

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1483 Session of
2003

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HENNESSEY AND SURRA, JUNE 2, 2003

REFERRED TO COMMITTEE ON LOCAL GOVERNMENT, JUNE 2, 2003

AN ACT

1 Amending Title 53 (Municipalities Generally) of the Pennsylvania
2 Consolidated Statutes, providing for the establishment and
3 incorporation of Keystone Council of Government (KCOG)
4 entities and for the powers, duties and limitations on a
5 KCOG; and making an appropriation.

6 The General Assembly finds and declares as follows:

7 (1) Councils of governments and consortia wishing to
8 seek incorporation must do so as a nonprofit entity,
9 restricting them from Federal and State grant funding because
10 these municipal units cannot currently serve as direct
11 project managers.

12 (2) Local governments around this Commonwealth spend a
13 large amount of taxpayer dollars on duplicated services.

14 (3) Many municipalities around this Commonwealth are
15 interested in reducing the amount of money spent on
16 duplicated services but have no desire to merge
17 administrative structures with neighboring local governments.

18 (4) The amount of spending by municipalities on

1 duplicated services should be decreased through a
2 comprehensive plan to do all of the following:

3 (i) Encourage municipalities to work together to
4 provide shared services such as joint police, fire and
5 emergency medical services.

6 (ii) Allow preexisting and new councils of
7 governments and consortia to incorporate and serve as
8 direct project managers.

9 (iii) Allow preexisting and new councils of
10 governments and consortia to incorporate and be eligible
11 for State grant funding to carry out shared programs.

12 (iv) Especially encourage distressed municipalities
13 to incorporate and engage in shared services.

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

16 Section 1. Chapter 23 of Title 53 of the Pennsylvania
17 Consolidated Statutes is amended by adding a subchapter to read:

18 SUBCHAPTER D

19 KEYSTONE COUNCILS OF GOVERNMENT

20 Sec.

21 2361. Short title of subchapter.

22 2362. Definitions.

23 2363. Methods of incorporation.

24 2364. Municipalities withdrawing from and joining to a KCOG.

25 2365. Certification of withdrawal or joinder.

26 2366. Amendment of articles.

27 2367. Powers.

28 2368. Limitation on pledge of credit or taxing power.

29 2369. Regulation by the Commonwealth.

30 2370. Money of a KCOG.

1 2371. Auditor General.
2 2372. Competition in award of contracts.
3 2373. Conflict of interest.
4 2374. Entry into contracts.
5 2375. Evasion.
6 2376. Use of projects.
7 2377. Pledge by Commonwealth for Federal matters.
8 2378. Exemption from taxation and payments in lieu of taxes.
9 2379. Assistance from the Governor's Center of Local
10 Government Services.
11 2380. Keystone Council of Government Start-Up Grant Program.
12 2381. Appropriation.
13 2382. Constitutional construction.
14 § 2361. Short title of subchapter.

15 This subchapter shall be known and may be cited as the
16 Keystone Council of Government Act.

17 § 2362. Definitions.

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

21 "Board." The governing board of a Keystone Council of
22 Government.

23 "Center." The Governor's Center for Local Government
24 Services.

25 "Construction." Acquisition and construction. The term "to
26 construct" shall mean and include to acquire and to construct,
27 all in such manner as may be deemed desirable.

28 "Department." The Department of Community and Economic
29 Development of the Commonwealth.

30 "Federal agency." The United States of America, the

1 President of the United States of America and any department of
2 or corporation, agency or instrumentality created, designated or
3 established by the United States of America.

4 "Financial obligation." Any obligation in which a Keystone
5 Council of Government has agreed to spend funds or receive grant
6 moneys for the purpose of financing a project.

7 "Improvement." Extension, enlargement and improvement. The
8 term "to improve" shall mean and include to extend, to enlarge
9 and to improve all in such manner as may be deemed desirable.

10 "KCOG." A Keystone Council of Government corporate entity.

11 "Municipality." A city, incorporated town, borough or
12 township of the Commonwealth.

