

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1828 Session of
2009

INTRODUCED BY WILLIAMS AND D. EVANS, JULY 3, 2009

AS RE-REPORTED FROM COMMITTEE ON APPROPRIATIONS, HOUSE OF
REPRESENTATIVES, AS AMENDED, JULY 30, 2009

AN ACT

1 Amending the act of December 18, 1984 (P.L.1005, No.205),
2 entitled "An act mandating actuarial funding standards for
3 all municipal pension systems; establishing a recovery
4 program for municipal pension systems determined to be
5 financially distressed; providing for the distribution of the
6 tax on the premiums of foreign fire insurance companies; and
7 making repeals," ~~further providing for contents of actuarial~~ ←
8 ~~valuation report, for minimum funding standard and for~~ ←
9 ~~alternative funding mechanism~~ ADDING SPECIAL PROVISIONS FOR
10 AMORTIZATION OF UNFUNDED ACTUARIAL ACCRUED LIABILITY AND
11 MINIMUM MUNICIPAL OBLIGATION IN CITIES OF THE FIRST CLASS;
12 AND PROVIDING FOR SPECIAL TAXING AUTHORITY FOR CITIES OF THE
13 FIRST CLASS.

14 The General Assembly of the Commonwealth of Pennsylvania
15 hereby enacts as follows:

16 ~~Section 1. Section 202(b) (4) (v) of the act of December 18,~~ ←
17 ~~1984 (P.L.1005, No.205), known as the Municipal Pension Plan~~
18 ~~Funding Standard and Recovery Act, is amended by adding a clause~~
19 ~~to read:~~

20 ~~Section 202. Contents of actuarial valuation report.~~

21 * * *

22 ~~(b) Contents of actuarial exhibits; defined benefit plans~~
23 ~~self insured in whole or in part. For any pension plan which is~~

~~1 a defined benefit plan and which is self-insured in whole or in
2 part, all applicable actuarial exhibits shall be prepared in
3 accordance with the entry age normal actuarial cost method with
4 entry age established as the actual entry age for all plan
5 members unless the municipality applies for and is granted
6 authorization by the commission to use an alternative actuarial
7 cost method. Authorization shall be granted if the municipality
8 demonstrates on an individual pension plan basis that there are
9 compelling reasons of an actuarial nature for the use of an
10 alternative actuarial cost method. The commission shall issue
11 rules and regulations specifying the criteria which the
12 commission will use to determine the question of the existence
13 of compelling reasons for the use of an alternative actuarial
14 cost method, the documentation which a municipality seeking the
15 authorization will be required to supply and the acceptable
16 alternative actuarial cost methods which the commission may
17 authorize. The actuarial cost method shall be used to value all
18 aspects of the benefit plan or plans of the pension plan unless
19 the municipality applies for and is granted authorization by the
20 commission to use approximation techniques other than the
21 actuarial cost method for aspects of the benefit plan or plans
22 of the pension plan other than the retirement benefit.
23 Authorization shall be granted if the municipality demonstrates
24 on an individual pension plan basis that there are compelling
25 reasons of an actuarial nature for the use of these
26 approximation techniques. The commission shall issue rules and
27 regulations specifying the criteria which the commission will
28 use to determine the question of the existence of compelling
29 reasons for the use of approximation techniques, the
30 documentation which a municipality seeking the authorization~~

~~will be required to supply and the acceptable approximation technique which the commission may authorize. The actuarial exhibits shall use actuarial assumptions which are, in the judgment of the actuary and the governing body of the plan, the best available estimate of future occurrences in the case of each assumption. With respect to economic actuarial assumptions, the assumptions shall either be within the range specified in rules and regulations issued by the commission or documentation explaining and justifying the choice of assumptions outside the range shall accompany the report. The actuarial exhibits shall measure all aspects of the benefit plan or plans of the pension plan in accordance with modifications in the benefit plan or plans, if any, and salaries which as of the valuation date are known or can reasonably be expected to be in force during the ensuing plan year. The actuarial valuation report shall contain the following actuarial exhibits:~~

