

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2122 Session of
2018

INTRODUCED BY D. COSTA, ENGLISH, RAVENSTAHL, DEASY, MILLARD,
MUSTIO, ROTHMAN, KORTZ, KULIK, P. COSTA, WHEATLEY, ORTITAY,
CALTAGIRONE, SACCONI, JOZWIAK, MATZIE, DERMODY, READSHAW,
FRANKEL, D. MILLER, GAINEY, EVANKOVICH, MAHER AND A. DAVIS,
MARCH 9, 2018

REFERRED TO COMMITTEE ON URBAN AFFAIRS, MARCH 9, 2018

AN ACT

1 Amending the act of July 28, 1953 (P.L.723, No.230), entitled
2 "An act relating to counties of the second class and second
3 class A; amending, revising, consolidating and changing the
4 laws relating thereto," providing for the voluntary
5 dissolution of the existing form of governance of a municipal
6 corporation located in a county of the second class and the
7 creation of unincorporated districts of counties of the
8 second class; authorizing the county to assume responsibility
9 for the governance of the municipal corporation and delivery
10 of public services to the citizens residing in the municipal
11 corporation through the administration of an unincorporated
12 district; and authorizing unincorporated district advisory
13 committees.

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

16 Section 1. The act of July 28, 1953 (P.L.723, No.230), known
17 as the Second Class County Code, is amended by adding an article
18 to read:

19 ARTICLE XXXI-D

20 CREATION OF UNINCORPORATED DISTRICTS FOR THE
21 GOVERNANCE OF DISSOLVED MUNICIPAL CORPORATIONS
22 WITHIN COUNTIES OF THE SECOND CLASS

1 Section 3101-D. Scope of article.

2 This article relates to unincorporated districts of counties
3 of the second class.

4 Section 3102-D. Legislative findings.

5 The General Assembly finds and declares as follows:

6 (1) While the electors of this Commonwealth have long
7 had procedures by which to create new municipalities, the
8 General Assembly may also provide a means whereby electors of
9 municipalities may unilaterally terminate their municipal
10 corporations.

11 (2) The electors residing in a municipal corporation
12 located in a county of the second class should have the right
13 to voluntarily dissolve their existing form of government and
14 transfer all powers, duties and responsibilities for the
15 governance of the municipal corporation to an unincorporated
16 district administered by a county of the second class if the
17 electors believe that the county would be able to provide for
18 more efficient and effective municipal services.

19 (3) Article IX of the Constitution of Pennsylvania
20 authorizes the governing body of a municipality to cooperate,
21 transfer or delegate any function, power or responsibility,
22 by mutual agreement, to another municipality, district or
23 newly created governmental unit.

24 (4) The dissolution of the existing form of government
25 for a municipal corporation and the substitution of an
26 unincorporated district as a new form of government
27 administered by the county is authorized by Article IX of the
28 Constitution of Pennsylvania, which provides broad authority
29 to the General Assembly to provide for local government.

30 (5) It is appropriate for an unincorporated district to

1 transfer administrative functions to the county under section
2 5 of Article IX of the Constitution of Pennsylvania, which
3 provides that a municipality may delegate or transfer any
4 function, power or responsibility to another municipality,
5 including a county.

6 (6) In recognition of the problems faced by certain
7 municipal corporations located within counties of the second
8 class and the shared benefits available to other
9 municipalities, it is appropriate for the General Assembly to
10 authorize the creation of unincorporated districts within
11 counties of the second class.

12 Section 3103-D. Definitions.

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

16 "Administrative code." The ordinance of the county providing
17 for the administration and operation of the county's government
18 consistent with the county's home rule charter or a successor
19 law or ordinance.

20 "County." A county of the second class in which a municipal
21 corporation is entirely located.

22 "County council." The elected legislative body of a county
23 elected in accordance with the home rule charter or a successor
24 or successors to the legislative duties and responsibilities of
25 the elected legislative body.

26 "County executive." The county executive of a county elected
27 in accordance with the home rule charter or a successor or
28 successors to the executive duties and responsibilities of the
29 county executive.

30 "County manager." An appointed chief administrative officer

1 of a county responsible to the county executive for the
2 administration of the day-to-day operations and administration
3 of county government or a successor or successors to the
4 operational and administrative duties and responsibilities of
5 the chief administrative officer.

6 "Dissolution." Replacement of the existing form of
7 governance of a municipal corporation with an unincorporated
8 district administered by a county.