13 "Project." Any structure, facility or undertaking which a
14 Keystone Council of Government is authorized to acquire,
15 construct, finance, improve, maintain or operate.

16 § 2363. Methods of incorporation.

17 (a) Resolution of intent.--Whenever two or more
18 municipalities jointly desire to organize a KCOG under this
19 subchapter, each municipality shall adopt a resolution or
20 ordinance signifying its intention to do so. No such resolution
21 or ordinance shall be adopted until after a public hearing has
22 been held, the notice of which shall be given at least 30 days
23 before the hearing and in the same manner as provided in
24 subsection (b) for the giving of notice of the adoption of the
25 resolution or ordinance.

26 (b) General notice of adopted resolution.--If the resolution
27 or ordinance is adopted, the municipalities shall cause a notice
28 of such resolution or ordinance to be published at least one
29 time in the legal periodical of the county or counties in which
30 the KCOG is to be organized and at least one time in a newspaper

1 published and in general circulation in such county or counties.
2 The notice shall contain a brief statement of the substance of
3 the resolution or ordinance, including the substance of the
4 articles making reference to this subchapter. The notice shall
5 specifically provide that the municipality shall retain the
6 right which exists under this subchapter to approve any plan of
7 the KCOG. The notice shall state that on a day certain, not less
8 than three days after publication of the notice, articles of
9 incorporation of the proposed KCOG shall be filed with the
10 Secretary of the Commonwealth. No municipality shall be required
11 to make any other publication of the resolution or ordinance
12 under the provisions of existing law.

13 (c) Filing articles of incorporation.--On or before the day
14 specified in the notice required under subsection (b), the KCOG
15 shall file with the Secretary of the Commonwealth articles of
16 incorporation together with proof of publication of the notice
17 required under subsection (b). The articles of incorporation
18 shall set forth:

19 (1) The name of the KCOG.

20 (2) A statement that the KCOG is formed under this
21 subchapter.

22 (3) The name of the incorporating municipalities.

23 (4) The names, addresses and term of office of the first
24 members of the board of the KCOG.

25 (5) A statement that the municipalities have retained
26 the right which exists under this subchapter to approve any
27 plan of the KCOG.

28 (6) Any other matter which shall be determined in
29 accordance with the provisions of this subchapter.

30 (d) Execution of articles.--The articles of incorporation

1 shall be executed by each incorporating municipality by its
2 proper officers and under its municipal seal.

3 (e) Certification of incorporation.--If the Secretary of the
4 Commonwealth finds that the articles of incorporation conform to
5 law, he shall, but not prior to the day specified in the notice
6 published in accordance with subsection (b), endorse his
7 approval of them and, when all proper fees and charges have been
8 paid, shall file the articles and issue a certificate of
9 incorporation to which shall be attached a copy of the approved
10 articles. Upon the issuance of a certificate of incorporation by
11 the Secretary of the Commonwealth, the corporate existence of
12 the KCOG shall begin. The certificate of incorporation shall be
13 conclusive evidence of the fact that the KCOG has been
14 incorporated, but proceedings may be instituted by the
15 Commonwealth to dissolve a KCOG which was formed without
16 substantial compliance with the provisions of this section.

17 (f) Certification of officers.--When a KCOG has been
18 organized and its officers elected, the secretary of the KCOG
19 shall certify to the Secretary of the Commonwealth the names and
20 addresses of its officers as well as the principal office of the
21 KCOG. Any change in the location of the principal office shall
22 likewise be certified to the Secretary of the Commonwealth
23 within ten days after such change. A KCOG created under the laws
24 of the Commonwealth and existing at the time this subchapter is
25 enacted, in addition to powers granted or conferred upon the
26 KCOG, shall possess all the powers provided under this
27 subchapter.

28 § 2364. Municipalities withdrawing from and joining to a KCOG.

29 (a) Power to withdraw.--When a KCOG has been incorporated by
30 two or more municipalities, any one or more of such

1 municipalities may withdraw from it, but no municipality shall
2 be permitted to withdraw from a KCOG unless and until any and
3 all obligations have been satisfied by that KCOG.

