

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2975 Session of
1990

INTRODUCED BY FREIND, CIVERA, RAYMOND, ADOLPH, MICOZZIE, FLICK,
DURHAM, HECKLER, FLEAGLE, WILSON, CLYMER, REINARD, GEIST,
MOWERY, PITTS, VROON, BARLEY, MARKOSEK, FOX, GODSHALL,
GLADECK, J. H. CLARK AND GANNON, NOVEMBER 12, 1990

REFERRED TO COMMITTEE ON URBAN AFFAIRS, NOVEMBER 12, 1990

AN ACT

1 Amending the act of July 10, 1987 (P.L.246, No.47), entitled "An
2 act empowering the Department of Community Affairs to declare
3 certain municipalities as financially distressed; providing
4 for the restructuring of debt of financially distressed
5 municipalities; limiting the ability of financially
6 distressed municipalities to obtain government funding;
7 authorizing municipalities to participate in Federal debt
8 adjustment actions and bankruptcy actions under certain
9 circumstances; and providing for consolidation or merger of
10 contiguous municipalities to relieve financial distress,"
11 providing for the appointment of a coordinator to review the
12 financial conditions of first class cities and to prepare
13 plans alleviating financial distress in appropriate cases.

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

16 Section 1. The act of July 10, 1987 (P.L.246, No.47), known
17 as the Financially Distressed Municipalities Act, is amended by
18 adding a chapter to read:

CHAPTER 2-A

20 APPOINTMENT OF COORDINATORS FOR CITIES OF THE FIRST CLASS

21 Section 201-A. Appointment of coordinator.

22 Within 30 days after the effective date of this chapter, the

1 secretary shall appoint a coordinator, who shall review the
2 financial condition of each city of the first class. If the
3 coordinator finds that the city meets one or more of the
4 criteria specified in section 201 or otherwise has reason to
5 believe the city is in serious risk of imminent insolvency or
6 imminent interruption or substantial restriction of its
7 continued ability to provide health or safety services to its
8 citizens, the coordinator shall prepare a plan alleviating the
9 financially distressed status of each city of the first class
10 deemed to be financially distressed. Such a finding by the
11 coordinator shall trigger the provisions set forth in
12 Subchapters B and C of Chapter 2 and other applicable provisions
13 of this act for each city of the first class. The coordinator
14 shall not be an officer or employee of the Commonwealth or any
15 political subdivision. Cities of the first class shall not be
16 eligible to apply for or to receive a grant or loan under this
17 act.

18 Section 2. This act shall take effect immediately.