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TESTIMONY BY LUIS P. SALAVERIA
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE HOUSE COMMITTEE ON FINANCE
ON
HOUSE BILL NO. 2380, H.D. 1

February 23, 2024
11:30 a.m.
Room 308 and Videoconference

MAKING AN EMERGENCY APPROPRIATION TO THE DEPARTMENT OF BUDGET
AND FINANCE

The Department of Budget and Finance (B&F) supports this Administration bill and offers comments.

House Bill No. 2380, H.D. 1, makes an emergency appropriation of \$156,000,000 from the Mass Transit Special Fund (MTSF) for FY 24 to allow B&F to disperse moneys in the fund. In FY 23, the MTSF received revenues totaling \$405,454,763, which was \$27,879,763 above the special fund ceiling appropriated in Act 88, SLH 2021, as amended by Act 248, SLH 2022. In addition, \$95,877,228 was carried over from the MTSF's ending cash balance for FY 22. As a result, B&F was unable to disperse all the available funds in FY 23 and carried over \$123,756,991 into FY 24.

Based on updated revenue estimates for FY 24 of approximately \$433,242,000, and the carryover ending cash balance from prior years, B&F anticipates there will be a shortfall in special fund ceiling for the MTSF. B&F recommends that the appropriation amount be updated to \$179,000,000 to reflect the increases in revenue estimates for the Transient Accommodations Tax and the General Excise Tax County Surcharge.

This bill is necessary to provide special fund ceiling to distribute moneys in the MTSF that is anticipated to exceed the existing appropriation in FY 24.

Thank you for the opportunity to provide testimony in support of this bill.