4 (b) Power to join.--When a KCOG has been incorporated by two
5 or more municipalities, a municipality not having joined in the
6 original incorporation may subsequently join in the KCOG.

7 (c) Procedure.--Any municipality wishing to withdraw from or
8 to become a member of an existing KCOG shall signify its desire
9 by resolution or ordinance. If the KCOG shall by resolution
10 express its consent to such withdrawal or joining, the
11 withdrawing or joining municipality shall cause a notice of its
12 resolution or ordinance to be published at least one time in the
13 legal periodical of the county or counties in which the KCOG is
14 organized and at least one time in a newspaper published and in
15 general circulation in such county or counties. This notice
16 shall contain a brief statement of the substance of the
17 resolution or ordinance, making reference to this subchapter,
18 and shall state that on a day certain, not less than three days
19 after publication of the notice, an application to withdraw from
20 or to become a member of the KCOG, as the case may be, will be
21 filed with the Secretary of the Commonwealth.

22 (d) Filing an application to withdraw or join.--On or before
23 the day specified in the notice, the municipality shall file an
24 application with the Secretary of the Commonwealth together with
25 proof of publication of the notice required under subsection
26 (c). The application shall set forth all of the information
27 required in the case of original incorporation insofar as it
28 applies to the incoming municipality, including the name and
29 address and term of office of the first member or members of the
30 board of the KCOG from the incoming municipality and, if there

1 is to be a reapportionment of representation or revision of the
2 terms of office of the members of the board, the names,
3 addresses and terms of office of all the members of the board as
4 so reapportioned or revised.

5 (e) Execution of application.--The application in all cases
6 shall be executed by the proper officers of the withdrawing or
7 incoming municipality under its municipal seal and shall be
8 joined in by the proper officers of the governing body of the
9 KCOG and, in the case of a municipality seeking to become a
10 member of the KCOG, by the proper officers of each of the
11 municipalities that are then members of the KCOG pursuant to
12 resolutions by the municipality.

13 § 2365. Certification of withdrawal or joinder.

14 If the Secretary of the Commonwealth finds that the
15 application conforms to law, he shall, but not prior to the day
16 specified in the notice, endorse his approval of it and, when
17 all proper fees and charges have been paid, shall file the same
18 and issue a certificate of withdrawal or a certificate of
19 joinder, as the case may be, to which shall be attached a copy
20 of the approved application. The withdrawal or joining shall
21 become effective upon the issuing of the certificate.

22 § 2366. Amendment of articles.

23 (a) Purpose.--A KCOG may amend its articles for the
24 following reasons:

25 (1) To adopt a new name.

26 (2) To change, add to or diminish its powers or purposes
27 or to set forth different or additional powers or purposes.

28 (3) To increase or decrease the number of members of the
29 board of the KCOG, to reapportion the representation on the
30 board of the KCOG and to revise the terms of office of

1 members.

2 (b) Procedure.--Every amendment to the articles shall first
3 be proposed by the board by the adoption of a resolution setting
4 forth the proposed amendment and directing that it be submitted
5 to the governing authorities of the municipalities composing the
6 KCOG. The resolution shall contain the language of the proposed
7 amendment to the articles by providing that the articles shall
8 be amended so as to read as set forth in full in the resolution,
9 that any provision of the articles be amended so as to read as
10 set forth in full in the resolution or that the matter stated in
11 the resolution be added to or stricken from the articles. After
12 the amendments have been submitted to the municipalities, such
13 municipalities shall adopt or reject such amendment by
14 resolution or ordinance.

15 (c) Execution and verification.--After an amendment has been
16 adopted by the municipalities, articles of amendment shall be
17 executed under the seal of the KCOG and follow the method of
18 incorporation for forming a KCOG. Advertisements shall appear at
19 least three days prior to the day upon which the articles of
20 amendment are presented to the Secretary of the Commonwealth and
21 shall set forth briefly:

22 (1) The name and location of the registered office of
23 the KCOG.

24 (2) A statement that the articles of amendment are to be
25 filed under the provisions of this subchapter.

