

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 1210 Session of 2013

INTRODUCED BY PILEGGI, RAFFERTY, ERICKSON, BROWNE, WOZNIAK,  
GREENLEAF, FERLO, YUDICHAK, BRUBAKER AND SCHWANK,  
DECEMBER 9, 2013

REFERRED TO TRANSPORTATION, DECEMBER 9, 2013

AN ACT

1 Amending the act of December 8, 2004 (P.L.1801, No.238),  
2 entitled "An act empowering municipalities, counties and  
3 public transportation agencies to work cooperatively to  
4 establish Transit Revitalization Investment Districts (TRID),  
5 including partnerships with the National Railroad Passenger  
6 Corporation requiring planning studies, comprehensive plan  
7 and zoning amendments and use of existing statutes and  
8 techniques to achieve transit-oriented development,  
9 redevelopment, community revitalization and enhanced  
10 community character through TRID creation; establishing value  
11 capture areas as a means to reserve and use future,  
12 designated incremental tax revenues for public transportation  
13 capital improvements, related site development improvements  
14 and maintenance; promoting the involvement of and  
15 partnerships with the private sector in TRID development and  
16 implementation; encouraging public involvement during TRID  
17 planning and implementation; and providing for duties of the  
18 Department of Community and Economic Development," in general  
19 provisions, further providing for definitions; in TRID  
20 creation and location, further providing for criteria for  
21 proposed TRID, for TRID designation, for implementing  
22 authority, for TRID planning study factors, for roles and  
23 responsibilities of public transportation agencies and  
24 municipalities and for amendments to TRID planning study; in  
25 land development powers of public transportation agencies,  
26 further providing for development or redevelopment of  
27 property; in value capture approaches, further providing for  
28 creation of value capture area and for dedication of tax  
29 revenues; providing for capture of TRID tax revenue; and, in  
30 community involvement, further providing for public meeting  
31 to explain TRID and alternative implementation approaches.

32 The General Assembly of the Commonwealth of Pennsylvania

1 hereby enacts as follows:

2 Section 1. Section 103 of the act of December 8, 2004  
3 (P.L.1801, No.238), known as the Transit Revitalization  
4 Investment District Act, is amended by adding a definition to  
5 read:

6 Section 103. Definitions.

7 The following words and phrases when used in this act shall  
8 have the meanings given to them in this section unless the  
9 context clearly indicates otherwise:

10 \* \* \*

11 "Management entity." Any of the following:

12 (1) A participating municipality or transit agency.

13 (2) A redevelopment authority, municipal authority,  
14 neighborhood improvement district, business improvement  
15 district or a similar governmental or nonprofit organization  
16 authorized to act in a manner consistent with the TRID  
17 planning study and with a services area compatible with the  
18 TRID.

19 \* \* \*

20 Section 2. Sections 301, 302, 303, 304, 305, 306, 502, 701  
21 and 702 of the act are amended to read:

22 Section 301. Criteria for proposed TRID.

23 Local municipalities, counties, transportation authorities  
24 and public transportation agencies proposing to define and  
25 develop a TRID shall use the following criteria and process:

26 (1) Eligible TRID locations may include any geographic  
27 area of a municipality or municipalities, including vacant,  
28 underutilized or potentially redevelopable land, within an  
29 area generally formed by a minimum radius of one-eighth mile  
30 and not to exceed a radius of one-half mile from a railroad,

1 transit, light rail, busway or similar transit stop or  
2 station, measured from the centerline of the track or roadway  
3 traversing the station or stop location. TRID designation may  
4 also include new station locations proposed in conjunction  
5 with a planned public transportation service, as defined on  
6 an adopted county, regional or public transportation agency  
7 plan.

8 [(2) The specific boundaries of a TRID may be expanded  
9 or reduced based on local circumstances such as local  
10 economic development and planning goals, community character,  
11 property boundary and scale variations but only when:

12 (i) authorized by the governing body or bodies of  
13 the affected jurisdiction or jurisdictions in cooperation  
14 with the pertinent public transportation agency; and

15 (ii) the rationale for the boundaries is supported  
16 by the findings of the required TRID planning study.]