~~* * *~~

~~(4) An exhibit of any additional funding costs associated with the amortization of any unfunded actuarial accrued liability of the pension plan, indicating for each increment of unfunded actuarial accrued liability specified in paragraph (3), the level annual dollar contribution required to pay an amount equal to the actuarial assumption as to investment earnings applied to the principal amount of the remaining balance of the increment of unfunded actuarial accrued liability and to retire by the applicable amortization target date specified in this paragraph the principal amount of the remaining balance of the increment of unfunded actuarial accrued liability. The amortization target date applicable for each type of increment of unfunded~~

1 ~~actuarial accrued liability shall be as follows:~~

2 ~~* * *~~

3 ~~(v) * * *~~

4 ~~(C) Notwithstanding any other provision of this~~
5 ~~act or other law, a city of the first class, in its~~
6 ~~sole discretion, may amortize its entire unfunded~~
7 ~~actuarial accrued liability, as measured on a~~
8 ~~valuation date selected by the city of the first~~
9 ~~class and occurring in the plan year commencing after~~
10 ~~January 1, 2009, and ending before December 31, 2010,~~
11 ~~as a level dollar amount with the amortization target~~
12 ~~date being the end of the plan year occurring 30~~
13 ~~years after the plan year commencing after January 1,~~
14 ~~2009, and ending before December 31, 2010, with~~
15 ~~payments to commence in the next plan year. In order~~
16 ~~for a city of the first class to extend the~~
17 ~~applicable amortization period pursuant to this~~
18 ~~clause, the city of the first class must file a~~
19 ~~revised actuarial valuation report reflecting the~~
20 ~~amortization period extension provided for under this~~
21 ~~clause with the executive director of the commission~~
22 ~~no later than March 31, 2010. Any such revised~~
23 ~~actuarial valuation report may not be filed in lieu~~
24 ~~of the actuarial valuation report prepared in~~
25 ~~compliance with clause (A) and required to be filed~~
26 ~~on or before March 31, 2009, and may be used only for~~
27 ~~the purposes of recalculating the minimum municipal~~
28 ~~obligation of the city of the first class for plan~~
29 ~~years commencing after January 1, 2009, and~~
30 ~~calculating the minimum municipal obligation of the~~

~~city of the first class for the plan year commencing
after January 1, 2009, to reflect the amortization
period extension. Any such revised actuarial
valuation report shall not affect distributions under
the General Municipal Pension System State Aid
Program under Chapter 4.~~

~~* * *~~

~~Section 2. Section 302 of the act is amended by adding a
subsection to read:~~

~~Section 302. Minimum funding standard; defined benefit plans
self-insured in whole or in part.~~

~~* * *~~

~~(f) Cities of the first class. Notwithstanding any other
provision of this act or other law, a city of the first class is
authorized to defer a portion of the minimum municipal
obligation provided for in this section:~~

~~(1) for the plan year ending June 30, 2010, in an amount
not to exceed \$155,000,000; and~~

~~(2) for the plan year ending June 30, 2011, in an amount
not to exceed \$80,000,000.~~

~~The amounts deferred shall bear interest at the actuarial
assumed rate of 8.25%, which shall be calculated from the
beginning of the plan year in which the deferral was made.~~

~~Accrued interest on any amounts deferred shall be paid yearly on
or before June 30, 2010, June 30, 2011, and June 30, 2012. On or
before June 30, 2013, the city of the first class shall repay at
least \$90,000,000 of any amounts deferred, plus interest accrued
on all amounts deferred; or, if the total amount deferred is
less than \$90,000,000, the total amount deferred, plus interest
accrued on that amount, shall be repaid. The balance of all~~

