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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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SENATE BILL

No. 1171 Session of  
2020

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INTRODUCED BY HUTCHINSON, MARTIN, J. WARD, SCHWANK AND KEARNEY,  
JUNE 4, 2020

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REFERRED TO LOCAL GOVERNMENT, JUNE 4, 2020

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AN ACT

1 Amending the act of July 10, 1987 (P.L.246, No.47), entitled "An  
2 act empowering the Department of Community and Economic  
3 Development to assist municipalities in avoiding financial  
4 distress; declare certain municipalities as financially  
5 distressed; providing for the restructuring of debt of  
6 financially distressed municipalities; limiting the ability  
7 of financially distressed municipalities to obtain government  
8 funding; authorizing municipalities to participate in Federal  
9 debt adjustment actions and bankruptcy actions under certain  
10 circumstances; authorizing certain taxes; and providing for  
11 the disincorporation of municipalities and the establishment  
12 of unincorporated service districts," in municipal financial  
13 distress, providing for emergency plan extension.

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 Municipalities Financial Recovery Act, is amended by  
18 adding a section to read:

19 Section 255.2. Emergency plan extension.

20 (a) Extension.--Notwithstanding any other provision of this  
21 act or law, and except as provided under subsection (b), the  
22 scheduled expiration of a plan or deadline to terminate the  
23 distressed status of a municipality under this act shall be

1 extended for a period of eighteen months from the effective date  
2 of this section.

3 (b) Plan amendment required.--The department shall require  
4 each plan to be amended within 60 days of the effective date of  
5 this section to, at a minimum, incorporate the extended  
6 expiration date of the plan and address any recovery objectives  
7 affected by the proclamation of disaster emergency issued by the  
8 Governor on March 6, 2020, published at 50 Pa.B. 1644 (March 21,  
9 2020), and any renewal of the state of disaster emergency. A  
10 plan which is not amended under this subsection shall not be  
11 extended under subsection (a).

12 (c) Application.--This section shall not apply to any plan  
13 adopted by a municipality which was not distressed under this  
14 act on the effective date of this section.

15 Section 2. This act shall take effect immediately.