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SECTION 241. CONTENTS.

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1294 Session of 2021

INTRODUCED BY MASSER, MATZIE, HILL-EVANS, RIGBY, JAMES, MERSKI, SCHLOSSBERG, WHEELAND AND SAINATO, APRIL 27, 2021

AS REPORTED FROM COMMITTEE ON LOCAL GOVERNMENT, HOUSE OF REPRESENTATIVES, AS AMENDED, JUNE 16, 2021

AN ACT

Amending the act of July 10, 1987 (P.L.246, No.47), entitled "An act empowering the Department of Community and Economic 2 Development to assist municipalities in avoiding financial distress; declare certain municipalities as financially distressed; providing for the restructuring of debt of financially distressed municipalities; limiting the ability 6 of financially distressed municipalities to obtain government funding; authorizing municipalities to participate in Federal debt adjustment actions and bankruptcy actions under certain 9 circumstances; authorizing certain taxes; and providing for 10 the disincorporation of municipalities and the establishment 11 of unincorporated service districts," in municipal financial 12 distress, FURTHER PROVIDING FOR CONTENTS OF PLAN AND 13 providing for municipal assistance. 14 15 The General Assembly of the Commonwealth of Pennsylvania 16 hereby enacts as follows: 17 Section 1. Chapter 2 of the act of July 10, 1987 (P.L.246, <--No.47), known as the Municipalities Financial Recovery Act, is 18 19 amended by adding a subchapter to read: 20 SECTION 1. SECTION 241(10) OF THE ACT OF JULY 10, 1987 21 (P.L.246, NO.47), KNOWN AS THE MUNICIPALITIES FINANCIAL RECOVERY 22 ACT, IS AMENDED TO READ:

- 1 A PLAN FORMULATED BY THE APPOINTED COORDINATOR SHALL BE
- 2 CONSISTENT WITH APPLICABLE LAW AND SHALL INCLUDE ANY OF THE
- 3 FOLLOWING FACTORS WHICH ARE RELEVANT TO ALLEVIATING THE
- 4 FINANCIALLY DISTRESSED STATUS OF THE MUNICIPALITY:
- 5 * * *
- 6 (10) RECOMMENDATIONS FOR GREATER USE OF COMMONWEALTH
- 7 ECONOMIC AND COMMUNITY DEVELOPMENT PROGRAMS, INCLUDING
- 8 WHETHER ADDITIONAL POSITIONS FOR PERSONNEL OR PROGRAMS AS
- 9 PROVIDED IN SUBCHAPTER F ARE APPROPRIATE FOR THE
- 10 MUNICIPALITY.
- 11 * * *
- 12 SECTION 2. CHAPTER 2 OF THE ACT IS AMENDED BY ADDING A
- 13 SUBCHAPTER TO READ:
- 14 <u>SUBCHAPTER F</u>
- 15 MUNICIPAL ASSISTANCE
- 16 <u>Section 291. Municipal redevelopment assistance.</u>
- 17 The coordinator appointed for a municipality shall, as part
- 18 of the plan under Subchapter C, provide for the hiring of an_
- 19 additional code enforcement officer for the municipality and for
- 20 <u>the hiring of either a Main Street Program coordinator or Elm</u>
- 21 Street Program coordinator. The positions shall be funded by the
- 22 <u>department in accordance with section 295. ADOPTED BY THE</u> <--
- 23 MUNICIPAL GOVERNING BODY UNDER SUBCHAPTER C OR DEEMED TO BE
- 24 BENEFICIAL TO ACHIEVING THE OBJECTIVES OF THE PLAN, PROVIDE FOR,
- 25 IF THE MUNICIPALITY HAS NO CODE ENFORCEMENT OFFICER, THE HIRING
- 26 OF A CODE ENFORCEMENT OFFICER, OR, IF THE MUNICIPALITY HAS AT
- 27 <u>LEAST ONE CODE ENFORCEMENT OFFICER, THE HIRING OF AN ADDITIONAL</u>
- 28 CODE ENFORCEMENT OFFICER, A MAIN STREET PROGRAM MANAGER OR AN
- 29 ELM STREET PROGRAM MANAGER, OR ANY COMBINATION OF SUCH
- 30 POSITIONS. THE POSITIONS SHALL BE FUNDED BY THE DEPARTMENT IN

