## THE GENERAL ASSEMBLY OF PENNSYLVANIA

## **HOUSE BILL**

No. 2276 Session of 2018

INTRODUCED BY MEHAFFIE, MILLARD, CHARLTON, SCHLEGEL CULVER, HARPER AND WATSON, APRIL 18, 2018

REFERRED TO COMMITTEE ON LOCAL GOVERNMENT, APRIL 18, 2018

## AN ACT

1 2 3 4 5	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
6	financially distressed municipalities; limiting the ability
7 8	of financially distressed municipalities to obtain government 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 13	of unincorporated service districts," in Early Intervention 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:
22	CHAPTER 1-A
23	[EARLY INTERVENTION] <u>STRATEGIC MANAGEMENT PLANNING</u> PROGRAM
24	Section 2. The definition of "program" in section 101-A of
2.5	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] <u>Strategic Management</u>
- 7 <u>Planning</u> 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.
- The [Early Intervention] <u>Strategic Management Planning</u>
- 23 Program is established to authorize the center to provide
- 24 quidance 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.