
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 902 Session of
2023

INTRODUCED BY WAXMAN, McANDREW, SIEGEL, KHAN, KINSEY,
HOHENSTEIN, HILL-EVANS, CIRESI, SANCHEZ, SOLOMON, RABB AND
FIEDLER, APRIL 12, 2023

REFERRED TO COMMITTEE ON TRANSPORTATION, APRIL 12, 2023

AN ACT

1 Amending Titles 53 (Municipalities Generally) and 75 (Vehicles)
2 of the Pennsylvania Consolidated Statutes, in transportation
3 network companies, further providing for impoundment of
4 vehicles, repealing provisions relating to assessment and
5 providing for payment of assessment; in taxation for public
6 transportation, further providing for local financial
7 support; in fees, further providing for fee for local use;
8 and imposing duties on the Department of Revenue and the
9 Department of Transportation.

10 The General Assembly finds and declares as follows:

11 (1) The economy and future competitiveness of
12 Pennsylvania rely upon a comprehensive transportation network
13 to meet the demands of the 21st century. The mechanisms
14 currently available to invest in the infrastructure of this
15 Commonwealth have not kept pace with needs and new
16 opportunities.

17 (2) Legislative action is needed to enable new county-
18 level investment options to advance transportation projects
19 that drive local priorities. The ability to generate new
20 local funding through modest fees or surcharges will be a
21 valuable tool in leveraging Federal and State resources to

1 accelerate local transit, highway, bridge and other
2 transportation projects that promote economic growth.

3 (3) At current levels, Pennsylvania's capital
4 investments are far below competitor states and regions.
5 Pennsylvania must position itself to be competitive in the
6 Federal grant process to tap into billions in new Federal
7 investment available in the Infrastructure Investment and
8 Jobs Act (Public Law 117-58, 135 Stat. 429).

9 (4) Recognition and furtherance of all these elements
10 are essential to promoting the health, safety and welfare of
11 the residents of this Commonwealth.

12 The General Assembly of the Commonwealth of Pennsylvania
13 hereby enacts as follows:

14 Section 1. Section 57A20(c) (3) (v) of Title 53 of the
15 Pennsylvania Consolidated Statutes is amended to read:

16 § 57A20. Impoundment of vehicles.

17 * * *

18 (c) Public auction.--The following shall apply:

19 * * *

20 (3) The authority shall apply the proceeds from the sale
21 of all confiscated property in the following order:

22 * * *

23 [(v) When not claimed by any registered lienholder
24 or registered owner within one year of the auction date,
25 to the restricted account provided for under section
26 57A22 (relating to assessment).]

27 * * *

28 Section 2. Section 57A22 of Title 53 is repealed:

29 [§ 57A22. Assessment.

30 The following shall apply:

1 (1) A transportation network company operating in a city
2 of the first class shall pay to the authority an assessment
3 amount equal to 1.4% of the gross receipts from all fares
4 charged to all passengers for prearranged rides that
5 originate in the city. The amount assessed shall be remitted
6 on a quarterly basis and deposited into a restricted receipts
7 account in the State Treasury. The State Treasurer shall
8 distribute 66.67% to a school district of the first class and
9 33.33% to the parking authority on a quarterly basis. This
10 section shall expire December 31, 2019.

11 (2) If an assessment is imposed after December 31, 2019,
12 the percentage amount may not be less than the percentage
13 amount imposed under paragraph (1).]

14 Section 3. Title 53 is amended by adding a section to read:
15 § 57A23. Payment of assessment.

16 (a) Requirements.--A transportation network company
17 operating in a county shall pay an assessment amount equal to
18 2.5% of the gross receipts from all fares charged to all
19 passengers for prearranged rides that originate in the county.
20 The following apply:

21 (1) The amount assessed shall be remitted on a quarterly
22 basis and deposited into a restricted receipts account in the
23 State Treasury.

24 (2) For money collected in a county of the first class,
25 the State Treasurer shall distribute 66.67% to a school
26 district of the first class and 33.33% to the parking
27 authority on a quarterly basis.

28 (3) For money collected in a county that is not a county
29 of the first class, the State Treasurer shall distribute the
30 money directly to the county on a quarterly basis.

1 (b) Definitions.--As used in this section, the following
2 words and phrases shall have the meanings given to them in this
3 subsection unless the context clearly indicates otherwise:

4 "County." As defined in section 8602(j) (relating to local
5 financial support).

6 Section 4. Section 8602 of Title 53 is amended to read:

7 § 8602. Local financial support.

8 (a) Imposition.--

9 (1) Notwithstanding any other provision of law, a county
10 [of the second class] may, by ordinance or resolution, obtain
11 financial support for transit systems and transportation
12 infrastructure by imposing one or more of the taxes under
13 subsection (b). Money obtained from the imposition shall be
14 deposited into a restricted account of the county.