9 "Dissolved municipality." A municipal corporation whose
10 electors have voted to voluntarily dissolve the municipal
11 corporation's existing form of governance and to have the county
12 assume all powers, duties and responsibilities for governance of
13 the municipal corporation and delivery of public services
14 through the administration of an unincorporated district.

15 "District advisory committee." A body appointed to advise a
16 county manager concerning matters related to the governance of a
17 dissolved municipality that has become an unincorporated
18 district of the county.

19 "Electors." The registered voters of a municipal corporation
20 seeking to voluntarily dissolve the existing form of governance
21 of a municipal corporation in which the electors reside and to
22 have the county assume all powers, duties and responsibilities
23 for governance of the municipal corporation and delivery of
24 public services through the administration of an unincorporated
25 district or the registered voters in an unincorporated district
26 of the county seeking to reestablish the dissolved municipality
27 as a separate municipal corporation.

28 "Governing body." Any of the following:

29 (1) The council in a city, borough or incorporated town.

30 (2) The board of commissioners in a township of the

1 first class.

2 (3) The board of supervisors in a township of the second
3 class.

4 (4) The elected legislative body in a home rule
5 municipality.

6 "Home rule charter." The home rule charter of a home rule
7 municipality, including the home rule charter of a county.

8 "Municipal corporation." A city, borough, incorporated town,
9 township or home rule municipality with a population of 10,000
10 or less and located entirely in a county.

11 "Official action." A vote taken by the governing body at a
12 public meeting.

13 "Unincorporated district." The name of the geographical
14 territory encompassing a dissolved municipality.

15 Section 3104-D. Initiation of municipal corporation
16 dissolution.

17 (a) Findings.--If the governing body of a municipal
18 corporation finds that the residents of the municipal
19 corporation would be better served by the administration of
20 municipal services by the county, the governing body may seek to
21 provide for the dissolution of the municipal corporation under
22 this article.

23 (b) Resolution of preliminary interest.--

24 (1) The governing body of a municipal corporation shall
25 indicate its interest in exploring dissolution of the
26 municipal corporation by adopting a nonbinding resolution of
27 preliminary interest. In the resolution, the governing body
28 of the municipal corporation shall expressly authorize its
29 elected and appointed officials and officers to enter into
30 formal discussions with the county concerning the preparation

1 of an essential services transition plan as part of an
2 intergovernmental cooperation agreement under the provisions
3 of 53 Pa.C.S. Ch. 23 Subch. A (relating to intergovernmental
4 cooperation) under which the existing form of governance of
5 the municipal corporation would be voluntarily dissolved
6 following an affirmative vote by the electors of the
7 municipal corporation at a referendum and all powers, duties
8 and responsibilities for the governance of the municipal
9 corporation and delivery of public services to the citizens
10 residing in the municipal corporation eventually would be
11 transferred to and exercised by the county through the
12 administration of an unincorporated district.

13 (2) The governing body of a municipal corporation shall
14 transmit a certified copy of its adopted resolution of
15 preliminary interest to the county manager.

16 (3) Within 10 business days of the receipt of the
17 certified copy of the municipal corporation's resolution of
18 preliminary interest, the county manager or the manager's
19 authorized representative or delegate shall contact the
20 authorized officer or representative of the municipal
21 corporation to begin formal discussions on the development of
22 an essential services transition plan as part of an
23 intergovernmental cooperation agreement under the provisions
24 of 53 Pa.C.S. Ch. 23 (relating to general provisions) under
25 which the existing form of governance of the municipal
26 corporation would be dissolved and all powers, duties and
27 responsibilities for the governance of the municipal
28 corporation and for delivery of public services to the
29 citizens residing in the municipal corporation would be
30 transferred to and exercised by the county through an

1 unincorporated district.

2 Section 3105-D. Development of essential services transition
3 plan and time period for development of plan.

4 (a) Proposed plan and intergovernmental agreement.--The
5 authorized representatives of the municipal corporation and the
6 county shall confer and prepare a written proposed essential
7 services transition plan as a part of an intergovernmental
8 cooperation agreement under the provisions of 53 Pa.C.S. Ch. 23
9 (relating to general provisions) under which the existing form
10 of governance of the municipal corporation would be dissolved
11 and all powers, duties and responsibilities for the governance
12 of the municipal corporation and delivery of public services to
13 the citizens residing in the municipal corporation would be
14 transferred to and exercised by the county through an
15 unincorporated district.

16 (b) Time period to complete proposed plan and
17 intergovernmental agreement.--The proposed intergovernmental
18 cooperation agreement with the proposed essential services
19 transition plan shall be completed by the authorized
20 representatives of the county and the municipal corporation
21 within 180 days of the date agreed upon as the commencement date
22 of discussions concerning the development of the essential
23 services transition plan as part of the intergovernmental
24 cooperation agreement.

