
THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 382 Session of
2015

INTRODUCED BY WILEY, COSTA, BLAKE, BROWNE, HUGHES, FONTANA,
FARNESE, YUDICHAK, ARGALL, HUTCHINSON, MCGARRIGLE,
VULAKOVICH, BREWSTER, SMITH AND TEPLITZ, FEBRUARY 25, 2015

REFERRED TO FINANCE, FEBRUARY 25, 2015

AN ACT

1 Amending the act of March 4, 1971 (P.L.6, No.2), entitled "An
2 act relating to tax reform and State taxation by codifying
3 and enumerating certain subjects of taxation and imposing
4 taxes thereon; providing procedures for the payment,
5 collection, administration and enforcement thereof; providing
6 for tax credits in certain cases; conferring powers and
7 imposing duties upon the Department of Revenue, certain
8 employers, fiduciaries, individuals, persons, corporations
9 and other entities; prescribing crimes, offenses and
10 penalties," in city revitalization and improvement zones,
11 further providing for the definitions of "city" and
12 "contracting authority" and for establishment of contracting
13 authority, providing for number of authorized zones and
14 further providing for approval.

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

17 Section 1. The definitions of "city" and "contracting
18 authority" in section 1802-C of the act of March 4, 1971 (P.L.6,
19 No.2), known as the Tax Reform Code of 1971, amended or added
20 July 9, 2013 (P.L.270, No.52) and October 31, 2014 (P.L.2929,
21 No.194), are amended to read:

22 Section 1802-C. Definitions.

23 The following words and phrases when used in this article

1 shall have the meanings given to them in this section unless the
2 context clearly indicates otherwise:

3 * * *

4 "City." A city of the second class A or third class [with a
5 population of at least 30,000 based on the most recent Federal
6 decennial census]. The term includes a city that is a distressed
7 city under the act of July 10, 1987 (P.L.246, No.47), known as
8 the Municipalities Financial Recovery Act. The term shall not
9 include a city that [has had], at the time an application is
10 submitted under section 1804-C(a) for a zone within the city, is
11 subject to a receiver appointed under Chapter 7 of [the act of
12 July 10, 1987 (P.L.246, No.47), known as] the Municipalities
13 Financial Recovery Act.

14 * * *

15 "Contracting authority." [An] A new or existing authority
16 established [under 53 Pa.C.S. Ch. 56 (relating to municipal
17 authorities)] or designated by a city, borough, township or home
18 rule county [for the purpose of:

19 (1) designating zones; and

20 (2) engaging in the construction, including related site
21 preparation and infrastructure, reconstruction or renovation
22 of facilities.] to designate and administer zones, issue
23 bonds and engage in the financing, construction, related site
24 preparation and infrastructure, reconstruction or renovation
25 of facilities in accordance with this article. The term shall
26 include:

27 (1) An authority established under 53 Pa.C.S. Ch. 56
28 (relating to municipal authorities).

29 (2) An authority established under the former act of
30 December 27, 1994 (P.L.1375, No.162), known as the Third

1 Class County Convention Center Authority Act, or under
2 Article XXIII, Subdivision (N) or (O) of the act of August 9,
3 1955 (P.L.323, No.130), known as The County Code.

4 (3) An authority established under the act of December
5 6, 1972 (P.L.1392, No.298), known as the Third Class City
6 Port Authority Act.

7 (4) An authority established under another Commonwealth
8 statute other than as listed under paragraphs (1), (2) and
9 (3).

10 * * *

11 Section 2. Section 1803-C of the act, amended October 31,
12 2014 (P.L.2929, No.194), is amended to read:

13 Section 1803-C. Establishment of contracting authority.

14 (a) Authorization.--Except as set forth in subsection (b), a
15 city, borough or township may establish or designate a
16 contracting authority [to designate a zone] under this article.

17 (b) Distressed cities.--A city that is a distressed city
18 under the act of July 10, 1987 (P.L.246, No.47), known as the
19 Municipalities Financial Recovery Act, and is located in a
20 county of the second class A that is a home rule county may not
21 establish a contracting authority under this article.

22 (c) Counties.--[The home rule county] A county of the second
23 class A that is a home rule county and where a distressed city
24 under the Municipalities Financial Recovery Act is located may
25 establish a contracting authority to designate a zone under this
26 article within the distressed city.

27 Section 3. The act is amended by adding a section to read:
28 Section 1803.1-C. Number of authorized zones.

29 The department shall authorize 15 zones as follows:

30 (1) four in cities with populations above 60,000 based

1 on the most recent Federal decennial census;

2 (2) four in cities with populations above 20,000, but
3 not more than 60,000, based on the most recent Federal
4 decennial census;

5 (3) four in cities with populations up to 20,000 based
6 on the most recent Federal decennial census; and

7 (4) three additional cities regardless of population
8 category if the city otherwise meets the requirements of this
9 article.

10 Section 4. Section 1804-C(c) of the act, added July 9, 2013
11 (P.L.270, No.52), is amended to read:

12 Section 1804-C. Approval.

13 * * *

14 (c) Approval schedule.--The Department of Community and
15 Economic Development shall develop a schedule for the approval
16 of applications under this section as follows:

17 (1) Following the effective date of this paragraph,
18 applications for [two] 15 initial zones may be approved.
19 Priority for approval shall be given to applications
20 submitted on behalf of a city that is a distressed city under
21 the act of July 10, 1987 (P.L.246, No.47), known as the
22 Municipalities Financial Recovery Act, or a city that has had
23 a receiver appointed under Chapter 7 of the Municipalities
24 Financial Recovery Act.

25 (2) Beginning in 2016, applications for two additional
26 zones may be approved each calendar year[.] regardless of
27 population. Priority for approval shall be given to
28 applications submitted on behalf of a city that is a
29 distressed city under the Municipalities Financial Recovery
30 Act or a city that has had a receiver appointed under Chapter

1 7 of the Municipalities Financial Recovery Act.

2 (3) Following the effective date of this paragraph, the
3 Department of Community and Economic Development, the office
4 and the department, may approve [one pilot zone] not more
5 than five pilot zones.

6 (4) A city may not be approved for more than one zone.
7 A township or borough may not be approved for more than one
8 pilot zone. A city that established a neighborhood
9 improvement zone under Article XIX-B shall be eligible to
10 apply for or be approved for a zone under this article.

11 * * *

12 Section 5. This act shall take effect in 60 days.