~~1 amounts deferred, including interest accrued and unpaid on~~
~~2 amounts deferred, shall be repaid by June 30, 2014. Any of the~~
~~3 amounts deferred, including interest accrued on deferred~~
~~4 amounts, which remain unpaid at the end of the plan year ending~~
~~5 June 30, 2014, shall be added to the minimum municipal~~
~~6 obligation of the city of the first class for the following plan~~
~~7 year, with interest calculated and due until the date that the~~
~~8 amounts due are paid. The calculation of the unfunded actuarial~~
~~9 accrued liability made by and certified by an approved actuary~~
~~10 under section 202 shall not include any amounts deferred~~
~~11 pursuant to this subsection, so long as the city of the first~~
~~12 class is paying interest accrued on such deferred amounts and~~
~~13 repaying such deferred amounts in accordance with the terms of~~
~~14 this subsection. The repayment of any amounts deferred,~~
~~15 including interest accrued on deferred amounts, as and when~~
~~16 required in this subsection, shall constitute a commitment and~~
~~17 obligation, binding and absolute, on the city of the first~~
~~18 class; and the city of the first class shall include all amounts~~
~~19 due to be paid under this subsection in the budget of the city,~~
~~20 and all amounts due to be paid shall be appropriated and paid in~~
~~21 order to make timely repayment of any amounts deferred,~~
~~22 including interest accrued on deferred amounts, with such~~
~~23 payment being unconditional and without setoff. Any person who~~
~~24 is beneficially interested in the city of the first class paying~~
~~25 its minimum municipal obligation under this subsection shall~~
~~26 have standing to institute a legal proceeding for mandamus to~~
~~27 enforce the obligation of the city of the first class to make~~
~~28 payments under this subsection in the same manner as payment~~
~~29 requirements of an alternative funding mechanism may be enforced~~
~~30 under section 1001. A person who is beneficially interested~~

~~under this subsection is any person who is a beneficially
interested person under section 1001(f).~~

SECTION 1. CHAPTER 10 HEADING OF THE ACT OF DECEMBER 18,
1984 (P.L.1005, NO.205), KNOWN AS THE MUNICIPAL PENSION PLAN
FUNDING STANDARD AND RECOVERY ACT, ADDED JUNE 18, 1998 (P.L.626,
NO.82), IS AMENDED TO READ:

CHAPTER 10

[ALTERNATIVE FUNDING MECHANISM]

PROVISIONS RELATING TO CITIES OF THE FIRST CLASS

Section 3 2. Section 1001(b) of the act, added June 18, 1998
(P.L.626, No.82), is amended and the section is amended by
adding a subsection to read:

Section 1001. Alternative funding mechanism.

* * *

(b) Period of payment requirements prior to July 1, 2009.--
The period of the city's payment requirements under an
alternative funding mechanism implemented prior to December 31,
2002, shall be the greater of:

(1) the remaining period not exceeding 30 years during
which the city would have amortized the unfunded actuarial
accrued liability reported in its last actuarial valuation
report filed under Chapter 2 using the total amortization
payment and interest assumption, reported in that actuarial
valuation report; or

(2) 30 years.

If an alternative funding mechanism is implemented after
December 31, 2002, but before July 1, 2009, the period described
in paragraph (1) shall be the period of the city's payment
requirements.

(b.1) Period of payment requirements beginning July 1,


1 2009.--The period of the city's payment requirements under an
2 alternative funding mechanism implemented or refinanced in whole
3 or in part on or after July 1, 2009, and prior to the beginning
4 of the plan year that commences in 2019, shall be the greater
5 of:

6 (1) the remaining period not exceeding 30 years during
7 which the city would have amortized the unfunded actuarial
8 accrued liability reported in its last actuarial valuation
9 report filed under Chapter 2 using the total amortization
10 payment and interest assumption, reported in that actuarial
11 valuation report; or

12 (2) 30 years.

13 If an alternative funding mechanism is implemented after July 1,
14 2019, the period described in paragraph (1) shall be the period
15 of the city's payment requirements.

16 * * *

17 SECTION 3. THE ACT IS AMENDED BY ADDING SECTIONS TO READ: 
18 SECTION 1002. SPECIAL PROVISIONS FOR AMORTIZATION OF UNFUNDED
19 ACTUARIAL ACCRUED LIABILITY AND MINIMUM MUNICIPAL
20 OBLIGATION.

21 (A) AMORTIZATION OF UNFUNDED ACTUARIAL ACCRUED LIABILITY.--

22 (1) NOTWITHSTANDING ANY OTHER PROVISION OF THIS ACT OR
23 OTHER LAW, A CITY OF THE FIRST CLASS, IN ITS SOLE DISCRETION,
24 MAY AMORTIZE ITS ENTIRE UNFUNDED ACTUARIAL ACCRUED LIABILITY,
25 AS MEASURED ON A VALUATION DATE SELECTED BY THE CITY OF THE
26 FIRST CLASS AND OCCURRING IN THE PLAN YEAR COMMENCING AFTER
27 JANUARY 1, 2009, AND ENDING BEFORE DECEMBER 31, 2010, AS A
28 LEVEL DOLLAR AMOUNT WITH THE AMORTIZATION TARGET DATE BEING
29 THE END OF THE PLAN YEAR OCCURRING 30 YEARS AFTER THE PLAN
30 YEAR COMMENCING ON JULY 1, 2009, WITH PAYMENTS TO COMMENCE IN