25 (c) Intergovernmental cooperation.--During the 180-day
26 period of the development of the essential services transition
27 plan as part of the intergovernmental cooperation agreement
28 between the county and the municipal corporation, the county and
29 the municipal corporation shall exchange information and provide
30 records and other necessary documents as may be reasonably

1 requested to assist in the preparation of the agreement.

2 (d) Extension.--

3 (1) If a final proposed essential services transition
4 plan as part of the intergovernmental cooperation agreement
5 is not completed by the end of the 180-day period in
6 subsection (b), the time period for the development of the
7 essential services transition plan may be extended by mutual
8 agreement of the county and the municipal corporation for an
9 additional 90 days.

10 (2) If the county and the municipal corporation cannot
11 reach an agreement on a final proposed essential services
12 transition plan by the end of the additional 90-day period,
13 then all discussions concerning possible dissolution of the
14 municipal corporation and replacement of its governance by an
15 unincorporated district administered by the county shall be
16 concluded.

17 (e) Costs and expenses.--The county and the municipal
18 corporation shall bear their own costs and expenses incurred
19 during the development of the essential services transition
20 plan.

21 Section 3106-D. Essential services transition plan.

22 (a) Content.--In addition to the requirements contained in
23 53 Pa.C.S. § 2307 (relating to content of ordinance), the
24 intergovernmental cooperation agreement created under section
25 3105-D shall include a written proposed essential services
26 transition plan. The plan shall provide for, but not be limited
27 to, the following matters:

28 (1) Establishment of the name of the district. A
29 district established by this article shall be named "The
30 Unincorporated District of _____ of _____ County."

1 (2) Disposition and handling of debts and obligations of
2 the municipal corporation.

3 (3) Disposition and handling of suits, claims and
4 demands against the municipal corporation.

5 (4) The closing or transfer of all accounts of the
6 municipal corporation.

7 (5) The status, number and role of employees of the
8 municipal corporation and modifications to or rescission of
9 collective bargaining agreements applicable to the employees
10 in accordance with applicable laws.

11 (6) The disposition of each ongoing contract to which
12 the municipal corporation is a party. The proposed essential
13 services transition plan may provide for the disposition of
14 each contract by making the county a successor to the
15 contract with the assent of other parties to the contract or
16 the termination or modification of the contract according to
17 the contract's terms.

18 (7) Disposition of all real and personal property and
19 other assets of the municipal corporation by sale, lease or
20 conveyance. The proceeds of a disposition shall be used for
21 the exclusive benefit of the residents of the municipal
22 corporation and may be applied for the following purposes:

23 (i) Payment of outstanding debt obligations to the
24 municipal corporation.

25 (ii) Provision of municipal services to the electors
26 of the municipal corporation.

27 (8) A consolidation of ordinances of the municipal
28 corporation related to the health, safety or general welfare
29 of the residents of the district and land use that the county
30 and the municipal corporation determine will remain in effect

1 within the district following the dissolution of the
2 municipal corporation.

3 (9) (i) The rates of taxes and fees that shall apply in
4 the unincorporated district beginning on the date of the
5 dissolution of the municipal corporation.

6 (ii) This paragraph shall apply to any tax that the
7 municipal corporation may levy by its municipal code or
8 the act of December 31, 1965 (P.L.1257, No.511), known as
9 The Local Tax Enabling Act.

10 (10) Local emergency management in accordance with the
11 plan and program of the Pennsylvania Emergency Management
12 Agency. The plan shall provide for the district in a
13 substantially similar manner as plans required for a
14 political subdivision under 35 Pa.C.S. Ch. 75 Subch. A
15 (relating to general provisions). The proposed essential
16 services transition plan shall include a procedure for a
17 declaration of a disaster emergency to be made in the
18 district and the designation of a local coordinator of
19 emergency management.

20 (11) The disposition and storage of all books, records,
21 deeds, papers and other important documents.

22 (12) The status, funding, payment and future
23 administration of pensions and pension plans administered by
24 the municipal corporation or on behalf of the municipal
25 corporation by a third party.

26 (13) The level and mode of delivery of municipal
27 services.

28 (14) A proposed operating and capital budget that may
29 include a capital improvement plan and tax and fee rates.

30 (15) Outstanding delinquent taxes and debts and

1 assignment of the delinquent taxes and debts for collection.