15 (2) Only a county of the second class may impose any of
16 the taxes specified under subsection (b)(1)(i) and (ii).

17 (b) Taxes.--

18 (1) A county [of the second class may, by ordinance,]
19 may impose any of the following taxes:

20 (i) A tax on the sale at retail of liquor and malt
21 and brewed beverages within the county. The ordinance
22 shall be modeled on the act of June 10, 1971 (P.L.153,
23 No.7), known as the First Class School District Liquor
24 Sales Tax Act of 1971, and the rate of tax authorized
25 under this subparagraph may not exceed the rate
26 established under that act.

27 (ii) An excise tax on each renting of a rental
28 vehicle in the county. The rate of tax authorized under
29 this subparagraph may not exceed the rate established
30 under section 2301(e) of the act of March 4, 1971 (P.L.6,

1 No.2), known as the Tax Reform Code of 1971. As used in
2 this subparagraph, the term "rental vehicle" has the
3 meaning given to it in section 1601-A of the Tax Reform
4 Code of 1971.

5 (iii) A tax upon a transfer of real property or an
6 interest in real property within the limits of the
7 county, regardless of where the instruments making the
8 transfers are made, executed or delivered or where the
9 actual settlements on the transfer take place, to the
10 extent that the transactions are subject to the tax
11 imposed by Article XI-C of the Tax Reform Code of 1971. A
12 taxed imposed under this subparagraph shall not exceed
13 0.5% of rate limitations provided by sections 307, 311
14 and 320 of the act of December 31, 1965 (P.L.1257,
15 No.511), known as The Local Tax Enabling Act.

16 (iv) In addition to the tax imposed under Article
17 III of the Tax Reform Code of 1971, a surtax not to
18 exceed 0.2% of the tax imposed on the taxable income of
19 resident and nonresident individuals as provided for
20 under Article III of the Tax Reform Code of 1971. The
21 surtax shall be in addition to any tax imposed under
22 Article III of the Tax Reform Code of 1971.

23 (v) In addition to the tax imposed under Article II
24 of the Tax Reform Code of 1971, a surtax equal to 0.25%
25 imposed on the purchase price of tangible personal
26 property and services subject to taxation under Article
27 II of the Tax Reform Code of 1971. The surtax shall be in
28 addition to any tax imposed under Article II of the Tax
29 Reform Code of 1971.

30 (vi) An annual personal property tax on motor

1 vehicles equal to 0.25% on the fair market value of the
2 following, which are registered in the county:

3 (A) Passenger vehicles.

4 (B) Trucks with a registered weight of 11,000
5 pounds or less.

6 (C) Motorcycles.

7 (D) Recreational vehicles, including motor
8 homes.

9 (vii) A local services tax in accordance with
10 Chapter 3 of The Local Tax Enabling Act, at a rate not to
11 exceed \$3 per week, or \$156 per year. A county levying
12 the local services tax shall, by ordinance, exempt any
13 person from the local services tax whose total earned
14 income and net profits from all sources within the county
15 are less than 200% of the Federal poverty guidelines, as
16 published in the Federal Register for the calendar year
17 in which the local services tax is levied.

18 (2) (Reserved).

19 [(c) Definition.--For purposes of this section, the term
20 "county of the second class" shall not include a county of the
21 second class A.]

22 (d) Computation of sales and use tax.--Within 30 days of the
23 notification of a county of the adoption of a tax under
24 subsection (b) (1) (v), the Department of Revenue shall establish
25 a combined schedule for the computation of the State sales and
26 use tax and the State sales and use surtax as established under
27 subsection (b) (1) (v). The Department of Revenue shall:

28 (1) Collect the surtax and remit the surtax proceeds
29 quarterly to the appropriate taxing authority.

30 (2) Transmit notice of the schedule providing for the

1 combined computation of the State sales and use tax and the
2 State sales and use surtax to the Legislative Reference
3 Bureau for publication in the next available issue of the
4 Pennsylvania Bulletin.

5 (e) Computation of personal property tax on motor
6 vehicles.--The fair market value of the vehicles specified under
7 subsection (b) (1) (vi) shall be calculated in a manner prescribed
8 by the Department of Transportation, which shall transmit notice
9 of the manner of calculation to the Legislative Reference Bureau
10 for publication in the next available issue of the Pennsylvania
11 Bulletin.

12 (f) Administration.--

13 (1) The taxes authorized under subsection (b) (1) (iii)
14 and (iv) shall be administered, collected and enforced under
15 The Local Tax Enabling Act.

16 (2) The tax authorized under subsection (b) (1) (v) shall
17 be administered, collected and enforced under the Tax Reform
18 Code of 1971.

19 (3) In administering this subsection, the Department of
20 Revenue may promulgate and enforce regulations not
21 inconsistent with the provisions of this section.

