

**MEETING OF THE LOCAL GOVERNMENT COMMISSION ACT 47 MUNICIPAL
FISCAL DISTRESS TASK FORCE**

Thursday, May 2, 2013

The meeting of the Act 47 Municipal Fiscal Distress Task Force was called to order by Senator John H. Eichelberger, Jr., at 10:05 a.m. in Room 60 East Wing-Main Capitol Building with the following individuals present:

MEMBERS

**Senator John H. Eichelberger, Jr., Co-Chair
Representative Chris Ross, Co-Chair
Representative Robert Freeman
Richard Hadley, Allegheny League of Municipalities
Bill Dando, AFSCME-Council 13
Christian Muniz for Ellen Horan, Coalition for Sustainable Communities
Fred Reddig, Department of Community & Economic Development
Joseph Regan, Fraternal Order of Police
Duane Searle, Legislative Reference Bureau
Gerald Cross, PA Economy League
John Brosious, PA Municipal Authorities Association
Bruce Kelley, PA Municipal League
Dave Schmidt for Art Martynuska, PA Professional Fire Fighters Association
Christopher Cap, PA State Association of Boroughs
John Kuntzelman, PA State Association of Township Commissioners
George Wolfe, PA State Association of Township Supervisors
Dean Kaplan, Public Financial Management Group
John Kelly, U.S. Bankruptcy Court**

COMMISSION STAFF

**Michael P. Gasbarre, Executive Director
Philip H. Klotz, Assistant Director
David A. Greene, Legal Counsel
Kristopher J. Gazsi, Associate Legal Counsel
Karen S. Bear, Secretary**

COMMITTEE STAFF

**Lee Derr, Senate Local Government Committee (R)
Tyrone Powell, Senate Local Government Committee (D)
Wanda Snader, House Local Government Committee (R)
Robert Gaertner, House Local Government Committee (R)
John Fulton, House Local Government Committee (D)
Brianna Medevich, House Local Government Committee (D)
Jon Hopcraft, Senate Urban Affairs & Housing Committee (R)
Sarah Cassin, Senate Urban Affairs & Housing Committee (D)
Christine Goldbeck, House Urban Affairs Committee (R)
Jon Castelli, House Urban Affairs Committee (D)
Jason Brehouse, Senate Community, Economic & Recreational Dvlpmt. Committee (R)
Colleen DeFrank, Senate Community, Economic & Recreational Dvlpmt. Committee (D)
Garth Shipman, House Commerce Committee (R)
Luc Miron, Office of Senator Blake
Kyle Mullins, Office of Senator Blake
Ron Jumper, Office of Senator Costa**

As the first order of business, Senator Eichelberger and Representative Ross welcomed all of the Task Force Members to the meeting and then gave a brief overview of the impetus for the Task Force. Act 47 of 1987, also known as the Municipalities Financial Recovery Act, provides options and procedures to address financially distressed municipalities. The Act resulted from the work of a task force formed by the Local Government Commission in 1985 to study problems associated with distressed municipalities and formulate a legislative proposal to alleviate those problems. Much has transpired since the Act's implementation over 25 years ago. As a result of joint Act 47 hearings by Senate and House committees in the previous legislative session, it had been noted by several Members at a prior Local Government Commission business meeting that

**MEETING OF THE LOCAL GOVERNMENT COMMISSION ACT 47 MUNICIPAL
FISCAL DISTRESS TASK FORCE**

Page 2 - Thursday, May 2, 2013

Act 47 has proven to be insufficiently effective in putting distressed municipalities back on firm financial footing, and that a reexamination of the Act was necessary. As a result, the reformation of the Act 47 Task Force was born.

At today's meeting, all members and guests received copies of the Act 47 Municipal Fiscal Distress Task Force Member list, the Act 47 Municipal Fiscal Distress Task Force Support list, the Proposed Subcommittee composition, the Proposed Subcommittee Issues, and the Task Force Timeline. These handouts included all necessary information for individuals appointed to the Task Force.

To facilitate the time constraints established by the projected timeline of the Act 47 Task Force, Representative Ross explained that all Members and Support Staff of the Task Force were grouped into four different subcommittees, which are as follows: Act 47 Committee chaired by Senator Eichelberger; Labor Committee chaired by Representative Ross; Community and Economic Development/Tax-Exempt Property Committee chaired by Representative Freeman; and the Finance/Indebtedness Committee chaired by Senator John Blake. Each subcommittee is to study identified proposed relevant issues as well as others that may come to light. All Task Force Members and Support Staff will be notified of all subcommittee meetings. The staff of the Local Government Commission will document the narratives of each subcommittee meeting and forward them to all Members and Support Staff. All recommendations and dissenting opinions of each subcommittee's findings are to be included in the narratives. Representative Ross requested that necessary subcommittee meetings be conducted prior to the next scheduled Task Force meeting.

The topics of study for each subcommittee were formulated as a result of the previously referenced joint public hearings conducted during the 2011-2012 legislative session by the Senate Local Government Committee, Senate Community, Economic and Recreational Development Committee, House Urban Affairs Committee, and the House Local Government Committee on Act 47.

The timeline for completion of the study was provided to all Members for their perusal. Due to legislative considerations, it is hopeful that legislation will be introduced in late 2013.

Prior to adjournment, Senator Eichelberger and Representative Ross gave their closing remarks and determined that the next full Task Force meeting would occur on July 2, 2013.

The meeting adjourned at 10:35 p.m.

**Attested: _____
May 7, 2013**