1 THE NEXT PLAN YEAR.

2 (2) IN ORDER FOR A CITY OF THE FIRST CLASS TO EXTEND THE
3 APPLICABLE AMORTIZATION PERIOD PURSUANT TO THIS SUBSECTION,
4 THE CITY OF THE FIRST CLASS MUST FILE A REVISED ACTUARIAL
5 VALUATION REPORT REFLECTING THE AMORTIZATION PERIOD EXTENSION
6 PROVIDED FOR UNDER THIS SECTION AND THE ACTUARIAL ASSUMED
7 RATE IN EFFECT ON THE VALUATION DATE WITH THE COMMISSION NO
8 LATER THAN MARCH 31, 2010.

9 (3) ANY SUCH REVISED ACTUARIAL VALUATION REPORT MAY NOT
10 BE FILED IN LIEU OF THE ACTUARIAL VALUATION REPORT PREPARED
11 IN COMPLIANCE WITH SECTION 202(B) (4) (V) (A) AND REQUIRED TO BE
12 FILED ON OR BEFORE MARCH 31, 2009, AND MAY BE USED ONLY FOR
13 THE PURPOSES OF RECALCULATING THE MINIMUM MUNICIPAL
14 OBLIGATION OF THE CITY OF THE FIRST CLASS FOR THE PLAN YEAR
15 COMMENCING ON JULY 1, 2009, AND CALCULATING THE MINIMUM
16 MUNICIPAL OBLIGATION OF THE CITY OF THE FIRST CLASS FOR THE
17 PLAN YEAR COMMENCING ON JULY 1, 2010, TO REFLECT THE
18 AMORTIZATION PERIOD EXTENSION. THE REVISED REPORT SHALL
19 SUPERSEDE THE ORIGINAL REPORT TO THE EXTENT OF THE REVISIONS.

20 (4) ANY SUCH REVISED ACTUARIAL VALUATION REPORT SHALL
21 NOT AFFECT DISTRIBUTIONS UNDER THE GENERAL MUNICIPAL PENSION
22 SYSTEM STATE AID PROGRAM UNDER CHAPTER 4.

23 (B) REVISED MINIMUM MUNICIPAL OBLIGATION FOR CERTAIN PLAN
24 YEARS.--

25 (1) NOTWITHSTANDING ANY OTHER PROVISION OF THIS ACT OR
26 OTHER LAW, A CITY OF THE FIRST CLASS IS AUTHORIZED TO DEFER A
27 PORTION OF THE MINIMUM MUNICIPAL OBLIGATION PROVIDED FOR
28 SECTION 302:

29 (I) FOR THE PLAN YEAR ENDING JUNE 30, 2010, IN AN
30 AMOUNT NOT TO EXCEED \$155,000,000; AND

1 (II) FOR THE PLAN YEAR ENDING JUNE 30, 2011, IN AN
2 AMOUNT NOT TO EXCEED \$80,000,000.

3 (2) THE AMOUNTS DEFERRED SHALL BEAR INTEREST AT THE RATE
4 OF 8.25%, WHICH SHALL BE CALCULATED FROM THE BEGINNING OF THE
5 PLAN YEAR IN WHICH THE DEFERRAL WAS MADE. ACCRUED INTEREST ON
6 ANY AMOUNTS DEFERRED SHALL BE PAID YEARLY ON OR BEFORE JUNE
7 30, 2010, JUNE 30, 2011, AND JUNE 30, 2012.

8 (3) ON OR BEFORE JUNE 30, 2013, THE CITY OF THE FIRST
9 CLASS SHALL REPAY:

10 (I) AT LEAST \$90,000,000 OF ANY AMOUNTS DEFERRED,
11 PLUS INTEREST ACCRUED ON ALL AMOUNTS DEFERRED; OR

12 (II) IF THE TOTAL AMOUNT DEFERRED IS LESS THAN
13 \$90,000,000, THE TOTAL AMOUNT DEFERRED, PLUS INTEREST
14 ACCRUED ON THAT AMOUNT.