2 (16) The formation of the district advisory committee
3 which shall be consistent with section 3112-D and the powers
4 and duties provided under this article. The plan shall
5 provide for the methods of appointment, removal and
6 designation of a chair and terms of the members of the
7 committee.

8 (17) Any other matter or item determined by the county
9 and the municipal corporation to be germane to the future
10 governance of the municipal corporation by an unincorporated
11 district administered by the county.

12 (b) Public notice.--

13 (1) Notwithstanding the provisions of 53 Pa.C.S. Ch. 23
14 (relating to general provisions), not less than 45 days
15 before executing the proposed essential services transition
16 plan as a part of an intergovernmental cooperation agreement
17 under subsection (a), the municipal corporation shall publish
18 in at least one newspaper of general circulation a
19 notification of the hearing under subsection (c) and a brief
20 summary prepared by the solicitor of the municipal
21 corporation of the proposed intergovernmental cooperation
22 agreement stating all the provisions of the proposed
23 essential services transition plan between the county and the
24 municipal corporation in reasonable detail and a reference to
25 the office or other place where copies of the proposed
26 intergovernmental cooperation agreement may be examined.

27 (2) The proposed intergovernmental cooperation agreement
28 shall also be published on the publicly accessible Internet
29 website of the county and the municipal corporation, where
30 the publicly accessible Internet website has been previously

1 established.

2 (c) Public hearing.--

3 (1) At least 15 days after the publication of the notice
4 under subsection (b), the governing body of the municipal
5 corporation shall hold a public hearing, located in the
6 municipal corporation, to present a summary of the proposed
7 agreement and accept public comment on the proposed essential
8 services transition plan.

9 (2) Two members of county council, one of whom shall be
10 the member who represents the municipal corporation on the
11 county council, the county executive of the county or the
12 county executive's designee and such other representatives of
13 the county who the county executive deems necessary, shall
14 attend the public hearing to provide information on the
15 proposed intergovernmental cooperation agreement and to
16 receive public comments.

17 (d) Revisions following public hearing.--A revision made to
18 the proposed essential services transition plan as a part of an
19 intergovernmental cooperation agreement after the public hearing
20 shall be made available for public examination and published on
21 the publicly accessible Internet website as provided under
22 subsection (b), at least 15 days prior to final approval and the
23 execution of the agreement by the governing body of the
24 municipal corporation.

25 (e) Final approval of essential services transition plan.--

26 (1) (i) The governing body of the municipal corporation
27 shall take official action on an ordinance to adopt the
28 final proposed intergovernmental cooperation agreement
29 under the provisions of 53 Pa.C.S. Ch. 23 at a regularly
30 scheduled meeting or at a special meeting called to

1 consider the final proposed agreement.

2 (ii) If the governing body of the municipal
3 corporation approves the ordinance to adopt the final
4 proposed intergovernmental cooperation agreement, the
5 ordinance of the municipal corporation shall become
6 effective only as provided in section 3107-D(b)(4). The
7 municipal corporation, through its authorized
8 representative or delegate, shall execute the final
9 proposed intergovernmental cooperation agreement and
10 transmit the signed agreement and certified copies of its
11 official action approving the final proposed agreement to
12 county council, the county executive and the county
13 manager.

14 (iii) If the governing body of the municipal
15 corporation disapproves the ordinance to adopt the final
16 proposed intergovernmental cooperation agreement, the
17 municipal corporation shall transmit official notice of
18 the disapproval of the final proposed agreement to the
19 county council, the county executive and the county
20 manager.

21 (iv) Upon receipt of notice of disapproval of the
22 final proposed agreement, the possible dissolution of the
23 municipal corporation and replacement of its governance
24 by an unincorporated district administered by the county
25 shall be deemed to be concluded.

26 (2) (i) Upon receipt of a certified copy of the
27 municipal corporation's official action approving the
28 final proposed agreement, the county council shall take
29 official action to approve the final proposed
30 intergovernmental cooperation agreement by enacting a

1 county ordinance that becomes effective as provided under
2 section 3111-D at a regularly scheduled meeting or at a
3 special meeting called to consider the final proposed
4 agreement.

5 (ii) If the county council takes official action to
6 approve the final proposed agreement, the county council
7 shall submit the proposed county ordinance approving the
8 final proposed intergovernmental cooperation agreement to
9 the county executive for approval in accordance with the
10 county's administrative code.

11 (iii) If the county executive signs the county
12 ordinance or the county council overrides a veto of the
13 ordinance, the county manager shall execute the final
14 intergovernmental cooperation agreement on behalf of the
15 county and transmit the signed intergovernmental
16 cooperation agreement and a certified copy of county
17 council's official action approving the county ordinance
18 authorizing the final proposed agreement to the municipal
19 corporation.