26 (3) The nature and character of the proposed amendment.

27 (4) The time when the articles of amendment will be
28 filed with the Secretary of the Commonwealth.

29 (d) Filing the amendment.--The articles of amendment and
30 proof of the required advertisement shall be delivered by the

1 KCOG or its representative to the Secretary of the Commonwealth.
2 If the Secretary of the Commonwealth finds that the articles
3 conform to law, he shall forthwith, but not prior to the day
4 specified in the advertisement required in subsection (c)(4),
5 endorse his approval of it and, when all fees and charges have
6 been paid, shall file the articles and issue to the KCOG or its
7 representative a certificate of amendment to which shall be
8 attached a copy of the approved articles.

9 § 2367. Powers.

10 (a) General powers.--Every KCOG may exercise all powers
11 necessary or convenient for the carrying out of the purposes set
12 forth in this section, including, but without limiting the
13 generality of the foregoing, the following rights and powers:

14 (1) To sue and be sued, implead and be impleaded,
15 complain and defend in all courts.

16 (2) To adopt, use and alter at will a corporate seal.

17 (3) To acquire, purchase, hold, lease as lessee and use
18 any franchise, property, real, personal or mixed, tangible or
19 intangible, or any interest therein necessary or desirable
20 for carrying out the purposes of the KCOG, and to sell, lease
21 as lessor, transfer and dispose of any property or interest
22 therein at any time acquired by it.

23 (4) To acquire by purchase, lease or otherwise and to
24 construct, improve, maintain, repair and operate projects.

25 (5) To make bylaws for the management and regulation of
26 its affairs.

27 (6) To appoint officers, agents, employees and servants,
28 to prescribe their duties and to fix their compensation.

29 (7) To make contracts of every name and nature and to
30 execute all instruments necessary or convenient for the

1 carrying on of its business.

2 (8) To pledge, hypothecate or otherwise encumber all or
3 any of the revenues or receipts of the KCOG as security for
4 all or any of the obligations of the KCOG.

5 (9) To do all acts and things necessary or convenient
6 for the promotion of its business and the general welfare of
7 the KCOG to carry out the powers granted to it by this
8 subchapter or other law.

9 (10) A KCOG may participate in any other activity not
10 contradictory to the limitations set forth in this subchapter
11 or regulations promulgated by the department in regards to
12 this subchapter.

13 (b) Limitations.--This section is subject to the following
14 limitations:

15 (1) The purpose and intent of this subchapter being to
16 benefit the people of the Commonwealth by, among other
17 things, increasing their commerce, health, safety and
18 prosperity and not to unnecessarily burden or interfere with
19 existing business by the establishment of competitive
20 enterprises, none of the powers granted by this subchapter
21 shall be exercised in the construction, financing,
22 improvement, maintenance, extension or operation of any
23 project or projects or providing financing for insurance
24 reserves which in whole or in part shall duplicate or compete
25 with existing enterprises serving substantially the same
26 purposes. This limitation shall not apply to the exercise of
27 the powers granted under this paragraph:

28 (i) For facilities and equipment for the collection,
29 removal or disposal of ashes, garbage, rubbish and other
30 refuse materials by incineration, landfill or other

1 methods if each municipality organizing or intending to
2 use the facilities of a KCOG having such powers shall
3 declare by resolution or ordinance that it is desirable
4 for the health and safety of the people of such
5 municipality that it use the facilities of the KCOG and
6 state if any contract between such municipality and any
7 other person, firm or corporation for the collection,
8 removal or disposal of ashes, garbage, rubbish and other
9 refuse material has by its terms expired or is terminable
10 at the option of the municipality or will expire within
11 six months from the date such ordinance becomes
12 effective.

13 (ii) For industrial development projects if the KCOG
14 does not develop industrial projects which will compete
15 with existing industries.

16 (2) For each KCOG project, municipal members of that
17 KCOG have the right either to participate or not participate
18 in the project. A municipality's approval for entering into a
19 project is determined by a resolution or ordinance granting
20 the municipality's participation.