15 (4) THE BALANCE OF ALL AMOUNTS DEFERRED, INCLUDING
16 INTEREST ACCRUED AND UNPAID ON AMOUNTS DEFERRED, SHALL BE
17 REPAID BY JUNE 30, 2014.

18 (5) ANY OF THE AMOUNTS DEFERRED, INCLUDING INTEREST
19 ACCRUED ON DEFERRED AMOUNTS, WHICH REMAIN UNPAID AT THE END
20 OF THE PLAN YEAR ENDING JUNE 30, 2014, SHALL BE ADDED TO THE
21 MINIMUM MUNICIPAL OBLIGATION OF THE CITY OF THE FIRST CLASS
22 FOR THE FOLLOWING PLAN YEAR, WITH INTEREST CALCULATED AND DUE
23 UNTIL THE DATE THAT THE AMOUNTS DUE ARE PAID.

24 (6) THE CALCULATION OF THE UNFUNDED ACTUARIAL ACCRUED
25 LIABILITY MADE BY AND CERTIFIED BY AN APPROVED ACTUARY UNDER
26 SECTION 202 SHALL NOT INCLUDE ANY AMOUNTS DEFERRED PURSUANT
27 TO THIS SUBSECTION, SO LONG AS THE CITY OF THE FIRST CLASS IS
28 PAYING INTEREST ACCRUED ON SUCH DEFERRED AMOUNTS AND REPAYING
29 SUCH DEFERRED AMOUNTS IN ACCORDANCE WITH THE TERMS OF THIS
30 SUBSECTION.

1 (7) THE REPAYMENT OF ANY AMOUNTS DEFERRED, INCLUDING
2 INTEREST ACCRUED ON DEFERRED AMOUNTS, AS AND WHEN REQUIRED IN
3 THIS SUBSECTION, SHALL CONSTITUTE A COMMITMENT AND
4 OBLIGATION, BINDING AND ABSOLUTE, ON THE CITY OF THE FIRST
5 CLASS; AND THE CITY OF THE FIRST CLASS SHALL INCLUDE ALL
6 AMOUNTS DUE TO BE PAID UNDER THIS SUBSECTION IN THE BUDGET OF
7 THE CITY, AND ALL AMOUNTS DUE TO BE PAID SHALL BE
8 APPROPRIATED AND PAID IN ORDER TO MAKE TIMELY REPAYMENT OF
9 ANY AMOUNTS DEFERRED, INCLUDING INTEREST ACCRUED ON DEFERRED
10 AMOUNTS, WITH SUCH PAYMENT BEING UNCONDITIONAL AND WITHOUT
11 SETOFF.

12 (8) (I) ANY PERSON WHO IS BENEFICIALLY INTERESTED IN
13 THE CITY OF THE FIRST CLASS PAYING ITS MINIMUM MUNICIPAL
14 OBLIGATION UNDER THIS SUBSECTION SHALL HAVE STANDING TO
15 INSTITUTE A LEGAL PROCEEDING FOR MANDAMUS TO ENFORCE THE
16 OBLIGATION OF THE CITY OF THE FIRST CLASS TO MAKE
17 PAYMENTS UNDER THIS SUBSECTION IN THE SAME MANNER AS
18 PAYMENT REQUIREMENTS OF AN ALTERNATIVE FUNDING MECHANISM
19 MAY BE ENFORCED UNDER SECTION 1001.

20 (II) FOR PURPOSES OF THIS PARAGRAPH, A PERSON IS
21 BENEFICIALLY INTERESTED UNDER THIS SUBSECTION IF THE
22 PERSON IS A BENEFICIALLY INTERESTED PERSON UNDER SECTION
23 1001(F).

24 (9) THE CITY OF THE FIRST CLASS SHALL BE REQUIRED TO PAY
25 THE BALANCE OF ITS MINIMUM MUNICIPAL OBLIGATION IN FULL WHEN
26 DUE IN EACH PLAN YEAR.

