

No. 1986-115

AN ACT

HB 1676

Amending the act of April 9, 1929 (P.L.343, No.176), entitled, as amended, "An act relating to the finances of the State government; providing for the settlement, assessment, collection, and lien of taxes, bonus, and all other accounts due the Commonwealth, the collection and recovery of fees and other money or property due or belonging to the Commonwealth, or any agency thereof, including escheated property and the proceeds of its sale, the custody and disbursement or other disposition of funds and securities belonging to or in the possession of the Commonwealth, and the settlement of claims against the Commonwealth, the resettlement of accounts and appeals to the courts, refunds of moneys erroneously paid to the Commonwealth, auditing the accounts of the Commonwealth and all agencies thereof, of all public officers collecting moneys payable to the Commonwealth, or any agency thereof, and all receipts of appropriations from the Commonwealth, authorizing the Commonwealth to issue tax anticipation notes to defray current expenses, implementing the provisions of section 7(a) of Article VIII of the Constitution of Pennsylvania authorizing and restricting the incurring of certain debt and imposing penalties; affecting every department, board, commission, and officer of the State government, every political subdivision of the State, and certain officers of such subdivisions, every person, association, and corporation required to pay, assess, or collect taxes, or to make returns or reports under the laws imposing taxes for State purposes, or to pay license fees or other moneys to the Commonwealth, or any agency thereof, every State depository and every debtor or creditor of the Commonwealth," creating the Redevelopment Assistance Sinking Fund and providing for its funding and use.

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

Section 1. Section 1602-B of the act of April 9, 1929 (P.L.343, No.176), known as The Fiscal Code, is amended by adding a definition to read:

Section 1602-B. Definitions.—As used in this article—

* * *

"Redevelopment Assistance Capital Project" shall mean the design and construction of facilities which (i) are facilities other than housing units, highways, bridges, waste disposal facilities, sewage systems or facilities, or water systems or facilities, and are projects which cannot obtain funding under other State or Federal programs; (ii) are economic development projects which generate substantial increases in employment, tax revenues or other measures of economic activity; (iii) are facilities which have a regional or multijurisdictional impact; (iv) are eligible for tax-exempt bond funding under existing Federal law or under Federal H.R.3838 of 1985, which shall be known as the Tax Reform Act of 1985 if it is enacted; (v) have a fifty per centum non-State participation, of which the only noncash non-State participation permitted is land donation and toward which State funds from other programs may not be used; and (vi) have a total project cost of five million dollars (\$5,000,000) or more.

* * *

Section 2. The act is amended by adding a section to read:

Section 1616.1-B. Redevelopment Assistance Sinking Fund.—

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

(b) Each year an amount shall be deposited into the Redevelopment Assistance Sinking Fund sufficient to meet the debt service requirements during that fiscal year on redevelopment assistance bonds, but such amount shall not exceed the first thirty million dollars (\$30,000,000) of realty transfer tax revenue credited to a fiscal year. Deposits shall be made into the sinking fund each year pursuant to this section until all redevelopment assistance bonds issued are retired. Any surplus funds in the sinking fund at the time all such bonds are retired shall be transferred into the General Fund at the close of the fiscal year in which the last bond is retired.

(c) The amount of additional bonds which may be issued in any year for redevelopment assistance projects for which payment is to be made from the Redevelopment Assistance Sinking Fund shall not cause the amount of redevelopment assistance bonds outstanding to increase to the level that required principal and interest payments to be made from the sinking fund would exceed the amount available in the sinking fund for such payments in the fiscal year.

Section 3. (a) Section 1 of this act shall take effect in 60 days.

(b) The remainder of this act shall take effect immediately.

APPROVED—The 10th day of July, A. D. 1986.

DICK THORNBURGH