

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 275 Session of 2019

INTRODUCED BY MEHAFFIE, KINSEY, SOLOMON, ULLMAN, FREEMAN, RYAN, MURT, MILLARD, ROTHMAN, PICKETT AND SAYLOR, JANUARY 29, 2019

REFERRED TO COMMITTEE ON LOCAL GOVERNMENT, JANUARY 29, 2019

AN ACT

1 Amending the act of July 10, 1987 (P.L.246, No.47), entitled "An
 2 act empowering the Department of Community and Economic
 3 Development to assist municipalities in avoiding financial
 4 distress; declare certain municipalities as financially
 5 distressed; providing for the restructuring of debt of
 6 financially distressed municipalities; limiting the ability
 7 of financially distressed municipalities to obtain government
 8 funding; authorizing municipalities to participate in Federal
 9 debt adjustment actions and bankruptcy actions under certain
 10 circumstances; authorizing certain taxes; and providing for
 11 the disincorporation of municipalities and the establishment
 12 of unincorporated service districts," in Early Intervention
 13 Program, further providing for definitions, for program
 14 objectives and for authorization; in municipal financial
 15 distress, further providing for limitation of status; and
 16 making an editorial change.

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

19 Section 1. The heading of Chapter 1-A of the act of July 10,
 20 1987 (P.L.246, No.47), known as the Municipalities Financial
 21 Recovery Act, is amended to read:

CHAPTER 1-A

23 [EARLY INTERVENTION] STRATEGIC MANAGEMENT PLANNING PROGRAM

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

1 Section 101-A. Definitions.

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

5 * * *

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

8 Section 3. Sections 102-A introductory paragraph, 103-A and
9 254(a) (2) (i) of the act are amended to read:

10 Section 102-A. Program objectives.

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

20 * * *

21 Section 103-A. Authorization.

22 The [Early Intervention] Strategic Management Planning
23 Program is established to authorize the center to provide
24 guidance and assistance through grants to a municipality seeking
25 to ensure fiscal stability by developing and implementing long-
26 term financial, managerial and economic development strategies.

27 Section 254. Limitation of status.

28 (a) Termination date.--

29 * * *

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

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

6 * * *

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