20 (iv) If the county council votes to disapprove the
21 county ordinance authorizing the final proposed agreement
22 or the county council fails to override the county
23 executive's veto of the county ordinance authorizing the
24 final proposed agreement, the county council, through its
25 authorized representative or delegate, shall transmit
26 official notice of the disapproval of the final proposed
27 agreement to the municipal corporation, the county
28 executive and the county manager.

29 (v) Upon receipt of the notice of disapproval of the
30 final proposed agreement, the possible dissolution of the

1 municipal corporation and replacement of its governance
2 by an unincorporated district administered by the county
3 shall be deemed to be concluded.

4 Section 3107-D. Referendum.

5 (a) Filing.--

6 (1) Within 30 days of the receipt of the fully signed
7 intergovernmental cooperation agreement from the county
8 pursuant to section 3106-D(e)(2), the governing body of the
9 municipal corporation shall file a notice with the county
10 board of elections requesting submission of the question of
11 the dissolution of the municipal corporation to the voters of
12 the municipal corporation by referendum.

13 (2) The governing body of the municipal corporation
14 shall include a certified copy of the signed
15 intergovernmental cooperation agreement with the notice of
16 intent for holding the referendum.

17 (3) The governing body of the municipal corporation
18 shall provide copies of the notice of intent filed with the
19 county board of elections to the county council, the county
20 executive and the county manager.

21 (b) Conduct of referendum.--

22 (1) Upon receiving the notice in subsection (a), the
23 county board of elections shall schedule a referendum to be
24 held at the next available election occurring at least 13
25 weeks after the municipal corporation's receipt of the signed
26 intergovernmental cooperation agreement from the county under
27 section 3106-D(e)(2).

28 (2) The question of the referendum shall be:

29 Shall (name of municipal corporation) dissolve its
30 existing form of governance and become an

1 unincorporated district administered by the county
2 under the essential services transition plan adopted
3 (date of intergovernmental cooperation agreement)?

4 (3) Upon certification of the election results, the
5 county board of elections shall send notice of the results of
6 the referendum to the governing body of the municipal
7 corporation, the county council, the county executive, the
8 county manager and the Department of Community and Economic
9 Development.

10 (4) If a majority of the electors voting on the question
11 approve, dissolution of the municipal corporation shall occur
12 according to the provisions of section 3108-D.

13 (5) No municipal corporation that has disapproved a
14 referendum under this section shall initiate the processes
15 for municipal dissolution under this article for a period of
16 five years.

17 Section 3108-D. Effect of dissolution.

18 (a) Winding-down of affairs of the municipal corporation.--
19 Following certification by the county board of elections that
20 the referendum has been approved, the governing body of the
21 municipal corporation, with the assistance of the county, shall
22 proceed with the orderly winding-down of the municipal
23 corporation in accordance with the essential services transition
24 plan.

25 (b) Effective date of dissolution.--The effective date of
26 the dissolution of the municipal corporation shall be 180 days
27 following the certification by the county board of elections
28 that the referendum has been approved. Upon the effective date
29 of dissolution, all of the following shall occur:

30 (1) The terms of office of all elected and appointed

1 officers of the municipal corporation shall end.

2 (2) The essential services transition plan adopted by
3 the intergovernmental cooperation agreement shall take effect
4 as a county ordinance under section 3111-D.

5 (3) The area formerly contained within the municipal
6 corporation shall become an unincorporated district of the
7 county. The district shall have the name designated in the
8 intergovernmental cooperation agreement.

9 (4) The members of the district advisory committee shall
10 be appointed according to the provisions of the essential
11 services transition plan ordinance within 30 days.

12 Section 3109-D. Unincorporated district of county.

13 (a) General rule.--The area formerly contained within a
14 municipal corporation shall, after dissolution under this
15 article, become an unincorporated district of the county in
16 which it is located. The unincorporated district shall be a
17 limited purpose unit of local government established to be
18 administered by and receive services from the county.

19 (b) Authorized administrative authority.--

20 (1) All legislative, administrative and quasi-judicial
21 powers of the unincorporated district shall be vested in the
22 county.

23 (2) The county manager, through the administrative
24 structure that is deemed to be appropriate and necessary,
25 shall manage the day-to-day operations of the unincorporated
26 district.

27 (3) The county manager shall prepare an annual operating
28 and capital budget and proposed tax, fee and service charge
29 rates for the unincorporated district for the county
30 council's approval.

