

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1321 Session of  
2001

INTRODUCED BY T. STEVENSON, MICHLOVIC, RAYMOND, SHANER,  
YOUNGBLOOD, PRESTON, CALTAGIRONE, BARD, STEIL, HORSEY,  
R. MILLER, PIPPY, READSHAW, ORIE, ROBINSON, TRICH, STEELMAN,  
FRANKEL, WALKO AND DIVEN, APRIL 9, 2001

REFERRED TO COMMITTEE ON INTERGOVERNMENTAL AFFAIRS,  
APRIL 9, 2001

AN ACT

1 Amending the act of July 28, 1953 (P.L.723, No.230), entitled,  
2 as amended, "An act relating to counties of the second class  
3 and second class A; amending, revising, consolidating and  
4 changing the laws relating thereto," providing for the  
5 creation of unincorporated districts in counties of the  
6 second class; creating unincorporated district administrative  
7 commissions; providing for the creation of the Commonwealth  
8 Dissolution Fund; and imposing duties on the Department of  
9 Community and Economic Development.

10 The General Assembly of the Commonwealth of Pennsylvania  
11 hereby enacts as follows:

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

15 ARTICLE XXXI-D

16 UNINCORPORATED DISTRICTS OF COUNTIES OF THE SECOND CLASS ACT

17 Section 3101-D. Short title.

18 This article shall be known and may be cited as the  
19 Unincorporated Districts of Counties of the Second Class Act.

20 Section 3102-D. Legislative findings.

1 The General Assembly finds and declares as follows:

2 (1) While the electors of this Commonwealth have long  
3 had procedures by which to create new municipalities, the  
4 General Assembly has not provided a means whereby electors of  
5 municipalities may unilaterally terminate their municipal  
6 corporations.

7 (2) Certain of the numerous municipalities located  
8 within counties of the second class have significantly  
9 diminished populations and have become sufficiently  
10 economically distressed that their viability as independent  
11 municipalities is doubtful, but such municipalities are not  
12 attractive candidates at this time for merger or  
13 consolidation with other cities, boroughs or townships.

14 (3) The administrative duties and costs of such  
15 municipalities could be lessened substantially if State law  
16 permitted them to voluntarily elect through referendum to  
17 dissolve themselves.

18 (4) The dissolution of such municipalities and  
19 subsequent administration by county government will stabilize  
20 them, facilitate their economic revitalization and make them  
21 more attractive candidates for merger with other  
22 municipalities.

23 (5) The dissolution of the existing form of government  
24 for such municipalities and the substitution of an  
25 unincorporated district as a new municipal form of government  
26 administered by the county is authorized by section 3 of  
27 Article IX of the Constitution of Pennsylvania, which  
28 provides that the General Assembly may provide optional forms  
29 of government which may be adopted or repealed by referendum.

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

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

6 (7) In recognition of the severe problems faced by  
7 certain municipalities located within counties of the second  
8 class, it is appropriate for the General Assembly to  
9 authorize the creation of unincorporated districts within  
10 counties of the second class, but not within other counties,  
11 pursuant to the power granted to the General Assembly by  
12 section 20 of Article III of the Constitution of Pennsylvania  
13 which authorizes the classification of counties by  
14 population.

15 Section 3103-D. Definitions.

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

19 "Chief executive." The chief executive of the county elected  
20 pursuant to the home rule charter or any successor or successors  
21 to the chief executive.

22 "Commission." An unincorporated district administrative  
23 commission created under this article.

24 "County." A county of the second class.

25 "County council." The council of the county elected pursuant  
26 to the home rule charter or any successor or successors to the  
27 council.

28 "Dissolved municipality." An eligible municipality that has  
29 been dissolved pursuant to this act.

30 "Electors." The registered voters of any eligible

1 municipality involved in proceedings relating to the creation of  
2 an unincorporated district as an alternative form of local  
3 government and the registered voters of any unincorporated  
4 district.

5 "Eligible municipality." Any city of the third class,  
6 borough, township, incorporated town and home rule municipality  
7 other than a home rule municipality that would otherwise be a  
8 city of the second class, located in a county of the second  
9 class.

10 "Governing body." The council in cities of the third class,  
11 boroughs or incorporated towns; the board of commissioners in  
12 townships of the first class; the board of supervisors in  
13 townships of the second class; the legislative policymaking body  
14 in home rule municipalities except for councils in cities of the  
15 second class.

16 "Home rule charter." The home rule charter of a county of  
17 the second class which is in effect as of the effective date of  
18 this article.

