.7 billion. The Commonwealth’s net debt as of August 31, 2024, totaled \$9.7 billion. Utilizing the constitutional debt limit formula, the Commonwealth could issue up to an additional \$79 billion as of that date, significantly more than the \$1.395 billion authorized in this bill.