THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

784

Session of 2023

INTRODUCED BY KEARNEY, HUTCHINSON, DUSH, BROWN AND COMITTA, JUNE 14, 2023

REFERRED TO LOCAL GOVERNMENT, JUNE 14, 2023

AN ACT

- Amending Title 53 (Municipalities Generally) of the Pennsylvania Consolidated Statutes, in general provisions relating to home 2 rule and optional plan government, further providing for 3 definitions, providing for appointment of government study commission in distressed municipality and further providing 5 for first meeting of commission, for function and duty of commission, for hearings and public forums, for report of 6 7 findings and recommendations, for limitation on enactment of 8 ordinance or filing of petition and for limitation on 9 10 municipal powers. The General Assembly of the Commonwealth of Pennsylvania
- 11
- 12 hereby enacts as follows:
- 13 Section 1. The definition of "government study commission"
- 14 or "commission" in section 2902 of Title 53 of the Pennsylvania
- 15 Consolidated Statutes is amended and the section is amended by
- 16 adding a definition to read:
- \$ 2902. Definitions. 17
- 18 Subject to additional definitions contained in subsequent
- 19 provisions of this subpart which are applicable to specific
- 20 provisions of this subpart, the following words and phrases when
- used in this subpart shall have the meanings given to them in 21
- 22 this section unless the context clearly indicates otherwise:

- 1 * * *
- 2 "Distressed municipality." A municipality that has adopted
- 3 and is implementing an active recovery plan adopted under
- 4 <u>section 245, 246 or 256 of the act of July 10, 1987 (P.L.246,</u>
- 5 No.47), known as the Municipalities Financial Recovery Act.
- 6 * * *
- 7 "Government study commission" or "commission." The body
- 8 elected or appointed under the provisions of Subchapter B
- 9 (relating to procedure for adoption of home rule charter or
- 10 optional plan of government).
- 11 * * *
- 12 Section 2. Title 53 is amended by adding a section to read:
- 13 § 2914.1. Appointment of government study commission in
- 14 <u>distressed municipality.</u>
- 15 <u>(a) General rule.--The council of a distressed municipality</u>
- 16 may, by resolution, vote to organize a government study
- 17 commission under this section if the recovery plan adopted by
- 18 the distressed municipality recommends that the distressed
- 19 municipality consider the adoption of a home rule charter or
- 20 amendment of an existing home rule charter.
- 21 (b) Membership. -- A government study commission organized
- 22 under subsection (a) shall be composed as follows:
- 23 (1) Each member of the council or a designee of the
- member.
- 25 (2) In the case of a municipality with an elected mayor
- that is not a member of council, the mayor or the mayor's
- designee.
- 28 (3) The coordinator appointed under the act of July 10,
- 29 1987 (P.L.246, No.47), known as the Municipalities Financial
- 30 Recovery Act, shall serve as an ex officio member of the

- 1 <u>commission</u>.
- 2 (c) Oath of office of members. -- As soon as possible and in
- 3 any event no later than 30 days after a resolution to organize
- 4 <u>under subsection (a), the members of the commission under</u>
- 5 <u>subsection</u> (b) <u>shall make an oath in the same manner provided</u>
- 6 under section 2915 (relating to oath of office of members of
- 7 commission).
- 8 (d) Applicability. -- Except as otherwise provided, sections
- 9 2911 (relating to submission of question for election of
- 10 government study commission), 2912 (relating to election of
- 11 members of commission), 2913 (relating to nomination of
- 12 candidates), 2914 (relating to results of election) and 2915 may
- 13 not apply to a government study commission organized under this
- 14 section.
- 15 (e) Termination of distressed status. -- The subsequent
- 16 <u>termination of distressed status of a distressed municipality</u>
- 17 may not have any effect on an existing government study
- 18 commission under subsection (a).
- 19 Section 3. Sections 2916(a), 2918, 2920, 2921(a) and (c),
- 20 2927 and 2962(b) and (i) of Title 53 are amended to read:
- 21 § 2916. First meeting of commission.
- 22 (a) Procedure. -- As soon as possible and in any event no
- 23 later than 15 days after its certification of election or
- 24 appointment under section 2914.1 (relating to appointment of
- 25 government study commission in distressed municipality), as
- 26 applicable, the government study commission shall organize and
- 27 hold its first meeting and elect one of its members chairman and
- 28 another member vice chairman, fix its hours and place of meeting
- 29 and adopt rules for the conduct of its business it deems
- 30 necessary and advisable.

- 1 * * *
- 2 § 2918. Function and duty of commission.
- 3 (a) General rule. -- The government study commission shall
- 4 study the form of government of the municipality to compare it
- 5 with other available forms under the laws of this Commonwealth
- 6 and determine whether or not in its judgment the government
- 7 could be strengthened or made more clearly responsible or
- 8 accountable to the people or whether its operation could become
- 9 more economical or efficient under a changed form of government.
- 10 (b) Duties in distressed municipality. -- In addition to the
- 11 requirements of subsection (a), a government study commission
- 12 under section 2914.1 (relating to appointment of government
- 13 study commission in distressed municipality), shall study and
- 14 consider the following:
- 15 (1) The recommendations within the distressed
- 16 <u>municipality's recovery plan.</u>
- 17 (2) The municipal services currently provided by the
- distressed municipality that should be provided under a
- 19 changed form of government.
- 20 (3) The sources of fiscal and managerial dysfunction
- 21 that exist under the municipality's current form of
- 22 government that could be improved under a changed form of
- 23 government.
- 24 § 2920. Hearings and public forums.
- 25 (a) General rule. -- The government study commission shall
- 26 hold one or more public hearings, may hold private hearings and
- 27 sponsor public forums and generally shall provide for the widest
- 28 possible public information and discussion respecting the
- 29 purposes and progress of its work.
- 30 (b) Coordinator hearing. -- In addition to any hearings and