19 "Manager." The manager of the county appointed pursuant to  
20 the home rule charter, or any successor or successors to the  
21 manager.

22 "Unincorporated district." A municipality created to serve  
23 the same area as a municipality that has voted to dissolve its  
24 prior form of municipal government and to be governed by the  
25 provisions of this article.

26 Section 3104-D. Procedure for dissolution of eligible  
27 municipalities and creation of unincorporated  
28 districts.

29 (a) General rule.--Proceedings by an eligible municipality  
30 to dissolve the current form of municipal government and to

1 create an unincorporated district may be commenced by any of the  
2 following:

3 (1) Ordinance of the governing body of the eligible  
4 municipality.

5 (2) Initiative of the electors by filing petitions with  
6 the county board of elections, signed by electors comprising  
7 at least 15% of the number of electors voting for the office  
8 of Governor in the last gubernatorial general election.

9 (3) The court of common pleas upon the filing with the  
10 prothonotary of a petition signed by 67% of the electors,  
11 provided that the petition stipulates creation of an  
12 unincorporated district without a referendum.

13 (b) Filing of ordinances and petitions with the county board  
14 of elections.--An ordinance or petition pursuant to subsection  
15 (a) shall be filed with the county board of elections not later  
16 than the 13th Tuesday before the next general, municipal,  
17 primary or special election.

18 (c) Petition requirements.--

19 (1) All papers of a petition pursuant to subsection (a)  
20 shall be uniform in size and style and shall be assembled as  
21 one instrument for filing. Each signature shall be executed  
22 in ink and shall be followed by the printed name, place of  
23 residence, including house number, street or road,  
24 municipality of the signor and date of signing. Every  
25 petition throughout its circulation shall state clearly the  
26 name of the municipality proposed to be dissolved. Upon  
27 tender to the county board of elections, pursuant to  
28 subsection (a)(2) or to the court of common pleas, pursuant  
29 to subsection (a)(3), the petition shall be available for  
30 examination by any interested person.

1           (2) No signature shall be counted as valid if it is  
2           dated before the 26th Tuesday before the election or after  
3           the 13th Tuesday before the election.

4           (3) The petition and proceedings therein shall be  
5           conducted in the manner and subject to the provisions of the  
6           election laws that relate to the signing, filing and  
7           adjudication of nomination petitions insofar as those  
8           provisions are applicable and not inconsistent with the  
9           provisions contained herein.

10           (4) Signatures on a petition may be on separate sheets  
11           but each sheet shall have appended to it the affidavit of an  
12           elector, not necessarily a signor of the petition, that to  
13           the best of the affiant's knowledge and belief, those persons  
14           whose signatures appear on the sheet are electors, that they  
15           signed with full knowledge of the contents of the petition  
16           and their residences and dates of signing are correctly  
17           given.

18           (5) The board of elections, with approval of the court  
19           of common pleas, may adopt procedures and requirements for  
20           the electronic petitions, including the use of electronic  
21           signatures and the electronic filing of petitions in  
22           conformity with the provisions of the act of December 16,  
23           1999 (P.L.971, No.69), known as the Electronic Transactions  
24           Act.

25           (d) Notice to governing bodies affected.--When the county  
26           board of elections or the court of common pleas finds that a  
27           petition pursuant to subsection (a) is in proper order, it shall  
28           send copies of the petition without the signatures thereon to  
29           the governing body of the eligible municipality affected by the  
30           proposed dissolution.

1 (e) Public hearing.--No sooner than 30 days following the  
2 filing of an ordinance or an initiative petition pursuant to  
3 subsection (b), but no later than 45 days prior to any resulting  
4 referendum, the governing body of the municipality shall conduct  
5 a public hearing on the issue. The governing body shall hold the  
6 public hearing at a time and location convenient for the  
7 residents of the municipality.

8 (f) Conduct of referendum.--

9 (1) Following initiation of proceedings for dissolution  
10 by the procedures set forth in subsection (a)(1) or (2), a  
11 referendum shall be held at the first general, municipal,  
12 primary or special election occurring at least 13 weeks after  
13 either the date of the ordinance adopted by the governing  
14 body pursuant to subsection (a)(1) or the date of filing of  
15 the petition pursuant to subsection (a)(2).