21 (3) A KCOG municipal member which as voted to
22 participate in a KCOG project may withdraw from it by a
23 resolution or ordinance authorizing a project withdrawal, but
24 no municipality shall be permitted to withdraw from
25 commitment unless and until any and all financial obligations
26 incurred by the KCOG have been satisfied.

27 § 2368. Limitation on pledge of credit or taxing power.

28 (a) General rule.--A KCOG may not pledge the credit or
29 taxing power of the Commonwealth or its political subdivision.

30 (b) Not Commonwealth obligations.--The obligations of a KCOG

1 are not obligations of the Commonwealth. The Commonwealth shall
2 not be liable for the payment of principal of or interest on
3 obligations of a KCOG.

4 (c) Municipal limitation.--No municipality in the
5 Commonwealth may join more than one KCOG.

6 § 2369. Regulation by the Commonwealth.

7 The department shall have the authority to promulgate any and
8 all regulations it deems necessary to implement and regulate the
9 provisions of this subchapter.

10 § 2370. Money of a KCOG.

11 (a) Treasurer.--Any and all moneys derived from whatever
12 source shall be paid to the treasurer of the KCOG.

13 (b) Report.--Every KCOG whose fiscal year ends December 31
14 shall file on or before July 1 an annual report of its fiscal
15 affairs covering the preceding calendar year with the department
16 and with the municipality creating the KCOG on forms prepared
17 and distributed by the department. Every KCOG whose fiscal year
18 does not end on December 31 shall file the report within 90 days
19 after the end of their fiscal year.

20 (c) Annual audit.--Every KCOG shall have its books, accounts
21 and records audited annually by a certified public accountant. A
22 copy of that audit report shall be filed in the KCOG office for
23 the purpose of public review and in the office of the
24 municipalities that created the KCOG.

25 (d) Publication of annual financial statement.--A concise
26 financial statement shall be published annually at least once in
27 a newspaper of general circulation in the municipality where the
28 principal office of the KCOG is located. If the publication is
29 not made by the KCOG, the municipality shall publish such
30 statement at the expense of the KCOG.

(e) Power of municipal auditor.--If the KCOG fails to make such an audit, then the controller, auditor or accountant designated by the municipality is hereby authorized and empowered from time to time to examine at the expense of the KCOG the accounts and books of it, including its receipts, disbursements, contracts, leases, sinking funds, investments and any other matters relating to its finances, operation and affairs.

§ 2371. Auditor General.

The Auditor General of the Commonwealth shall have the right to examine the books, accounts and records of any KCOG.

§ 2372. Competition in award of contracts.

(a) Services.--

(1) Except as set forth in paragraph (2), all construction, reconstruction, repair or work of any nature made by a KCOG if the entire cost, value or amount, including labor and materials, exceeds \$10,000 shall be done only under contract to be entered into by the KCOG with the lowest responsible bidder upon proper terms after public notice asking for competitive bids as provided in this section.

(2) Paragraph (1) does not apply to construction, reconstruction, repair or work done by employees of the KCOG or by labor supplied under agreement with a Federal or State agency with supplies and materials purchased as provided in this section.

(3) No contract shall be entered into for construction or improvement or repair of a project or portion thereof unless the contractor gives an undertaking with a sufficient surety approved by the KCOG and in an amount fixed by the KCOG for the faithful performance of the contract.

1 (4) The contract must provide among other things that
2 the person or corporation entering into the contract with the
3 KCOG will pay for all materials furnished and services
4 rendered for the performance of the contract and that any
5 person or corporation furnishing materials or rendering
6 services may maintain an action to recover for them against
7 the obligor in the undertaking as though such person or
8 corporation was named in the contract if the action is
9 brought within one year after the time the cause of action
10 accrued.

11 (5) Nothing in this section shall be construed to limit
12 the power of the KCOG to construct, repair or improve a
13 project or portion thereof or any addition, betterment or
14 extension thereto directed by the officers, agents and
15 employees of the KCOG or otherwise than by contract.

