

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2772 Session of
2008

INTRODUCED BY PYLE, REED, ARGALL, BAKER, BASTIAN, BEAR,
BELFANTI, BENNINGHOFF, BEYER, BOYD, BRENNAN, BROOKS, CAUSER,
CIVERA, COSTA, CREIGHTON, CUTLER, DeLUCA, DENLINGER,
DePASQUALE, DONATUCCI, ELLIS, J. EVANS, EVERETT, FAIRCHILD,
FLECK, GABIG, GEIST, GIBBONS, GINGRICH, GODSHALL, GOODMAN,
GRELL, HALUSKA, HARKINS, HARPER, HENNESSEY, HESS, HICKERNELL,
HUTCHINSON, KAUFFMAN, M. KELLER, W. KELLER, KENNEY, KILLION,
KORTZ, KOTIK, LONGIETTI, MACKERETH, MAHER, MAJOR, MANDERINO,
MARKOSEK, MARSHALL, MARSICO, McGEEHAN, McILHATTAN, MENSCH,
METCALFE, MICOZZIE, MILLARD, R. MILLER, MOUL, MOYER, MUNDY,
MURT, MYERS, NAILOR, D. O'BRIEN, O'NEILL, PALLONE, PASHINSKI,
PAYNE, PEIFER, PERRY, PETRARCA, PETRI, PICKETT, QUIGLEY,
QUINN, RAPP, READSHAW, ROAE, ROCK, RUBLEY, SABATINA, SAYLOR,
SCAVELLO, SCHRODER, SIPTROTH, S. H. SMITH, SOLOBAY, SONNEY,
STERN, R. STEVENSON, STURLA, SURRA, SWANGER, TRUE, TURZAI,
VEREB, VULAKOVICH, WALKO, WATSON, YEWCIC AND YUDICHAK,
SEPTEMBER 18, 2008

REFERRED TO COMMITTEE ON COMMERCE, SEPTEMBER 18, 2008

AN ACT

1 Amending the act of October 6, 1998 (P.L.705, No.92), entitled,
2 as amended, "An act providing for the creation of keystone
3 opportunity zones and keystone opportunity expansion zones to
4 foster economic opportunities in this Commonwealth, to
5 facilitate economic development, stimulate industrial,
6 commercial and residential improvements and prevent physical
7 and infrastructure deterioration of geographic areas within
8 this Commonwealth; authorizing expenditures; providing tax
9 exemptions, tax deductions, tax abatements and tax credits;
10 creating additional obligations of the Commonwealth and local
11 governmental units; and prescribing powers and duties of
12 certain State and local departments, agencies and officials,"
13 in keystone opportunity zones, providing for alternative
14 decertification of deteriorated property by the department
15 and by political subdivisions; and making an editorial
16 change.

17 The General Assembly of the Commonwealth of Pennsylvania

1 hereby enacts as follows:

2 Section 1. Section 309 heading of the act of October 6, 1998
3 (P.L.705, No.92), known as the Keystone Opportunity Zone,
4 Keystone Opportunity Expansion Zone and Keystone Opportunity
5 Improvement Zone Act, added December 9, 2002 (P.L.1727, No.217),
6 is amended to read:

7 Section 309. Decertification of deteriorated property.

8 * * *

9 Section 2. The act is amended by adding sections to read:

10 Section 309.1. Alternative decertification of deteriorated
11 property by the department.

12 (a) Unilateral decertification.--The department may
13 decertify and remove the designation of deteriorated property as
14 part of a subzone, improvement subzone or expansion subzone, if
15 any of the following apply:

16 (1) the property is unoccupied and devoid of economic
17 activity;

18 (2) the property was formerly occupied by a business
19 receiving benefits under this act, which has relocated its
20 business operations that occurred on the property to a
21 location outside this Commonwealth;

22 (3) the owner of the property is not actively pursuing
23 sale or development of the property; or

24 (4) a building on the property that was formerly
25 occupied by a business receiving benefits under this act has
26 purposely been altered, and the result of the alterations
27 render the building unsafe for occupancy by another business.

28 (b) Effect of decertification.--In the event that the
29 department takes action to unilaterally decertify deteriorated
30 property under subsection (a), any ordinances, resolutions or

other governing document previously passed by the political subdivisions granting any exemption, deduction, abatement or credit of local taxes shall have no further force or effect.
Section 309.2. Alternative decertification on application by political subdivisions.

(a) General rule.--One or more political subdivisions or a designee of one or more political subdivisions may apply to the department to decertify and remove the designation of deteriorated property as part of a subzone, improvement subzone or expansion subzone. The application must contain the following:

(1) An identification of the property to be removed.

(2) A copy of a binding ordinance, resolution or other governing document passed by the political subdivision removing any exemptions, deductions, abatements or credits gained by this act effective upon decertification by the department.

(b) Prerequisites.--The department shall grant the request to decertify and remove the property if all of the following apply:

(1) Completed applications have been submitted by all qualified political subdivisions in which the property is located.

(2) The property is unoccupied and devoid of economic activity.

(3) The property was formerly occupied by a business receiving benefits under this act which has relocated its business operations that occurred on the property to a location outside this Commonwealth.

(c) Effect on State taxation.--The department shall take

1 immediate action to remove any certification of the deteriorated
2 property for purposes of any State tax exemption, deduction,
3 abatement or credit previously granted under this act.

4 Section 3. This act shall take effect in 60 days.