27 SECTION 1003. SPECIAL TAXING AUTHORITY.

28 (A) IMPOSITION OF SPECIAL TAX.--

29 (1) SOLELY FOR THE PURPOSES SET FORTH IN SUBSECTION (B),
30 A CITY OF THE FIRST CLASS IS AUTHORIZED TO IMPOSE A TAX ON

1 THE SALE AT RETAIL OF TANGIBLE PERSONAL PROPERTY OR SERVICES
2 OR USE OF TANGIBLE PERSONAL PROPERTY OR SERVICES PURCHASED AT
3 RETAIL, AS THOSE TERMS ARE DEFINED IN ARTICLE II OF THE ACT
4 OF MARCH 4, 1971 (P.L.6, NO.2), KNOWN AS THE TAX REFORM CODE
5 OF 1971, WHICH TAX SHALL BE IN ADDITION TO THE TAX AUTHORIZED
6 UNDER THE PROVISIONS OF SECTION 503(A) AND (B) OF THE ACT OF
7 JUNE 5, 1991 (P.L.9, NO.6), KNOWN AS THE PENNSYLVANIA
8 INTERGOVERNMENTAL COOPERATION AUTHORITY ACT FOR CITIES OF THE
9 FIRST CLASS. THE TAX AUTHORIZED BY THIS SUBSECTION SHALL NOT
10 BE LEVIED, ASSESSED AND COLLECTED UPON THE OCCUPANCY OF A
11 ROOM OR ROOMS IN A HOTEL IN THE CITY.

12 (2) THE TAX AUTHORIZED UNDER THIS SUBSECTION SHALL BE
13 IMPOSED AND COLLECTED AT THE RATE OF 1%, AND SHALL BE
14 COMPUTED AS SET FORTH AT SECTION 503(E) (2) OF THE
15 PENNSYLVANIA INTERGOVERNMENTAL COOPERATION AUTHORITY ACT FOR
16 CITIES OF THE FIRST CLASS.

17 (3) THE TAX AUTHORIZED UNDER THIS SUBSECTION SHALL BE
18 ADMINISTERED, COLLECTED, DEPOSITED AND DISBURSED IN THE SAME
19 MANNER AS THE TAX IMPOSED UNDER CHAPTER 5 OF THE PENNSYLVANIA
20 INTERGOVERNMENTAL COOPERATION AUTHORITY ACT FOR CITIES OF THE
21 FIRST CLASS AND THE SITUS OF THE TAX AUTHORIZED UNDER THIS
22 SUBSECTION SHALL BE DETERMINED IN ACCORDANCE WITH THAT ACT
23 AND ARTICLE II-A OF THE TAX REFORM CODE OF 1971. THE
24 DEPARTMENT SHALL USE THE MONEY RECEIVED BY THE DEPARTMENT TO
25 COVER ITS COSTS OF ADMINISTRATION OF THE TAX AUTHORIZED BY
26 THE PROVISIONS OF CHAPTER 5 OF THE PENNSYLVANIA
27 INTERGOVERNMENTAL COOPERATION AUTHORITY ACT FOR CITIES OF THE
28 FIRST CLASS TO COVER THE COSTS OF ADMINISTRATION OF THE TAX
29 AUTHORIZED BY THIS SECTION; AND THE DEPARTMENT SHALL NOT
30 RETAIN ANY ADDITIONAL AMOUNTS FOR THE COSTS OF COLLECTION OF

1 THE TAX AUTHORIZED BY THIS SECTION. NO ADDITIONAL FEE SHALL
2 BE CHARGED FOR EITHER A LICENSE OR ANY RENEWAL IN ADDITION TO
3 A LICENSE OR RENEWAL FEE OTHERWISE AUTHORIZED AND IMPOSED
4 PURSUANT TO ARTICLE II OF THE TAX REFORM CODE OF 1971.

5 (B) MUNICIPAL ACTION.--

6 (1) IF A CITY OF THE FIRST CLASS DETERMINES TO IMPOSE
7 THE TAX AUTHORIZED BY SUBSECTION (A), THE GOVERNING BODY OF
8 THE CITY SHALL ADOPT OR SHALL PREVIOUSLY HAVE ADOPTED AN
9 ORDINANCE WHICH SHALL STATE THE TAX RATE.

10 (2) THE CITY ORDINANCE, INCLUDING AN ORDINANCE ADOPTED
11 PRIOR TO THE EFFECTIVE DATE OF THIS ARTICLE, MAY TAKE EFFECT
12 NO EARLIER THAN 20 DAYS AFTER THE ADOPTION OF THE ORDINANCE
13 OR 20 DAYS AFTER THE EFFECTIVE DATE OF THIS SECTION,
14 WHICHEVER IS LATER.