17 (3) A local municipality or municipalities shall  
18 [further] define and support the rationale for the TRID  
19 designation through a TRID planning study as well as  
20 appropriate amendments to the municipal comprehensive plan,  
21 zoning ordinance and other pertinent regulations.

22 (4) A local municipality may designate the county  
23 planning agency to undertake or assist the TRID planning  
24 study on its behalf.

25 (5) An existing neighborhood improvement district, tax  
26 increment district or urban renewal area may be used as the  
27 basis for the boundaries of a TRID when justified by the TRID  
28 planning study required in section 304.

29 Section 302. TRID designation.

30 (a) Designation.--Local municipalities and counties working

1 with public transportation agencies, transportation authorities,  
2 AMTRAK, passenger rail transportation providers or any  
3 combination thereof may designate TRIDs in advance of  
4 implementation of a new public transit service or in conjunction  
5 with an existing public transportation service and in advance of  
6 or in conjunction with actual development proposals. A TRID and  
7 its boundaries shall be established by ordinance.

8 (b) Agreement.--To create a TRID, in addition to the  
9 planning study described in section 301(3), the municipality or  
10 municipalities shall enter into an agreement with the transit  
11 agency that approves the TRID planning study under section  
12 301(3) and defines the activities [and], commitments and  
13 administrative and management roles of each party to the TRID,  
14 including any specific actions or financial participation to  
15 help implement the TRID. The agreement shall include the  
16 development agreement specified in section 504 as well as a  
17 description of the TRID management entity described in section  
18 [502(4)] 303.

19 Section 303. [Implementing authority] Management entity.

20 [A participating county, local municipality, transportation  
21 authority and public transportation agency may designate on  
22 their behalf the county redevelopment authority to assume  
23 responsibility for TRID implementation.] The participating local  
24 municipality or county and the transit agency shall designate  
25 the management entity in the TRID agreement to administer,  
26 manage and facilitate the implementation of the TRID planning  
27 study.

28 Section 304. TRID planning study factors.

29 The scope and scale of transit improvements and community  
30 facility improvements, as well as any needed support facilities,

1 shall be assessed in the TRID planning study. The TRID planning  
2 study shall also serve as the basis for a comprehensive plan  
3 amendment to establish the TRID if the municipality has a  
4 currently adopted comprehensive plan. The following shall apply:

5 (1) The planning study shall consider the need for  
6 capital improvements to transit-related facilities and  
7 adjacent public infrastructure, including roads, sidewalks  
8 and water, sewer and storm drainage service and public  
9 facilities, as well as opportunities for private sector real  
10 estate development and ways in which such facilities,  
11 services and development can be financed.

12 (2) Municipalities and counties undertaking a TRID  
13 planning study shall receive priority consideration for  
14 planning [and implementation] grants and technical assistance  
15 from the department[, working in partnership with the  
16 pertinent county planning agency or agencies and other State  
17 agencies with grant or loan programs that may be applicable  
18 to TRID planning or implementations]. Any funding  
19 [appropriated to the Department of Community and Economic  
20 Development for the purpose of carrying out this act is  
21 intended to assist counties and local governments on a 25%  
22 matching basis to undertake TRID planning studies and related  
23 implementation activities. Individual grants for a TRID  
24 planning study or implementation project shall not exceed  
25 \$75,000. The department in consultation with the Department  
26 of Transportation shall administer the supplemental TRID  
27 program through the existing land use planning and technical  
28 assistance program, with application guidance as necessary.]  
29 utilized by the department to assist with TRID planning  
30 studies, except where otherwise limited by law, shall be

1 awarded on a 25% matching basis.

2 (3) Commonwealth agencies are directed to provide State  
3 resources, programs and new capital investments that will  
4 assist local governments, transportation authorities and  
5 transit agencies to implement TRIDS.

