

## THE GENERAL ASSEMBLY OF PENNSYLVANIA

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# HOUSE BILL

## No. 1357

Session of  
1987

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INTRODUCED BY COWELL, SEVENTY, ITKIN, LEVDANSKY, TRELLO, OLASZ,  
PISTELLA, MICHLOVIC, VAN HORNE, PETRONE AND DUFFY,  
MAY 11, 1987

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AS REPORTED FROM COMMITTEE ON APPROPRIATIONS, HOUSE OF  
REPRESENTATIVES, AS AMENDED, JUNE 8, 1987

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## AN ACT

1 Amending the act of April 9, 1929 (P.L.343, No.176), entitled,  
2 as amended, "An act relating to the finances of the State  
3 government; providing for the settlement, assessment,  
4 collection, and lien of taxes, bonus, and all other accounts  
5 due the Commonwealth, the collection and recovery of fees and  
6 other money or property due or belonging to the Commonwealth,  
7 or any agency thereof, including escheated property and the  
8 proceeds of its sale, the custody and disbursement or other  
9 disposition of funds and securities belonging to or in the  
10 possession of the Commonwealth, and the settlement of claims  
11 against the Commonwealth, the resettlement of accounts and  
12 appeals to the courts, refunds of moneys erroneously paid to  
13 the Commonwealth, auditing the accounts of the Commonwealth  
14 and all agencies thereof, of all public officers collecting  
15 moneys payable to the Commonwealth, or any agency thereof,  
16 and all receipts of appropriations from the Commonwealth,  
17 authorizing the Commonwealth to issue tax anticipation notes  
18 to defray current expenses, implementing the provisions of  
19 section 7(a) of Article VIII of the Constitution of  
20 Pennsylvania authorizing and restricting the incurring of  
21 certain debt and imposing penalties; affecting every  
22 department, board, commission, and officer of the State  
23 government, every political subdivision of the State, and  
24 certain officers of such subdivisions, every person,  
25 association, and corporation required to pay, assess, or  
26 collect taxes, or to make returns or reports under the laws  
27 imposing taxes for State purposes, or to pay license fees or  
28 other moneys to the Commonwealth, or any agency thereof,  
29 every State depository and every debtor or creditor of the  
30 Commonwealth," further providing for WHAT MAY CONSTITUTE A  
31 REDEVELOPMENT ASSISTANCE CAPITAL PROJECT AND FOR the  
32 Redevelopment Assistance Sinking Fund.

&lt;—

1 The General Assembly of the Commonwealth of Pennsylvania  
2 hereby enacts as follows:

3 ~~Section 1. Section 1616.1-B of the act of April 9, 1929~~ <—  
4 ~~(P.L.343, No.176), known as The Fiscal Code, added July 10, 1986~~  
5 ~~(P.L.1261, No.115), is amended to read:~~

6 SECTION 1. THE DEFINITION OF "REDEVELOPMENT ASSISTANCE" <—  
7 CAPITAL PROJECT" IN SECTION 1602-B AND SECTION 1616.1-B OF THE  
8 ACT OF APRIL 9, 1929 (P.L.343, NO.176), KNOWN AS THE FISCAL  
9 CODE, ADDED JULY 10, 1986 (P.L.1261, NO.115), ARE AMENDED TO  
10 READ:

11 SECTION 1602-B. DEFINITIONS.--AS USED IN THIS ARTICLE--

12 \* \* \*

13 "REDEVELOPMENT ASSISTANCE CAPITAL PROJECT" SHALL MEAN THE  
14 DESIGN AND CONSTRUCTION OF FACILITIES WHICH (I) ARE FACILITIES  
15 OTHER THAN HOUSING UNITS, HIGHWAYS, BRIDGES, WASTE DISPOSAL  
16 FACILITIES, SEWAGE SYSTEMS OR FACILITIES, OR WATER SYSTEMS OR  
17 FACILITIES, AND ARE PROJECTS WHICH CANNOT OBTAIN FUNDING UNDER  
18 OTHER STATE OR FEDERAL PROGRAMS; (II) ARE ECONOMIC DEVELOPMENT  
19 PROJECTS WHICH GENERATE SUBSTANTIAL INCREASES IN EMPLOYMENT, TAX  
20 REVENUES OR OTHER MEASURES OF ECONOMIC ACTIVITY; (III) ARE  
21 FACILITIES WHICH HAVE A REGIONAL OR MULTIJURISDICTIONAL IMPACT;  
22 (IV) ARE ELIGIBLE FOR TAX-EXEMPT BOND FUNDING UNDER EXISTING  
23 FEDERAL LAW OR UNDER FEDERAL H.R.3838 OF 1985, WHICH SHALL BE  
24 KNOWN AS THE TAX REFORM ACT OF 1985 IF IT IS ENACTED; (V) HAVE A  
25 FIFTY PER CENTUM NON-STATE PARTICIPATION, OF WHICH THE ONLY  
26 NONCASH NON-STATE PARTICIPATION PERMITTED IS LAND DONATION AND  
27 TOWARD WHICH STATE FUNDS FROM OTHER PROGRAMS MAY NOT BE USED;  
28 AND (VI) HAVE A TOTAL PROJECT COST OF FIVE MILLION DOLLARS  
29 (\$5,000,000) OR MORE[.], PROVIDED, HOWEVER, THAT THE FIVE  
30 MILLION DOLLAR (\$5,000,000) PROJECT COST REQUIREMENT SHALL NOT

1 APPLY TO THOSE PROJECTS WHICH ARE LOCATED IN MUNICIPALITIES  
2 DESIGNATED AS "FINANCIALLY DISADVANTAGED MUNICIPALITIES" UNDER  
3 THE PROVISIONS OF THE ACT OF JULY 9, 1986 (P.L.1223, NO.110),  
4 KNOWN AS THE "FINANCIALLY DISADVANTAGED MUNICIPALITIES MATCHING  
5 ASSISTANCE ACT."

6 \* \* \*

7 Section 1616.1-B. Redevelopment Assistance Sinking Fund.--

8 (a) There is hereby established within the Capital Facilities  
9 Fund a sinking fund, to be known as the Redevelopment Assistance  
10 Sinking Fund, for the purpose of making principal and interest  
11 payments on bonds issued for redevelopment assistance projects  
12 authorized in this article.

13 (b) Each year an amount shall be deposited into the  
14 Redevelopment Assistance Sinking Fund sufficient to meet the  
15 debt service requirements during that fiscal year on  
16 redevelopment assistance bonds, but such amount shall not exceed  
17 the first [thirty million dollars (\$30,000,000)] ~~sixty million~~ <—  
18 ~~dollars (\$60,000,000)~~ FORTY MILLION DOLLARS (\$40,000,000) of <—  
19 realty transfer tax revenue credited to a fiscal year. Deposits  
20 shall be made into the sinking fund each year pursuant to this  
21 section until all redevelopment assistance bonds issued are  
22 retired. Any surplus funds in the sinking fund at the time all  
23 such bonds are retired shall be transferred into the General  
24 Fund at the close of the fiscal year in which the last bond is  
25 retired.

26 (c) The amount of additional bonds which may be issued in  
27 any year for redevelopment assistance projects for which payment  
28 is to be made from the Redevelopment Assistance Sinking Fund  
29 shall not cause the amount of redevelopment assistance bonds  
30 outstanding to increase to the level that required principal and

1 interest payments to be made from the sinking fund would exceed  
2 the amount available in the sinking fund for such payments in  
3 the fiscal year.

4 Section 2. This act shall take effect immediately.