22 (4) To cover the costs of administration of this
23 section, the Department of Revenue may retain a sum equal to
24 the costs of administration.

25 (g) Construction.--The provisions of Articles II, III and
26 XI-C of the Tax Reform Code of 1971 shall apply to the taxes
27 imposed under subsection (b), except as inconsistent with this
28 section.

29 (h) Grants by counties.--

30 (1) A county may make annual grants from current

1 revenues or from revenue derived from taxes levied by the
2 county under this section to local transportation
3 organizations to:

4 (i) Assist in defraying the costs of operations,
5 maintenance and debt service of a local transportation
6 organization or of a particular mass transportation
7 project of a local transportation organization.

8 (ii) Enter into long-term agreements providing for
9 the payments under subparagraph (i).

10 (2) The obligation of a county under any agreement
11 under this section shall not be considered to be part of the
12 county's indebtedness.

13 (3) An obligation under any agreement under this section
14 shall not be deemed to impair the status of any indebtedness
15 of the county which would otherwise be considered as self-
16 sustaining.

17 (4) Nothing in this subsection shall be construed to
18 preclude two or more counties from entering into an agreement
19 to jointly make grants or jointly enter into long-term
20 agreements in accordance with paragraph (1).

21 (5) A county may make use of money from current revenues
22 or from revenue derived from taxes levied by the county under
23 this section for Commonwealth, county or municipal
24 transportation infrastructure purposes described under 75
25 Pa.C.S. § 9010(b)(2)(i) (relating to disposition and use of
26 tax). The money may supplement or match money provided by the
27 Motor License Fund, the Multimodal Transportation Fund or the
28 Liquid Fuels Tax Fund.

29 (i) Rules and regulations.--

30 (1) The Department of Revenue and the Department of

1 Transportation may each promulgate or adopt rules and
2 regulations as may be necessary and appropriate to carry out
3 the provisions of this section.

4 (2) Notwithstanding any other provision of law, in order
5 to facilitate the prompt implementation of the amendment of
6 this section, the Department of Revenue and the Department of
7 Transportation may each issue temporary regulations. The
8 following apply:

9 (i) The Department of Revenue and the Department of
10 Transportation must issue the temporary regulations
11 within two years of the effective date of this
12 subsection. Regulations adopted after this two-year
13 period shall be promulgated as provided by statute.

14 (ii) Notice of the temporary regulations shall be
15 transmitted to the Legislative Reference Bureau for
16 publication in the next available issue of the
17 Pennsylvania Bulletin.

18 (iii) The Department of Revenue and the Department
19 of Transportation shall each post their temporary
20 regulations on their publicly accessible Internet
21 websites.

22 (iv) The temporary regulations shall expire no later
23 than three years following publication of the temporary
24 regulations in the Pennsylvania Bulletin.

25 (v) The temporary regulations under this paragraph
26 shall be exempt from the following:

27 (A) Section 612 of the act of April 9, 1929
28 (P.L.177, No.175), known as The Administrative Code
29 of 1929.

30 (B) Sections 201, 202, 203, 204 and 205 of the

1 act of July 31, 1968 (P.L.769, No.240), referred to
2 as the Commonwealth Documents Law.

3 (C) Sections 204(b) and 301(10) of the act of
4 October 15, 1980 (P.L.950, No.164), known as the
5 Commonwealth Attorneys Act.

6 (D) The act of June 25, 1982 (P.L.633, No.181),
7 known as the Regulatory Review Act.

8 (3) Prior to the expiration of the temporary
9 regulations, the Department of Revenue and the Department of
10 Transportation shall each propose for approval permanent
11 regulations as provided by statute. The proposed permanent
12 regulations shall be consistent with this section and may be
13 the same as the temporary regulations.

14 (j) Definitions.--As used in this section, the following
15 words and phrases shall have the meanings given to them in this
16 subsection unless the context clearly indicates otherwise:

17 "County." A county of the first class, second class, second
18 class A or third class with a population of more than 525,000
19 but less than 540,000 based on the 2020 Federal decennial
20 census.

21 Section 5. Section 1935 of Title 75 is amended by adding a
22 subsection to read:

23 § 1935. Fee for local use.

24 * * *

25 (b.1) Urban and suburban counties.--Beginning after December
26 31, 2023, a county of the first class, second class, second
27 class A and third class with a population of more than 525,000
28 but less than 540,000 based on the 2020 Federal decennial census
29 may, by ordinance, impose a fee of \$5 in addition to the fee in
30 subsection (b) for each nonexempt vehicle registered to an

1 address located in the county. A county shall notify the
2 department of the passage of the ordinance 90 days prior to the
3 effective date of the ordinance.

4 * * *

5 Section 6. This act shall take effect in 120 days.