

**MUNICIPALITIES FINANCIAL RECOVERY ACT - PROGRAM OBJECTIVES,  
AUTHORIZATION AND LIMITATION OF STATUS**

**Act of Jun. 12, 2019, P.L. 29, No. 6**

**Cl. 53**

Session of 2019

No. 2019-6

HB 275

AN ACT

Amending the act of July 10, 1987 (P.L.246, No.47), entitled "An act empowering the Department of Community and Economic 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 of financially distressed municipalities to obtain government funding; authorizing municipalities to participate in Federal debt adjustment actions and bankruptcy actions under certain circumstances; authorizing certain taxes; and providing for the disincorporation of municipalities and the establishment of unincorporated service districts," in Early Intervention Program, further providing for definitions, for program objectives and for authorization; in municipal financial distress, further providing for limitation of status; and making an editorial change.

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

Section 1. The heading of Chapter 1-A of the act of July 10, 1987 (P.L.246, No.47), known as the Municipalities Financial Recovery Act, is amended to read:

CHAPTER 1-A

[EARLY INTERVENTION] **STRATEGIC MANAGEMENT PLANNING** PROGRAM

Section 2. The definition of "program" in section 101-A of the act is amended to read:

Section 101-A. Definitions.

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

\* \* \*

"Program." The [Early Intervention] **Strategic Management Planning** Program established by this chapter.

Section 3. Sections 102-A introductory paragraph, 103-A and 254(a)(2)(i) of the act are amended to read:

Section 102-A. Program objectives.

The [Early Intervention] **Strategic Management Planning** Program established by this chapter provides a municipality with a preemptive step for the purpose of seeking guidance and assistance from the Commonwealth to develop long-term financial management, administrative, service delivery and economic development strategies that the municipality can implement to avert a fiscal crisis and provide fiscal stability. The specific objectives of the [Early Intervention] **Strategic Management Planning** Program include the following and are meant to:

\* \* \*

Section 103-A. Authorization.

The [Early Intervention] **Strategic Management Planning** Program is established to authorize the center to provide guidance and assistance through grants to a municipality seeking

to ensure fiscal stability by developing and implementing long-term financial, managerial and economic development strategies.

Section 254. Limitation of status.

(a) Termination date.--

\* \* \*

(2) Nothing in this section shall be construed to:

(i) prohibit a municipality from participating in [an early intervention program] **the Strategic Management Planning Program** as provided in Chapter 1-A or reentering distressed status in accordance with this act after a termination of status in accordance with this subchapter.

\* \* \*

Section 4. This act shall take effect in 60 days.

APPROVED--The 12th day of June, A.D. 2019.

TOM WOLF