6 Section 305. Roles and responsibilities of public  
7 transportation agencies and municipalities.

8 As guidelines to implement the findings and recommendation of  
9 the TRID planning study, the following roles and  
10 responsibilities are defined:

11 (1) The scope and scale of needed or proposed transit  
12 capital improvements within the TRID area are the  
13 responsibility of the partnering public transportation  
14 agency. The cost, financing, phasing and schedule of all  
15 transit-related improvements shall be included in the public  
16 transportation agency's adopted capital program.

17 (2) The scope and scale of needed or proposed support  
18 facilities, highway accessways and community or neighborhood  
19 facility improvements, for example, sidewalks and recreation  
20 facilities, are the responsibility of the partnering county  
21 and local jurisdiction or jurisdictions and may include  
22 support from the private sector.

23 [(3) Notwithstanding these stated roles and  
24 responsibilities, the parties to a TRID shall be responsible  
25 for defining the administrative and management roles and  
26 responsibilities that will be most appropriate to achieve  
27 implementation of the TRID in their community.]

28 Section 306. Amendments [to TRID planning study].

29 [Proposed real estate development or redevelopment may  
30 trigger additional needs for transit improvements and community

1 facility improvements or support facilities and shall be  
2 accommodated through pertinent amendments of the TRID planning  
3 study and county, multimunicipal or local municipal  
4 comprehensive plan.] If warranted by a changing economic or  
5 community condition, planning goal, real estate development,  
6 redevelopment opportunity or a demonstrated need for transit or  
7 community facility improvement, a TRID or TRID planning study  
8 may be amended.

9       (1) The boundaries of a TRID may be expanded or reduced  
10 by an amendment to the ordinance establishing the TRID and  
11 shall be accompanied by justification for the boundary change  
12 supported by findings in the original or amended TRID  
13 planning study.

14       (2) A TRID planning study may be amended by approval of  
15 the municipality or municipalities and the transit agency  
16 that are parties to the TRID designation pursuant to section  
17 302.

18 Section 502. Development or redevelopment of property.

19 Development or redevelopment of property within a TRID shall  
20 generally occur in the following manner:

21       (1) The public transportation agency may acquire the  
22 property, improve it for future development, such as site  
23 clearance, utility work, environmental remediation and  
24 similar improvements, and work cooperatively with the  
25 pertinent local jurisdiction or jurisdictions and  
26 implementing agencies to offer it for sale to the private  
27 sector for use or uses consistent with the adopted TRID plan.

28       (2) Alternatively, the public transportation agency may  
29 advertise the presence of available development sites within  
30 a TRID, including a map of potentially developable or

1 redevelopable properties, and invite interested developers to  
2 submit proposals in cooperation with the pertinent local  
3 jurisdiction or jurisdictions and implementing agencies.

4 (3) In the case of either paragraph (1) or (2), the  
5 public transportation agency may not be the primary real  
6 estate developer, and joint development activities are  
7 confined to the construction of support and access  
8 facilities: that is, vehicular access, parking, pedestrian  
9 ways, building pads, foundation columns, signage and similar  
10 items.

11 [(4) The partnering TRID local municipality or  
12 municipalities shall designate a management entity for the  
13 TRID which may be a municipal authority or joint municipal  
14 authority, in accordance with the requirements of 53 Pa.C.S.  
15 Ch. 56 (relating to municipal authorities) to manage and  
16 facilitate TRID implementation. The local municipality or  
17 municipalities involved in the TRID shall retain policy and  
18 oversight responsibilities for all budgetary and programmatic  
19 actions of the designated TRID management entity.]

20 (5) Creative partnerships with AMTRAK, passenger rail  
21 transportation providers, transportation authorities and the  
22 private sector to accomplish TRID purposes that use the  
23 benefits of AMTRAK's and passenger rail service providers'  
24 existing real estate development powers are both desirable  
25 and encouraged.

26 [(6) Neighborhood improvement districts, business  
27 improvement districts or similar entities may be designated  
28 to manage the TRID implementation activities.]

