



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

HOUSE BILL NO. 2548

PRINTERS NO. 4339

PRIME SPONSOR: Freeman

COST / (SAVINGS)

FUND	FY 2020/21	FY 2021/22
Commonwealth Funds	See "Fiscal Impact"	See "Fiscal Impact"
Municipal Funds	See "Fiscal Impact"	See "Fiscal Impact"

SUMMARY: Amends the Municipalities Financial Recovery Act (Act 47) to extend all current recovery and exit plans by 18 months. This legislation would take effect immediately.

ANALYSIS: This legislation amends Act 47 to extend all existing recovery plans and exit plans by 18 months as authorized by section 1604-D.1 of the Fiscal Code.

This shall not apply to a plan adopted by a municipality which was not distressed on the effective date of this act and shall apply retroactively to the extension of a plan on or after July 1, 2020.

FISCAL IMPACT: This legislation would grant DCED and its Act 47 coordinators flexibility to adapt current recovery schedules in response to the current disaster/economic emergency. It is presumed that DCED would not incur additional expenses by delaying the expiration of such Act 47 plans.

By allowing these extensions, this would allow certain Act 47 municipalities from exiting Act 47 status in the near future, therefore, several distressed municipalities would be eligible for additional Act 47 financial assistance as well as the additional taxing authority as provided under Act 47.

PREPARED BY: Tim Rodrigo
House Appropriations Committee (R)

DATE: September 15, 2020

Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.