- 1 ACCORDANCE WITH SECTION 295.
- 2 <u>Section 292. Code enforcement officer.</u>
- 3 The code enforcement officer hired under this subchapter
- 4 shall assist the municipality in processing building and zoning
- 5 applications and give priority to approving applications that
- 6 will curb blight and promote economic development.
- 7 <u>Section 293. Prohibition.</u>
- 8 A code enforcement officer hired under this subchapter must
- 9 be an individual, not a third-party agency, WITH RELEVANT
- 10 EXPERIENCE OR TRAINING IN THE ENFORCEMENT OF MUNICIPAL PROPERTY
- 11 MAINTENANCE ORDINANCES.
- 12 <u>Section 294. Main Street Program and Elm Street Program</u>
- MANAGERS.
- 14 The coordinator shall hire the A Main Street Program <--

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- 15 <u>coordinator or MANAGER AND Elm Street Program coordinator</u>
- 16 MANAGER according to the guidelines for the Keystone Communities <--
- 17 Program to assist the coordinator and the municipality in
- 18 revitalization efforts within the community.
- 19 Section 295. Funding.
- The department shall reimburse the municipality for which a
- 21 <u>coordinator has been appointed for the salaries of the</u>
- 22 <u>additional</u> ANY code enforcement officer and the, Main Street_ <--
- 23 Program coordinator or MANAGER AND Elm Street Program
- 24 <u>Coordinator MANAGER at the following rates for eight years:</u> <--
- 25 <u>(1)</u> Years one and two 100%
- 26 (2) Years three through five 80%
- 27 (3) Years six through eight 50%
- 28 <u>Section 296. Notice of funding.</u>
- 29 Upon the initial appropriation of sufficient funds to carry
- 30 <u>out the provisions of this act or a determination by the</u>

- 1 department that sufficient funds are available from within the
- 2 <u>Municipalities Financial Recovery Revolving Aid Fund or another</u>
- 3 existing source to carry out the provisions of this subchapter,
- 4 the department shall transmit notice to the Legislative
- 5 Reference Bureau for publication in the Pennsylvania Bulletin.
- 6 Section 297. Municipalities exiting distressed level.
- 7 <u>If the secretary terminates the distressed status of a</u>
- 8 municipality before eight years have elapsed since the adoption
- 9 of the exit plan, the municipality shall continue to receive
- 10 funding in accordance with section 295, until the eight years
- 11 <u>have expired.</u>
- 12 <u>SECTION 298. APPLICABILITY.</u>
- 13 THIS SUBCHAPTER SHALL NOT APPLY TO A MUNICIPALITY THAT, BY
- 14 RESOLUTION, CHOOSES NOT TO BE SUBJECT TO THIS SUBCHAPTER AFTER
- 15 FIVE YEARS FROM THE EFFECTIVE DATE OF THIS SECTION. IF THE
- 16 MUNICIPALITY ADOPTS A RESOLUTION TO THAT EFFECT, THE COORDINATOR
- 17 MUST AMEND THE PLAN TO REFLECT THE TERMINATION OF THE CODE
- 18 ENFORCEMENT OFFICER AND EITHER THE MAIN STREET PROGRAM MANAGER

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- 19 OR THE ELM STREET PROGRAM MANAGER.
- 20 Section $\frac{2}{3}$ 3. This act shall take effect as follows:
- 21 (1) The addition of section 296 of the act shall take 22 effect immediately.
- 23 (2) This section shall take effect immediately.
- 24 (3) The remainder of this act shall take effect upon
- 25 publication of the notice under section 296 of the act.