29 Section 701. Creation of value capture area.

30 In conjunction with the formal establishment of the TRID



1 boundaries, a coterminous value capture area shall  
2 simultaneously be created to enable local municipalities, school  
3 districts, the county and the public transportation agency to  
4 share the increased tax increment of real estate and other  
5 designated tax revenues generated by new real estate investment  
6 within the TRID. The participants in the TRID, through the  
7 designated management entity, shall develop an administrative  
8 and project schedule and budget to implement the project,  
9 including future maintenance needs, as defined in the TRID  
10 planning study, as well as the shares and use of [such tax] the  
11 incremental revenues as are projected to be generated from the  
12 TRID value capture area. The participating municipality or  
13 municipalities may review and revise the TRID budget.

14 Section 702. Dedication of tax revenues.

15 [Tax] A portion of incremental tax revenues generated within  
16 a TRID shall be dedicated to completion and future maintenance  
17 of the specific and necessary transit capital and public  
18 infrastructure improvements designated in the comprehensive plan  
19 amendment and TRID planning study as follows:

20 (1) Local [municipalities and counties shall not use  
21 such revenues for general government purposes, and a public  
22 transportation agency shall not use such revenues for transit  
23 capital investments elsewhere on the public transportation  
24 system.] taxing bodies shall approve that portion of revenues  
25 which shall be dedicated to support TRID implementation and  
26 that portion which shall be dedicated for general government  
27 purposes.

28 (1.1) A public transportation agency may not use the  
29 revenue for a transit capital investment outside of a  
30 designated TRID except if the investment is necessary and

1 integral to achieve an approved TRID implementation  
2 objective.

3 (2) Local municipalities, school districts and the  
4 county shall establish an amortization schedule for receipt,  
5 investment and expenditure of any TRID tax incremental  
6 revenues[, not to exceed 20 years,] similar to the  
7 amortization schedule in the act of July 11, 1990 (P.L.465,  
8 No.113), known as the Tax Increment Financing Act. [However,  
9 where a municipal or joint municipal authority has been  
10 created, it shall be responsible for fixing the amortization  
11 schedule and for defining the TRID capital improvement plan.]  
12 Incremental tax revenue generated by a TRID property may be  
13 directed for use in TRID projects for up to 20 years from the  
14 date a property is designated as a TRID.

15 Section 3. The act is amended by adding a chapter to read:

16 CHAPTER 8

17 CAPTURE OF TRID TAX REVENUE

18 Section 801. Definitions.

19 The following words and phrases when used in this chapter  
20 shall have the meanings given to them in this section unless the  
21 context clearly indicates otherwise:

22 "Baseline year." The calendar year the department approved  
23 the TRID as a recipient of tax revenue generated within the  
24 TRID.

25 "Bond." The term includes a note, instrument, refunding note  
26 or other evidence of indebtedness or obligation.

27 "Department." The Department of Revenue of the Commonwealth.

28 "Eligible project." Development or improvement within a  
29 TRID, and located within 100 acres of the transit node,  
30 including construction, infrastructure and site preparation,

1 reconstruction or renovation of a facility within a TRID which  
2 will result in economic development or transit-oriented  
3 development in accordance with the TRID and the TRID planning  
4 study.

5 "Eligible tax." As follows:

6 (1) Any of the following taxes:

7 (i) Corporate net income tax, capital stock and  
8 franchise tax, bank shares tax or business privilege tax,  
9 calculated and apportioned as to amount attributable to  
10 the location within the TRID and calculated under section  
11 1904-B(b) and (c) of the act of March 4, 1971 (P.L.6,  
12 No.2), known as the Tax Reform Code of 1971.

13 (ii) Amusement tax, only to the extent the tax is  
14 related to the activity of a qualified business within  
15 the TRID.

16 (iii) Sales and use tax, only to the extent the tax  
17 is related to the activity of a qualified business within  
18 the TRID.

19 (iv) Personal income tax withheld from its employees  
20 by a qualified business for work performed in the TRID.

21 (v) Tax paid to the Commonwealth on the sale of  
22 liquor, wine or malt or brewed beverages in the TRID.

23 (2) The term does not include cigarette tax.

24 "Qualified business." As follows:

25 (1) An entity located or partially located in a TRID,  
26 and within 100 acres of the transit node, which meets the  
27 requirements of all of the following:

28 (i) Has conducted an active trade or business in the  
29 TRID.