- 1 forums conducted under subsection (a), a government study
- 2 <u>commission under section 2914.1 (relating to appointment of</u>
- 3 government study commission in distressed municipality) shall
- 4 hold a public hearing within 30 days after the publication of
- 5 <u>its findings and recommendations in section 2921 (relating to</u>
- 6 report of findings and recommendations) and request that the
- 7 recovery coordinator provide testimony as to the suitability of
- 8 the proposals to address the causes of fiscal distress in the
- 9 <u>municipality</u>.
- 10 § 2921. Report of findings and recommendations.
- 11 (a) General rule. -- The government study commission shall
- 12 report its findings and recommendations to the citizens of the
- 13 municipality within nine months from the date of its election___
- 14 or appointment, except that it shall be permitted an additional
- 15 nine months if it elects to prepare and submit a proposed home
- 16 rule charter and an additional two months if it chooses to elect
- 17 its municipal council by districts. It shall publish or cause to
- 18 be published sufficient copies of its final report for public
- 19 study and information and shall deliver to the municipal clerk
- 20 or secretary sufficient copies of the report to supply it to any
- 21 interested citizen upon request. If the commission recommends
- 22 the adoption of a home rule charter or any of the optional plans
- 23 of government as authorized in this subpart, the report shall
- 24 contain the complete plans as recommended.
- 25 * * *
- 26 (c) Filing [copy with Department of Community and Economic
- 27 Development] copies. -- A copy of the final report of the
- 28 commission with its findings and recommendations shall be filed
- 29 with the Department of Community and Economic Development and
- 30 the Local Government Commission.

- 1 * * *
- 2 § 2927. Limitation on enactment of ordinance, resolution or
- 3 filing of petition.
- 4 (a) General rule. -- An ordinance may not be passed and a
- 5 petition may not be filed for the election of a government study
- 6 commission pursuant to section 2911 (relating to submission of
- 7 question for election of government study commission) and a
- 8 resolution may not be adopted for the appointment of a
- 9 government study commission under section 2914.1 (relating to
- 10 appointment of government study commission in distressed
- 11 <u>municipality</u>) while proceedings are pending under any other
- 12 petition [or]_ ordinance or resolution filed or passed under the
- 13 authority of this subpart nor on the same question if it has
- 14 been defeated within four years after an election has been held
- 15 pursuant to any such ordinance or petition passed or filed.
- 16 (b) Time for commencement of proceedings.--For the purpose
- 17 of this section, proceedings shall be considered as having
- 18 started:
- 19 (1) In the case of an ordinance, upon the final vote of
- 20 council in favor of the ordinance, notwithstanding the fact
- 21 that the ordinance cannot take effect until a certain number
- of days thereafter.
- 23 (2) In the case of a petition, as soon as it is properly
- signed by one-third of the number of registered voters
- 25 required for the petition and written notice thereof filed in
- the office of the county board of elections and in the office
- of the municipal clerk or secretary, who shall cause the
- 28 notice to be immediately posted in a conspicuous place in the
- office, open to public inspection.
- 30 (3) In the case of a resolution, upon the adoption of

- 1 <u>the resolution.</u>
- 2 § 2962. Limitation on municipal powers.
- 3 * * *
- 4 (b) Taxing power. -- Unless prohibited by the Constitution of
- 5 Pennsylvania, the provisions of this subpart or any other
- 6 statute or its home rule charter, a municipality which has
- 7 adopted a home rule charter shall have the power and authority
- 8 to enact and enforce local tax ordinances upon any subject of
- 9 taxation granted by statute to the class of municipality of
- 10 which it would be a member but for the adoption of a home rule
- 11 charter at any rate of taxation determined by the governing
- 12 body. No home rule municipality shall establish or levy a rate
- 13 of taxation upon nonresidents which is greater than the rate
- 14 which a municipality would have been authorized to levy on
- 15 nonresidents but for the adoption of a home rule charter. The
- 16 governing body shall not be subject to any limitation, other
- 17 than a provision of the home rule charter, on the rates of
- 18 taxation imposed upon residents.
- 19 * * *
- 20 (i) Establishment of rates of taxation. -- No provision of
- 21 [this subpart or any other statute] <u>law</u> shall limit a
- 22 municipality which adopts a home rule charter from establishing
- 23 its own rates of taxation upon all authorized subjects of
- 24 taxation except [those specified in subsection (a) (7)] as_
- 25 provided in this section.
- 26 * * *
- 27 Section 4. The amendment of 53 Pa.C.S. § 2962 shall apply to
- 28 any home rule charter provision existing on the effective date
- 29 of this section and limiting the rate of taxation on residents
- 30 as follows:

- 1 (1) The amendment shall not affect the validity of any 2 rate of taxation in the fiscal year of, or any fiscal year 3 prior to, the effective date of this section.
- 4 (2) The amendment shall not prohibit any rate of
 5 taxation in any fiscal year in excess of any rate limitation
 6 contained in a charter but not in excess of the rate levied
 7 on the effective date of this section absent a charter
 8 amendment after the effective date of this section imposing
 9 rate limitations.
- 10 Section 5. This act shall take effect as follows:
- 11 (1) The following provisions shall take effect 12 immediately:
- 13 (i) Section 4 of this act.
- 14 (ii) This section.
- 15 (2) The remainder of this act shall take effect in 60 days.