1 (4) The county council may enact such ordinances to
2 provide for the exercise of the powers assigned to the county
3 in this article and the delivery of public services to the
4 citizens residing in the unincorporated district as the
5 county council deems necessary.

6 (c) Corporate powers.--The county may exercise the following
7 powers in the governance and administration of the
8 unincorporated district:

9 (1) Any power which would have been conferred upon the
10 municipal corporation prior to its dissolution by the laws of
11 this Commonwealth relating to the municipal corporation,
12 including, but not limited to, the municipal code applicable
13 to the dissolved municipality or the home rule charter of the
14 municipal corporation.

15 (2) Any power conferred by statute upon all
16 municipalities in this Commonwealth or all municipalities of
17 the class that the municipal corporation had been prior to
18 dissolution.

19 (3) Any power of the county not denied by this article,
20 the county's home rule charter, as the case may be, or the
21 Constitution of Pennsylvania.

22 (d) District real and personal property.--

23 (1) All assets not sold by the municipal corporation
24 during the course of the winding-down of its affairs and the
25 date of dissolution as provided for in section 3108-D shall
26 become the property of the unincorporated district. Proceeds
27 resulting from the disposition of any such property shall be
28 applied for the exclusive benefit of the residents of the
29 district.

30 (2) The county shall provide as it deems necessary and

1 prudent for the repair and maintenance of all real property
2 and roadways for the benefit of the residents and property
3 owners of the unincorporated district.

4 (3) Nothing in this subsection shall be construed to
5 require the express approval of the General Assembly to
6 dispose of or use any lands acquired with funds under the act
7 of June 22, 1964 (Sp.Sess., P.L.131, No.8), known as the
8 Project 70 Land Acquisition and Borrowing Act, for purposes
9 other than those provided by that act, except that the
10 Commonwealth may succeed in title of the property for the
11 limited purposes established by this subsection.

12 (e) Former municipal debt.--

13 (1) All debt incurred by the municipal corporation
14 before the establishment of the unincorporated district shall
15 be the debt of the district. The county shall provide for the
16 service of the debt from revenues collected within the
17 district.

18 (2) Nothing in this subsection shall be construed to
19 require the county to guarantee debt incurred by a dissolved
20 municipality or unincorporated district with revenues from
21 the county's general fund or other source of revenue not
22 derived from taxes collected or fees assessed for the
23 administration of this article or gains from the sale of
24 assets of the dissolved municipality.

25 (f) District debt.--

26 (1) The county may incur debt designating the
27 unincorporated district as the promisor provided that the
28 debt is limited to the exclusive benefit of the residents of
29 the district. For the purposes of 53 Pa.C.S. Part VII Subpart
30 B (relating to indebtedness and borrowing), the district

1 shall constitute a local government unit.

2 (2) Taxes levied by the county in the district may be a
3 form of guaranteed revenue to support the debt.

4 (3) Debt incurred under this subsection shall be
5 evaluated against the borrowing base of the district but not
6 the county.

7 (g) Eligibility for State grants and programs.--The county
8 may apply for and be eligible to receive any financial grant,
9 loan or payment on behalf of the district, and the district may
10 participate in any program for which it was eligible when it was
11 a municipal corporation, including, but not limited to,
12 emergency grants and loans from the Commonwealth, payments
13 distributed under the act of June 1, 1956 (1955 P.L.1944,
14 No.655), referred to as the Liquid Fuels Tax Municipal
15 Allocation Law, all programs administered by the Pennsylvania
16 Infrastructure Investment Authority and all economic and
17 community development programs funded by the Commonwealth.

18 (h) Relationship with existing municipal and other
19 authorities preserved.--

20 (1) Authorities established to provide services to the
21 residents and property owners of a municipal corporation
22 prior to dissolution shall continue to serve the residents
23 and property owners of a district, and members of the
24 authority appointed by the governing body of the municipal
25 corporation prior to dissolution shall continue to serve out
26 the remainder of the members' respective terms.

27 (2) Notwithstanding the provisions of 53 Pa.C.S. § 5607
28 (relating to purposes and powers) or any other provision of
29 law, subsequent appointments to the authority board which
30 would otherwise be made by the governing body of the

1 municipal corporation shall be made by the county executive
2 in consultation with the district advisory committee subject
3 to approval by the county council.

4 (i) Pennsylvania Construction Code.--The act of November 10,
5 1999 (P.L.491, No.45), known as the Pennsylvania Construction
6 Code Act, shall apply to construction, alteration, repair and
7 occupancy of buildings within the district as though the
8 district were a municipality.