30 (ii) Appears on the timely filed list under section

1           805(a).

2           (2) A construction contractor engaged in construction,  
3           including infrastructure or site preparation, reconstruction  
4           or renovation of a facility located in or partially in the  
5           TRID.

6           (3) The term does not include an agent, broker or  
7           representative of a business.

8           "TRID fund." A TRID fund established under section 806.  
9           Section 802. Approval.

10          (a) Submission.--A management entity may apply to the  
11          Department of Community and Economic Development to establish a  
12          TRID fund for the purposes of funding an eligible project or for  
13          covering debt service payments related to debt incurred to fund  
14          an eligible project.

15          (b) Agencies.--The Department of Community and Economic  
16          Development and the department must approve each application.

17          (c) Approval schedule.--The Department of Community and  
18          Economic Development shall develop a schedule for the approval  
19          of applications provided that an application under this section  
20          shall be approved or disapproved within 90 days of the postmark  
21          date of the submission. An application which is not disapproved  
22          within the time period under this subsection shall be deemed to  
23          be approved.

24          (d) Reapplication.--If an application is not approved under  
25          this section, the applicant may revise the application and plan  
26          and reapply for approval.

27          Section 803. Additional powers of management entities.

28          In addition to other powers and functions of management  
29          entities granted under this act, a management entity shall have  
30          the power to borrow money for the purposes of executing a TRID

1 or TRID planning study for which a TRID fund has been approved  
2 under section 802.

3 Section 804. Prohibition on management entities.

4 A member of the management entity may not receive money  
5 directly or indirectly from the TRID fund.

6 Section 805. Qualified businesses.

7 (a) List.--By June 1 following the end of the baseline year,  
8 and for every year thereafter, each management entity shall file  
9 with the department a complete list of all businesses located in  
10 the TRID and all construction contractors engaged in  
11 construction, reconstruction or renovation of a facility in the  
12 TRID in the prior calendar year. The list shall include for each  
13 business address, State tax identification number and parcel  
14 number and a map of the TRID with parcel numbers.

15 (b) Time.--If the list under subsection (a) is not timely  
16 provided to the department, no eligible State tax shall be  
17 certified by the department for the prior calendar year.

18 (c) Audit.--The management entity shall hire an independent  
19 auditing firm to perform an annual audit verifying all of the  
20 following:

21 (1) The correct amount of the eligible local tax was  
22 submitted to the local taxing authorities.

23 (2) The local taxing authorities transferred the correct  
24 amount of eligible local tax to the State Treasurer.

25 (3) The money transferred to the TRID fund was properly  
26 expended.

27 (4) Verify the correct amount was requested under  
28 section 810(c).

29 Section 806. Funds.

30 (a) Notice.--Following the approval of an application under

1 section 802, the management entity shall notify the State  
2 Treasurer.

3 (b) Establishment.--Upon receipt of notice under subsection  
4 (a), the State Treasurer shall establish for each TRID a special  
5 fund for the benefit of the management entity to be known as the  
6 TRID Fund. Interest income derived from investment of money in a  
7 fund shall be credited by the State Treasury to the fund.

8 Section 807. Reports.

9 (a) TRID report.--By June 15 following the baseline year and  
10 each year thereafter, each qualified business shall file a  
11 report with the department in a form or manner required by the  
12 department which includes all of the following:

13 (1) Amount of each eligible tax which was paid to the  
14 Commonwealth by the qualified business in the prior calendar  
15 year.

16 (2) Amount of each eligible tax refund received from the  
17 Commonwealth in the prior calendar year by the qualified  
18 business.

19 (b) Penalties.--

20 (1) Failure to file a timely and complete report under  
21 subsection (a) may result in the imposition of a penalty of  
22 the lesser of:

23 (i) ten percent of all eligible tax due the taxing  
24 authority in the prior calendar year; or

25 (ii) one thousand dollars.

26 (2) A penalty for a violation of subsection (a) shall be  
27 imposed, assessed and collected by the department under  
28 procedures set forth in Article II of the act of March 4,  
29 1971 (P.L.6, No.2), known as the Tax Reform Code of 1971.  
30 Money collected under this paragraph shall be deposited in

1 the General Fund.