16 (b) Supplies and materials.--All supplies and materials
17 costing at least \$10,000 shall be purchased only after
18 advertisement as provided in this section. The KCOG shall accept
19 the lowest bid, kind, quality and material being equal, but the
20 KCOG shall have the right to reject any or all bids or select a
21 single item from any bid. The provisions as to bidding shall not
22 apply to the purchase of patented and manufactured products
23 offered for sale in a noncompetitive market or solely by a
24 manufacturer's authorized dealer.

25 (c) Quotations.--Written or telephonic price quotations from
26 at least three qualified and responsible contractors shall be
27 requested for a contract which exceeds \$4,000 but is less than
28 the amount requiring advertisement and competitive bidding. In
29 lieu of price quotations, a memorandum shall be kept on file
30 showing that fewer than three qualified contractors exist in the

1 market area within which it is practicable to obtain quotations.
2 A written record of telephonic price quotations shall be made
3 and shall contain at least the date of the quotation; the name
4 of the contractor and the contractor's representative; the
5 construction, reconstruction, repair, maintenance or work which
6 was the subject of the quotation; and the price. Written price
7 quotations, written records of telephonic price quotations and
8 memoranda shall be retained for a period of three years.

9 (d) Limited definitions.--The term "advertisement" or
10 "public notice," wherever used in this section, shall mean a
11 notice published at least ten days before the award of a
12 contract in a newspaper of general circulation published in the
13 municipality where the KCOG has its principal office or, if no
14 newspaper of general circulation is published therein, in a
15 newspaper of general circulation in the county where the KCOG
16 has its principal office. Notice may be waived if the KCOG
17 determines that an emergency exists which requires the authority
18 to purchase the supplies and materials immediately.

19 § 2373. Conflict of interest.

20 No member of the KCOG or officer or employee of the KCOG may
21 directly or indirectly be a party to or be interested in any
22 contract or agreement with the KCOG if the contract or agreement
23 establishes liability against or indebtedness of the KCOG. Any
24 contract or agreement made in violation of this subsection is
25 void and no action may be maintained on the agreement against
26 the KCOG.

27 § 2374. Entry into contracts.

28 Subject to section 2373 (relating to conflict of interest), a
29 KCOG may enter into and carry out contracts or establish or
30 comply with rules and regulations concerning labor and materials

1 and other related matters in connection with a project or
2 portion thereof as the KCOG deems desirable or as may be
3 requested by a Federal agency to assist in the financing of the
4 project or any part thereof. This paragraph shall not apply to a
5 contract in connection with the construction of a project which
6 the KCOG may have had transferred to it by any person or private
7 corporation. This section is not intended to limit the powers of
8 a KCOG.

9 § 2375. Evasion.

10 (a) General rule.--A KCOG may not evade the provisions of
11 this section as to bids or purchasing materials or contracting
12 for services piecemeal for the purpose of obtaining prices under
13 \$10,000 upon transactions which should, in the exercise of
14 reasonable discretion and prudence, be conducted as one
15 transaction amounting to more than \$10,000.

16 (b) Unlawful activity.--This subsection is intended to make
17 unlawful the practice of evading advertising requirements by
18 making a series of purchases or contracts each for less than the
19 advertising requirement price or by making several simultaneous
20 purchases or contracts each below that price when in either case
21 the transaction involved should have been made as one
22 transaction for one price.

23 (c) Liability of KCOG members.--A KCOG member who votes to
24 unlawfully evade the provisions of this section and who knows
25 that the transaction upon which the member votes is or ought to
26 be a part of a larger transaction and that it is being divided
27 in order to evade the requirements as to advertising for bids
28 commits a misdemeanor of the third degree for each contract
29 entered into as a direct result of that vote.

30 § 2376. Use of projects.

1 The use of the facilities of the KCOG and the operation of
2 its business shall be subject to the rules and regulations as
3 adopted by the KCOG. The KCOG shall not be authorized to do
4 anything which will impair the security of the holders of the
5 obligations of the KCOG or violate any agreements with them or
6 for their benefit.

7 § 2377. Pledge by Commonwealth for Federal matters.