9 (j) Continuation of local ordinances, rules and
10 regulations.--

11 (1) Subject to the provisions of the home rule charter
12 and the administrative code, the county council shall be
13 vested with the power to amend, repeal or enact ordinances,
14 rules and regulations governing an unincorporated district.

15 (2) Unless amended or repealed by county council, all
16 ordinances, rules and regulations of the municipal
17 corporation in effect as of the date of dissolution shall
18 remain in effect as if duly adopted under the county home
19 rule charter and the administrative code and shall be
20 enforced by the county within an unincorporated district.

21 Section 3110-D. Revenue, taxation, fees and assessments.

22 (a) General rule.--The county council may, acting as the
23 governing body of the unincorporated district, enact through
24 ordinance and resolution and the county executive, through the
25 county manager, may enforce local tax, fee and service charges
26 for the unincorporated district at any rate or amount as granted
27 by statute to the class of municipal corporation that the
28 unincorporated district was prior to its dissolution under this
29 article or under other applicable State laws, including, but not
30 limited to, the act of December 31, 1965 (P.L.1257, No.511),

1 known as The Local Tax Enabling Act.

2 (b) Levy.--

3 (1) The county council shall levy and the county shall
4 collect taxes, fees and service charges authorized by
5 subsection (a) on the subjects of taxation and fees or
6 service charges on behalf of the unincorporated district for
7 the operating and capital expenses of the unincorporated
8 district.

9 (2) If the county levies a tax on the district that
10 would have been a taxation power of the municipal corporation
11 prior to dissolution, revenue derived from the levy shall be
12 restricted to the exclusive benefit of the district.

13 (3) In lieu of the power specified in paragraph (1), the
14 county may levy, on subjects fixed by law for each municipal
15 corporation prior to dissolution, uniform taxes on all
16 unincorporated districts within the county, provided that the
17 revenue derived from the levy is restricted to the exclusive
18 benefit of all districts within the county.

19 (c) Other revenues.--If the dissolved municipality collected
20 or received revenue other than through taxes, fees or service
21 charges, the same shall continue to be paid to the county after
22 dissolution, and the county shall apply the revenue to the
23 exclusive benefit of the district.

24 (d) Uncollected taxes, fees and service charges.--If, after
25 the effective date of dissolution, there are uncollected taxes,
26 fees and service charges, revenues or unsatisfied tax claims or
27 municipal claims, debts or obligations owed to the dissolved
28 municipality, the county may take action authorized by the laws
29 of this Commonwealth to ensure that the uncollected taxes, fees
30 and service charges, revenues or unsatisfied tax claims or

1 municipal claims, debts or obligations of the dissolved
2 municipality are paid to the county for the benefit of the
3 district.

4 Section 3111-D. Essential services transition plan ordinance.

5 (a) Effective date of essential services transition plan
6 ordinance.--Upon the dissolution of the municipal corporation
7 and expiration of the intergovernmental cooperation agreement,
8 the essential services transition plan adopted by the agreement
9 shall take effect as an ordinance of the county that applies to
10 the unincorporated district.

11 (b) Revision of essential services transition plan
12 ordinance.--The county, through the county council, may
13 periodically adopt, amend or repeal any provision of the
14 essential services plan ordinance for a specific unincorporated
15 district, provided that the residents of the district are given
16 an opportunity to make local comment on any proposed revision to
17 the ordinance under subsection (c) prior to the governing body's
18 vote revising the ordinance.

19 (c) Local comment meeting.--

20 (1) If the county proposes a revision to the essential
21 services transition plan ordinance of a specific
22 unincorporated district, a special joint meeting of a quorum
23 of the district advisory committee and two members of the
24 county council shall be convened. The chair of the district
25 advisory committee shall preside over the meeting.

26 (2) If the county governing body is elected by electoral
27 district, at least one of the members of the county governing
28 body participating in the special joint meeting shall be a
29 member that represents at least a portion of the
30 unincorporated district.

1 (3) The members of the district advisory committee and
2 the county council shall permit public comment on the county
3 proposal at the special joint meeting.

4 (4) The members of the special joint meeting shall vote
5 on a resolution regarding the proposal to:

6 (i) recommend the adoption of the proposal;

7 (ii) recommend the adoption of the proposal with
8 amendment;

9 (iii) recommend against the adoption of the
10 proposal; or

11 (iv) abstain from making a recommendation on the
12 proposal.