2 Section 808. Calculation of baseline.

3 (a) Baseline tax.--By October 15 following the end of the  
4 baseline year and for each year thereafter, the department shall  
5 verify the State baseline tax amount which consists of 50% of  
6 the following:

7 (1) For qualified businesses that file timely TRID  
8 reports under section 807, the amount of eligible State tax  
9 paid, less eligible State tax refunds.

10 (2) For qualified businesses not included under  
11 paragraph (1) but located or partially located in the TRID as  
12 determined by the department or included in the information  
13 received by the department under section 807(a), the amount  
14 of eligible State tax paid, less eligible State tax refunds.

15 (b) Moves and noninclusions.--

16 (1) This subsection applies to a qualified business  
17 that:

18 (i) moves into a zone from within this Commonwealth  
19 after the baseline year; or

20 (ii) is in a zone but not included in the  
21 calculation of the State baseline tax under subsection  
22 (a).

23 (2) A qualified business subject to paragraph (1) shall  
24 file a TRID report under section 807 following the end of the  
25 first full calendar year in which the qualified business  
26 conducted business in the TRID and each calendar year  
27 thereafter. The amount of eligible State tax verified by the  
28 department for the qualified business for the prior calendar  
29 year shall be added to the State baseline tax amount for the  
30 zone for the prior calendar year and each year thereafter.

1           (3) The calculation under this section may not include  
2           the eligible taxes of a qualifying business moving into the  
3           TRID from outside this Commonwealth.

4 Section 809. Certification.

5           (a) Amounts.--By the October 15 following the baseline year,  
6           and each year thereafter, the department shall do all of the  
7           following for the prior calendar year:

8                   (1) Make the following calculation for qualified  
9                   businesses which file TRID reports under section 807(a),  
10                   separately for each TRID:

11                           (i) Subtract:

12                                   (A) the amount of eligible State tax refunds  
13                                   received; from

14                                   (B) the amount of eligible State tax paid.

15                           (ii) Subtract:

16                                   (A) the State tax baseline amount for the zone;  
17                                   from

18                                   (B) the difference under subparagraph (i).

19                   (2) Certify to the Office of the Budget the difference  
20                   under paragraph (1)(ii).

21           (b) Content.--

22                   (1) The certification may include the following:

23                           (i) Adjustment made to timely filed TRID reports by  
24                           the department for eligible State tax actually paid by a  
25                           qualified business in the prior calendar year.

26                           (ii) Eligible State tax refunds paid to a qualified  
27                           business in the TRID in a prior calendar year.

28                           (iii) State tax penalties paid by a qualified  
29                           business in the prior year under section 807(b).

30                   (2) The certification shall not include the following:



1 (i) Tax paid by a qualified business that did not  
2 file a timely TRID report under section 807(a).

3 (ii) Tax paid by a qualified business whose tax was  
4 not included in the State tax baseline amount calculation  
5 under section 808.

6 (iii) Tax paid by a qualifying business not  
7 appearing on a timely filed list under section 805(a).

8 Section 810. Transfers.

9 (a) Office.--Within ten days of receiving the certification  
10 from the department under section 809, the Office of the Budget  
11 shall direct the State Treasurer to transfer the amount of  
12 certified eligible TRID tax from the General Fund to each TRID  
13 fund.

14 (b) State Treasurer.--Within ten days of receiving direction  
15 under subsection (a), the State Treasurer shall pay into the  
16 TRID fund the amount directed under subsection (a) until bonds  
17 issued to finance the construction, including related  
18 infrastructure and site preparation, reconstruction or  
19 renovation of a facility or other eligible project in the TRID  
20 are retired.

21 (c) Notification.--The following shall apply:

22 (1) If the transfers under subsection (a) are  
23 insufficient to make payments on the bonds issued under  
24 section 811(a)(1) for the calendar year when the transfers  
25 are made, the management entity shall notify the Department  
26 of Community and Economic Development, the Office of the  
27 Budget and the department of the amount of additional money  
28 necessary to make payments on the bonds.