8 The Commonwealth pledges to and agrees with the United States
9 and all Federal agencies that, if a Federal agency constructs or
10 contributes funds for the construction, extension, improvement
11 or enlargement of a project or any portion thereof:

12 (1) The Commonwealth will not alter or limit the rights
13 and powers of the KCOG in any manner which would be
14 inconsistent with the continued maintenance and operation of
15 the project or the improvement thereof or which would be
16 inconsistent with the due performance of agreements between
17 the KCOG and any Federal agency.

18 (2) The KCOG shall continue to have and may exercise all
19 powers granted in this subchapter as long as the powers are
20 necessary or desirable for carrying out the purposes of this
21 subchapter and the purposes of the United States in the
22 construction or improvement or enlargement of the project or
23 portion thereof.

24 § 2378. Exemption from taxation and payments in lieu of taxes.

25 The effectuation of the authorized purposes of a KCOG created
26 under this subchapter shall be for the benefit of the people of
27 this Commonwealth, for the increase of their commerce and
28 prosperity and for the improvement of their health and living
29 conditions. Since the KCOG will be performing essential
30 governmental functions in effectuating these purposes, the KCOG

1 shall not be required to pay taxes or assessments upon property
2 acquired or used by it for such purposes.

3 § 2379. Assistance from the Governor's Center of Local
4 Government Services.

5 (a) General rule.--Every KCOG shall be entitled to receive
6 technical assistance from the center in matters concerning
7 fiscal management, intergovernmental cooperation and any service
8 which the center deems willing to provide.

9 (b) Financial assistance.--Every KCOG shall be eligible to
10 apply for financial assistance from the center in grant funding
11 programs including the Shared Municipal Services Program, Land
12 Use Planning and Technical Assistance Program and any other
13 grant program to which the center is willing to provide a KCOG
14 access.

15 § 2380. Keystone Council of Government Start-Up Grant Program.

16 (a) Establishment.--The Keystone Council of Government
17 Start-Up Grant Program is hereby established and shall be
18 administered by the center. Grants provided under this program
19 shall be used to improve and enhance the capabilities of
20 municipalities incorporated under this subchapter.

21 (b) Guidelines and procedures.--The center shall develop
22 guidelines, procedures and all applications necessary to
23 implement the grant program. The center shall submit the
24 guidelines, procedures and applications to the Legislative
25 Reference Bureau for publication in the Pennsylvania Bulletin
26 and Pennsylvania Code within 60 days of the effective date of
27 this subchapter.

28 (c) Authorization.--The center is hereby permitted to make a
29 one-time grant award to any eligible KCOG to assist in the
30 operational, technical and capital building costs of

1 incorporating a new KCOG.

2 (d) Limitations on grant amounts.--

3 (1) The department shall establish limits on the amount
4 of money available to each applicant so as to distribute the
5 available funds as fairly as possible throughout this
6 Commonwealth.

7 (2) In no case shall the aggregate amount of grants in
8 any fiscal year exceed the amount of the appropriation to the
9 department for the program in that fiscal year. The provision
10 of grants under this act shall in no way constitute an
11 entitlement derived from the Commonwealth or a claim on any
12 other funds of the Commonwealth.

13 (3) A KCOG that includes municipal members on the list
14 of municipalities, determined to be distressed under the act
15 of July 10, 1987 (P.L.246, No.47), known as the
16 Municipalities Financial Recovery Act, shall be given
17 priority consideration of this grant.

18 § 2381. Appropriation.

19 The sum of \$2,500,000, or as much thereof as may be
20 necessary, is hereby appropriated to the department to carry out
21 the KCOG Grant Program for the first fiscal year of its
22 implementation.

23 § 2382. Constitutional construction.

24 The provisions of this subchapter shall be severable, and if
25 any of the provisions are held to be unconstitutional it shall
26 not affect the validity of any of the remaining provisions of
27 this subchapter. It is hereby declared as the legislative intent
28 that this subchapter would have been adopted had such
29 unconstitutional provisions not been included.

30 Section 2. This act shall take effect in 60 days.