15 (3) A CERTIFIED COPY OF A CITY ORDINANCE IMPOSING THE
16 TAX AUTHORIZED BY SUBSECTION (A) SHALL BE DELIVERED TO THE
17 DEPARTMENT WITHIN TEN DAYS PRIOR TO OR AFTER THE EFFECTIVE
18 DATE OF THAT ORDINANCE.

19 (4) A CERTIFIED COPY OF A REPEAL ORDINANCE SHALL BE
20 DELIVERED TO THE DEPARTMENT AT LEAST 30 DAYS PRIOR TO THE
21 EFFECTIVE DATE OF THE REPEAL.

22 (C) USE OF TAX RECEIPTS.--ANY MONEYS RECEIVED BY THE CITY
23 FROM THE LEVY, ASSESSMENT AND COLLECTION OF THE TAX AUTHORIZED
24 UNDER SUBSECTION (A) MAY ONLY BE USED TO:

25 (1) PAY AS AND WHEN DUE IN ANY PLAN YEAR ANY AMOUNTS OF
26 THE CITY'S MINIMUM MUNICIPAL OBLIGATION PROVIDED FOR IN
27 SECTION 302, INCLUDING, BUT NOT LIMITED TO, AMOUNTS DEFERRED
28 PURSUANT TO SECTION 1002(B) AND INTEREST ACCRUED ON DEFERRED
29 AMOUNTS; AND

30 (2) REIMBURSE THE CITY FOR PAYMENTS MADE BY THE CITY,

1 FROM SOURCES OTHER THAN THE TAX AUTHORIZED IN SUBSECTION (A),
2 OF THE CITY'S MINIMUM MUNICIPAL OBLIGATION FOR THAT YEAR,
3 INCLUDING, BUT NOT LIMITED TO, AMOUNTS DEFERRED PURSUANT TO
4 SECTION 1002(B) AND INTEREST ACCRUED ON DEFERRED AMOUNTS.

5 (D) EXPIRATION.--

6 (1) THIS SECTION SHALL EXPIRE JULY 1, 2014.

7 (2) NOTWITHSTANDING THE EXPIRATION OF THIS SECTION, ANY
8 TAX IMPOSED PURSUANT TO SUBSECTION (A) ON SALES OR USES
9 OCCURRING BEFORE JULY 1, 2014, SHALL BE PAID TO AND RECEIVED
10 BY THE DEPARTMENT AND, ALONG WITH INTEREST AND PENALTIES,
11 LESS ANY REFUNDS AND CREDITS PAID, SHALL BE CREDITED TO THE
12 LOCAL SALES AND USE TAX FUND CREATED PURSUANT TO THE
13 PENNSYLVANIA INTERGOVERNMENTAL COOPERATION AUTHORITY ACT FOR
14 CITIES OF THE FIRST CLASS AS IF THIS SECTION HAD NOT EXPIRED.
15 SUCH MONEYS SHALL BE DISBURSED TO THE CITY IMPOSING THE TAX
16 IN THE MANNER PROVIDED BY SECTION 509 OF THE PENNSYLVANIA
17 INTERGOVERNMENTAL COOPERATION AUTHORITY ACT FOR CITIES OF THE
18 FIRST CLASS.

19 (E) EFFECT OF IMPOSITION, EXPIRATION OR REPEAL OF TAX.--THE
20 IMPOSITION, TERMINATION OR REPEAL OF THE TAX AUTHORIZED UNDER
21 SUBSECTION (A) SHALL NOT AFFECT IN ANY WAY THE AMOUNT OF
22 SUPPLEMENTAL STATE ASSISTANCE ALLOCABLE TO THE CITY IMPOSING THE
23 TAX.

24 SECTION 1004. ADDITIONAL ASSISTANCE.

25 NOTWITHSTANDING ANY OTHER PROVISION OF THIS ACT OR OTHER LAW,
26 A CITY OF THE FIRST CLASS SHALL CONTINUE TO RECEIVE STATE
27 SUPPLEMENTAL ASSISTANCE AND ANY OTHER ASSISTANCE AVAILABLE UNDER
28 THIS ACT.

29 Section 4. This act shall take effect immediately.