29 (2) The notification under paragraph (1) must be  
30 accompanied by a detailed account of the management entity's

1 expenditures and the calculation which resulted in the  
2 request for additional money. The Department of Community and  
3 Economic Development, the Office of the Budget or the  
4 department may request additional information from the  
5 management entity and shall jointly verify the proper amount  
6 of money necessary to make the payments on the bonds.

7 (3) Notwithstanding 53 Pa.C.S. § 5607(e) (relating to  
8 purposes and powers) within 90 days of the date of the  
9 notification request, the Office of the Budget shall direct  
10 the State Treasurer to establish a restricted account within  
11 the General Fund. The Office of the Budget shall direct the  
12 State Treasurer to transfer the amount verified under  
13 paragraph (2) from the General Fund to the restricted account  
14 for the use of the management entity to make payments on the  
15 bonds issued under section 811(a)(1).

16 (4) Money transferred under paragraph (3):

17 (i) shall be limited to 50% of the State tax  
18 baseline amount for the calendar year prior to the date  
19 the amount is verified under paragraph (2), not to exceed  
20 \$10,000,000; and

21 (ii) must occur in the first seven calendar years  
22 following the baseline year.

23 (5) Under extraordinary circumstances, a management  
24 entity may request money in excess of the limitations under  
25 paragraph (4)(i). The Department of Community and Economic  
26 Development, the Office of the Budget and the department  
27 shall determine whether the circumstances merit additional  
28 money and the amount to be transferred. The money shall be  
29 transferred under the procedure under this section.

30 (6) Money transferred under paragraph (4) shall be

1 repaid to the General Fund by the management entity. If money  
2 transferred under paragraph (3) is not repaid to the General  
3 Fund by the management entity by the date of the final  
4 payment on the bonds originally issued under section  
5 811(a)(1), the municipality or county and the transit agency  
6 which established the management entity shall pay, in equal  
7 shares, the money not repaid to the General Fund plus an  
8 additional penalty of 10% of the amount outstanding on the  
9 date of the final payment on the bonds originally issued  
10 under section 811(a)(1).

11 Section 811. Restrictions.

12 (a) Utilization.--If the use was approved in an application  
13 filed under section 802, money transferred under section 810 may  
14 only be utilized for the following:

15 (1) Payment of debt service on bonds issued for the  
16 construction, including related infrastructure and site  
17 preparation, reconstruction or renovation of a facility in  
18 the TRID.

19 (2) Construction, including related infrastructure and  
20 site preparation, reconstruction or renovation of all or a  
21 part of a facility.

22 (3) Replenishment of amounts in debt service reserve  
23 funds established to pay debt service on bonds.

24 (4) Employment of an independent auditing firm to  
25 perform the duties under section 805(c).

26 (5) Improvement or development of all or part of a TRID.

27 (6) Improvement projects, including fixtures and  
28 equipment for a facility owned by a public authority.

29 (b) Prohibition.--Money transferred under section 810 may  
30 not be utilized for maintenance of a facility.

1 (c) Excess money.--

2 (1) If the amount of money transferred to the fund under  
3 section 810 in any one calendar year exceeds the money  
4 utilized under this section in that calendar year, the  
5 management entity shall submit by January 15 following the  
6 end of the calendar year the excess money to the State  
7 Treasurer for deposit into the General Fund.

8 (2) At the time of submission to the State Treasurer,  
9 the management entity shall submit to the State Treasurer,  
10 the Office of the Budget and department a detailed accounting  
11 of the calculation resulting in the excess money.

12 (3) The excess money shall be credited to the management  
13 entity and applied to the amount required to be repaid under  
14 section 810(c)(6) until there is full repayment.

15 (d) Matching funds.--

16 (1) The amount of money transferred from the TRID fund  
17 utilized for the construction, including related site  
18 preparation and infrastructure, reconstruction or renovation  
19 of facilities shall be matched by private money at a ratio of  
20 two fund dollars to one private dollar.