16 (2) Whenever authorized by ordinance of the governing  
17 body pursuant to subsection (a)(1) or upon petition of the  
18 electors to the county board of elections pursuant to  
19 subsection (a)(2), an election shall be held upon the  
20 following question:

21 Shall the (name of municipality) dissolve and become an  
22 unincorporated district of the county?

23 (3) If a majority of the electors voting on the question  
24 approve, dissolution of the current form of government shall  
25 be effective and an unincorporated district created, as  
26 provided by section 3105-D.

27 (4) Upon certification of the election results, the  
28 county board of elections shall send notice of the results of  
29 the referendum to the governing body of the municipality,  
30 chief executive, county council, county manager and the

1 Department of Community and Economic Development.

2 (5) No municipality that has disapproved a referendum  
3 pursuant to this section shall vote on another such  
4 referendum for a period of five years.

5 Section 3105-D. Effective date of dissolution of an eligible  
6 municipality and creation of an unincorporated  
7 district.

8 (a) General rule.--The effective date of dissolution of an  
9 eligible municipality and creation of an unincorporated district  
10 shall be the effective date of approval of the unincorporated  
11 district administrative commission's report that closes the  
12 business affairs of the dissolved municipality but no later than  
13 365 days after either:

14 (1) The county board of elections certifies the election  
15 results pursuant to section 3104-D(f).

16 (2) The court of common pleas orders the dissolution and  
17 creation of an unincorporated district pursuant to section  
18 3104-D(a)(3). Upon its order, the court of common pleas shall  
19 send notice of such order to the governing body of the  
20 municipality, chief executive, county council, county manager  
21 and the Department of Community and Economic Development.

22 (b) Terms of office.--The terms and offices of all elected  
23 officials of the dissolved municipality shall cease upon the  
24 effective date of dissolution.

25 Section 3106-D. Assumption of power and disposition of  
26 property, assets and liabilities.

27 (a) General rule.--Upon the effective date of dissolution,  
28 an unincorporated district shall replace the dissolved  
29 municipality. The unincorporated district shall constitute a  
30 municipality, shall be deemed to constitute a municipality for

1 purposes of all laws of this Commonwealth relating to  
2 municipalities and shall be included within the definition of  
3 the term "municipality" as used in all laws of this  
4 Commonwealth. As provided by this act, the governing body of the  
5 unincorporated district shall be the county council.

6 (b) Powers.--The county may exercise any powers and perform  
7 any function in the governing and administration of the  
8 unincorporated district not denied by the Constitution of  
9 Pennsylvania, by statute or by its home rule charter, and all  
10 grants of municipal power to the county in the governing and  
11 administration of the unincorporated district, whether in the  
12 form of specific enumeration or general terms, shall be  
13 liberally construed in favor of the county.

14 (c) Property.--Except as otherwise provided by this article,  
15 the county shall assume control of all property and assets and  
16 shall become responsible for the administration of the  
17 liabilities of the dissolved municipality.

18 (d) Financial aid.--Dissolution shall not prevent the  
19 unincorporated district from receiving any grant, loan or other  
20 financial aid that the dissolved municipality received under any  
21 State law.

22 (e) Financially distressed status.--Dissolution and creation  
23 of an unincorporated district shall not in and of itself revoke  
24 the financially distressed status of any dissolved municipality  
25 that has been determined to be financially distressed under the  
26 act of July 10, 1987 (P.L.246, No.47), known as the  
27 Municipalities Financial Recovery Act. No unincorporated  
28 district shall be determined to be financially distressed under  
29 the Municipalities Financial Recovery Act, but an unincorporated  
30 district may file for municipal debt adjustment pursuant to 11

1 U.S.C. § 101 et seq. (relating to bankruptcy) without being  
2 determined to be financially distressed under the Municipalities  
3 Financial Recovery Act.

4 Section 3107-D. Unincorporated district administrative  
5 commission.

6 (a) General rule.--An unincorporated district administrative  
7 commission is hereby created for each unincorporated district.  
8 The commission shall oversee the closing of the business affairs  
9 of dissolved municipalities and be the administrative agent for  
10 all unincorporated districts.

11 (b) Membership.--

12 (1) The commission shall consist of five members.

13 (2) The membership of the commission shall vary,  
14 depending on the unincorporated district in question. Three  
15 members shall be standing members for all unincorporated  
16 districts. A fourth member shall be the county council member  
17 elected by the county council district in which the specific  
18 unincorporated district is located. Such member shall have  
19 voting power only on those issues pertaining exclusively to  
20 the specific unincorporated district of which he or she is  
21 the district representative to county council. A fifth  
22 member, to be nominated by the county council member elected  
23 by the county council district in which the specific  
24 unincorporated district is located, shall be an elector of  
25 the specific unincorporated district. Such member shall have  
26 voting power only on those issues pertaining exclusively to  
27 the specific unincorporated district of which he or she is an  
28 elector. If the home rule charter is repealed or amended to  
29 eliminate the county council, all of the members of the  
30 commission shall be appointed by the governing body of the

1 county.

