
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 739 Session of
2017

INTRODUCED BY LONGIETTI, SAINATO, FREEMAN, THOMAS, ROTHMAN,
D. COSTA, McNEILL, MADDEN, MILLARD, CALTAGIRONE, MULLERY,
V. BROWN AND MATZIE, MARCH 7, 2017

REFERRED TO COMMITTEE ON COMMERCE, MARCH 7, 2017

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 definitions and for establishment or
12 designation of contracting authority, providing for number of
13 authorized zones and further providing for approval.

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

16 Section 1. The definitions of "city," "contracting
17 authority" and "pilot zone" in section 1802-C of the act of
18 March 4, 1971 (P.L.6, No.2), known as the Tax Reform Code of
19 1971, amended July 13, 2016 (P.L.526, No.84), are amended to
20 read:

21 Section 1802-C. Definitions.

22 The following words and phrases when used in this article
23 shall have the meanings given to them in this section unless the

1 context clearly indicates otherwise:

2 * * *

3 "City." A city of the second class A or third class or a
4 home rule municipality [with a population of at least 20,000
5 based on the most recent Federal decennial census]. The term
6 includes a city that is a distressed city under the act of July
7 10, 1987 (P.L.246, No.47), known as the Municipalities Financial
8 Recovery Act, and a city that has had a receiver appointed under
9 Chapter 7 of the Municipalities Financial Recovery Act.

10 * * *

11 "Contracting authority." A new or existing authority
12 established or designated by a city, municipality or [home rule]
13 county to designate and administer zones. The term shall
14 include:

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

17 (2) An authority established under the former act of
18 December 27, 1994 (P.L.1375, No.162), known as the Third
19 Class County Convention Center Authority Act, or under
20 Article XXIII(n) or (o) of the act of August 9, 1955
21 (P.L.323, No.130), known as the County Code.

22 (3) An authority established by a contiguous
23 municipality under 53 Pa.C.S. Ch. 56 for the purposes of this
24 act.

25 * * *

26 "Pilot zone." An area of not more than 100 acres designated
27 by the contracting authority following application and approval
28 by the Department of Community and Economic Development, the
29 office and the department which will provide economic
30 development and job creation within one or more municipalities,

1 with a total population of at least [7,000] 2,000 based on the
2 most recent Federal decennial census.

3 * * *

4 Section 2. Section 1803-C of the act, amended July 13, 2016
5 (P.L.526, No.84), is amended to read:

6 Section 1803-C. Establishment or designation of contracting
7 authority.

8 (a) Authorization.--Except as set forth in subsection (b), a
9 city, municipality or home rule county may establish or
10 designate a contracting authority to designate a zone under this
11 article.

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

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

22 Section 3. The act is amended by adding a section to read:

23 Section 1803.2-C. Number of authorized zones.

24 The department shall authorize 15 zones as follows:

25 (1) four in cities with populations above 60,000 based
26 on the most recent Federal decennial census;

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

30 (3) four in cities with populations up to 20,000 based

1 on the most recent Federal decennial census; and

2 (4) three additional cities regardless of population
3 category if the city otherwise meets the requirements of this
4 article.

5 Section 4. Section 1804-C(c) of the act, amended July 13,
6 2016 (P.L.526, No.84), is amended to read:

7 Section 1804-C. Approval.

8 * * *

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

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

21 (2) Beginning in 2016, applications for two additional
22 zones may be approved each calendar year[.] regardless of
23 population. Priority for approval shall be given to
24 applications submitted on behalf of a city that is a
25 distressed city under the Municipalities Financial Recovery
26 Act or a city that has had a receiver appointed under Chapter
27 7 of the Municipalities Financial Recovery Act.

28 (4) Following the effective date of this paragraph, the
29 Department of Community and Economic Development, the office
30 and the department may approve not more than five pilot

1 zones.

2 (5) A city may not be approved for more than one zone.

3 A township or borough may not be approved for more than one

4 pilot zone. A city that established a neighborhood

5 improvement zone under Article XIX-B shall be eligible to

6 apply for or be approved for a zone under this article.

7 * * *

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