21 (2) By April 1, following the baseline year and for each  
22 year thereafter, the management entity shall file an annual  
23 report with the Department of Community and Economic  
24 Development, the Office of the Budget and the department that  
25 contains detailed account of the fund money expenditures and  
26 the private money expenditures and a calculation of the ratio  
27 in paragraph (1) for the prior calendar year. The agencies  
28 shall determine whether sufficient private money was  
29 utilized.

30 (3) If it is determined that insufficient private money

1 was utilized under paragraph (1), the amount of TRID fund  
2 money utilized under paragraph (1) in the prior calendar year  
3 shall be deducted from the next transfer of the fund.

4 Section 812. Duration.

5 A TRID shall be in effect for a period equal to the length of  
6 time for the repayment of debt incurred for the TRID, including  
7 bonds issued. Bonds shall be paid no later than 30 years  
8 following the initial issuance of the bonds.

9 Section 813. Commonwealth pledges.

10 (a) Pledge.--If and to the extent the management entity  
11 pledges amounts required to be transferred to its TRID fund  
12 under section 810 for payment of bonds issued by the management  
13 entity, until all bonds secured by the pledge of the management  
14 entity, together with interest on the bonds, are fully paid or  
15 provided for, the Commonwealth pledges to and agrees with any  
16 person, firm, corporation or government agency, in this  
17 Commonwealth or elsewhere and pledges to and agrees with any  
18 Federal agency subscribing to or acquiring the bonds of the  
19 contracting authority that the Commonwealth itself will not, nor  
20 will it authorize any government entity to, do any of the  
21 following:

22 (1) Abolish or reduce the size of the zone.

23 (2) Amend or repeal section 808 or 809.

24 (3) Limit or alter the rights vested in the management  
25 entity in a manner inconsistent with the obligations of the  
26 contracting authority with respect to the bonds issued by the  
27 management entity.

28 (4) Impair revenue to be paid under this chapter to the  
29 management entity necessary to pay debt service on bonds.

30 (b) Limitation.--Nothing under this section shall limit the

1 authority of the Commonwealth to change the rate, base or  
2 subject of a specific tax or to repeal or enact any tax.  
3 Section 814. Confidentiality.

4 (a) Sole use.--A TRID report or certification under this  
5 chapter shall only be used by the management entity, the  
6 Department of Community and Economic Development, the Office of  
7 the Budget or the department to verify the amount of the State  
8 tax baseline amount calculated under section 809 and State tax  
9 certification under section 809.

10 (b) Prohibition.--Use of a TRID report other than as  
11 provided under subsection (a) shall be prohibited and shall be  
12 subject to the law applicable to the confidentiality of tax  
13 records.

14 Section 815. Guidelines.

15 By July 1, 2014, the Department of Community and Economic  
16 Development, the Office of the Budget and the department shall  
17 develop and publish guidelines necessary to implement this  
18 chapter.

19 Section 4. Section 901 of the act is amended to read:  
20 Section 901. Public meeting to explain TRID and alternative  
21 implementation approaches.

22 Community and public involvement in the establishment of  
23 TRIDs is required. The municipality and the public  
24 transportation agency shall jointly conduct at least one public  
25 meeting in the proposed TRID area prior to the enactment of a  
26 TRID[, ] and TRID planning study[, comprehensive plan or zoning  
27 amendment]. The meeting is intended to explain the purpose and  
28 components of the TRID and the alternative implementation  
29 approaches. The public meeting or meetings shall be in addition  
30 to any required local government public hearing or hearings

1 prior to comprehensive or multimunicipal plan amendment  
2 adoption. However, nothing in this act shall relieve the [TRID  
3 management entity] municipality or public transportation entity  
4 from conducting all public meetings required by law where the  
5 TRID is acting or seeking to act under the:

6 (1) Act of May 24, 1945 (P.L.991, No.385), known as the  
7 Urban Redevelopment Law.

8 (2) Act of July 11, 1990 (P.L.465, No.113), known as the  
9 Tax Increment Financing Act.

10 (3) Act of December 20, 2000 (P.L.949, No.130), known as  
11 the Neighborhood Improvement District Act.

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