13 (5) The members participating in the joint special
14 meeting shall provide notice of any resolution adopted at the
15 joint special meeting to each member of the county council.

16 Section 3112-D. District advisory committee.

17 (a) Composition.--

18 (1) Each unincorporated district shall establish a
19 district advisory committee. The district advisory committee
20 shall consist of three members, who must be electors residing
21 within the district.

22 (2) The members of the district advisory committee shall
23 be appointed by the county executive subject to approval by a
24 majority of the seated members of the county council.

25 (3) The members of the district advisory committee shall
26 serve at the pleasure of the county executive.

27 (4) At the first meeting of each calendar year, the
28 district advisory committee shall elect a chair who shall
29 preside over each meeting.

30 (b) Meetings.--

1 (1) The district advisory committee shall hold at least
2 four regularly scheduled public meetings in the
3 unincorporated district each year. The meetings shall be open
4 meetings under 65 Pa.C.S. Ch. 7 (relating to open meetings).

5 (2) At each meeting, the district advisory committee
6 shall permit public comment and may provide recommendations
7 by resolution to the county as to the governance and
8 administration of the district.

9 (3) A majority of the members of the district advisory
10 committee shall constitute a quorum.

11 Section 3113-D. Financial assistance.

12 The Department of Community and Economic Development shall
13 establish and administer, provided funds are appropriated or
14 available for the purpose, a grant program to assist municipal
15 corporations that are considering dissolution and formation of
16 an unincorporated district administered by the county. Grants
17 may be used by municipal corporations and the county to offset
18 the cost and expenses in the development of essential services
19 transition plans.

20 Section 3114-D. Merger and consolidation and reestablishment of
21 or incorporation as a municipal corporation.

22 (a) Procedure.--

23 (1) For the limited purpose of merging or consolidating
24 with one or more surrounding municipalities under 53 Pa.C.S.
25 Ch. 7 Subch. C (relating to consolidation and merger), the
26 residents of an unincorporated district may file a petition
27 with the county board of elections as provided in 53 Pa.C.S.
28 §§ 735 (relating to initiative of electors seeking
29 consolidation or merger without new home rule charter) and
30 735.1 (relating to initiative of electors seeking

1 consolidation or merger with new home rule charter).

2 (2) Residents of the district may be nominated to and
3 serve on a commission formed to study merger or consolidation
4 of the district with one or more municipalities.

5 (3) Upon favorable action by the electorate on
6 consolidation or merger, the district advisory committee
7 shall enter into a merger or consolidation agreement with the
8 governing bodies of other municipalities in accordance with
9 53 Pa.C.S. § 737 (relating to consolidation or merger
10 agreement) and the committee shall provide for the transition
11 of the district into a consolidated or merged municipality
12 with the same powers and duties as provided by law to
13 governing bodies of municipalities.

14 (4) The district advisory committee and the county shall
15 cooperate to expend funds for the purpose of merger,
16 consolidation or reestablishment of the municipal corporation
17 as provided in subsection (b).

18 (b) Reestablishment of or incorporation as a municipal
19 corporation.--The electors of an unincorporated district may
20 reestablish the territory of the district as a municipal
21 corporation or incorporate the territory of the unincorporated
22 district in accordance with the laws of this Commonwealth
23 governing the establishment of the intended municipal
24 corporation.

25 (c) Grants permitted.--The Department of Community and
26 Economic Development or the county may issue a loan or grant
27 authorized under applicable laws to a merged, consolidated or
28 subsequently incorporated municipality, including the territory
29 of the district, to provide transitional assistance.

30 (d) Assets.--All assets of the district shall be conveyed to

1 a merged, consolidated or subsequently reestablished or
2 incorporated municipality, including the territory of the
3 district.

4 (e) Assumption of debt.--All debt obligations for which the
5 district is the promisor shall be assumed by a merged,
6 consolidated or subsequently reestablished or incorporated
7 municipality, including the territory of the district.

8 Section 3115-D. Severability.

9 The provisions of this article are severable. If any
10 provision of this article or its application to any person or
11 circumstances is held to be invalid, the invalidity shall not
12 affect other provisions or applications of this article that can
13 be given effect without the invalid provision or application.

14 Section 3116-D. Effect of dissolution.

15 The dissolution of a municipal corporation and the creation
16 of an unincorporated district shall not affect the municipal
17 corporation's classification as a municipality for purposes of
18 other laws.

19 Section 2. The provisions of 53 Pa.C.S. Ch. 29 are repealed
20 to the extent that they are inconsistent with the provisions of
21 this act.

22 Section 3. This act shall take effect immediately.