2 (3) All commission members shall be appointed by the  
3 chief executive with the consent of at least a majority of  
4 the seated members of county council.

5 (4) All commission members shall serve three-year terms.

6 (5) The chief executive shall appoint the commission  
7 members within 30 days of either the county board of  
8 elections' certification of the election results pursuant to  
9 section 3104-D(f), or the court of common pleas' order of the  
10 dissolution and creation of an unincorporated district  
11 pursuant to section 3104-D(a)(3). County council shall  
12 confirm or reject the chief executive's appointments within  
13 45 days following the appointment. In the event that county  
14 council does not confirm or reject an appointment within 45  
15 days of the appointment, the appointment shall be effective  
16 as though county council had confirmed it.

17 (6) All commission members shall be registered voters  
18 and residents of the county.

19 (c) Director.--The commission shall have the authority to  
20 designate and empower a director who shall serve at its pleasure  
21 with executive authority over the administrative affairs of the  
22 unincorporated district.

23 (d) Costs.--The reasonable and necessary costs incurred by  
24 the commission shall be included in the county budget and may be  
25 recovered by the county from the unincorporated district budget  
26 and be charged against the tax base of the unincorporated  
27 district.

28 Section 3108-D. Review and closing of business affairs.

29 (a) General rule.--Upon its appointment, the commission  
30 shall review the dissolved municipality's business affairs.

1     (b) Report.--Within 180 days of appointment, the commission  
2 shall submit a report to the chief executive, county council and  
3 county manager that shall include, but not be limited to, the  
4 following information about the unincorporated district:

5         (1) Debts and obligations.

6         (2) Suits, claims and demands against the dissolved  
7 municipality.

8         (3) Assets and accounts receivables.

9         (4) Current assessments and taxes levied.

10        (5) Any outstanding taxes and debts due and owing to the  
11 dissolved municipality.

12        (6) A plan for the liquidation of the dissolved  
13 municipality and reorganization of the unincorporated  
14 district, including, but not limited to, terms regarding:

15            (i) The disposition of employees and modifications  
16 to or rescission of collective bargaining agreements.

17            (ii) The disposition of all books, papers, records  
18 and deeds.

19            (iii) The closing or transfer of all accounts.

20            (iv) Payment of all outstanding debts and  
21 obligations.

22            (v) Disposition of contracts entered into by the  
23 dissolved municipality.

24            (vi) Recommended changes in municipal ordinances and  
25 rules.

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

28            (viii) An operating and capital budget for the  
29 remainder of the current year, a five-year capital  
30 improvement plan and tax and fee rates.

1       (c) Existing creditors and claimants.--To the extent the  
2 report does not recommend that the unincorporated district  
3 assume responsibility for any existing debts, obligations or  
4 contracts binding upon the dissolved municipality, notice shall  
5 be given in writing to any person holding a claim against the  
6 municipality, including an unmatured or contingent claim, which  
7 describes the manner in which matured claims will be satisfied  
8 or adequate security will be provided to satisfy unmatured or  
9 contingent claims. Provided that the report provides for the  
10 satisfaction of matured claims or provides adequate security to  
11 satisfy unmatured or contingent claims, the report may also  
12 provide for the modification or rescission of existing  
13 obligations or contracts of the dissolved municipality. Notice  
14 to claimants required by this subsection shall be provided by  
15 the commission to claimants at or prior to the time the  
16 commission submits its report to the chief executive, county  
17 council and county manager and shall be prominently published in  
18 a newspaper of general circulation distributed within the  
19 county. Claimants shall be required to submit comments or  
20 objections to the report to the chief executive within 30 days  
21 of the publication of notice of the report.

22       (d) Approval or rejection of report.--Within 30 days of  
23 receipt of the report or within 30 days of the deadline for the  
24 submission of any comments regarding a report from claimants as  
25 provided by subsection (c), whichever occurs later, the chief  
26 executive shall approve or reject the report. If the chief  
27 executive approves the report, he shall sign it, and it shall  
28 become effective immediately. If the chief executive rejects the  
29 report, he shall return it to the commission unsigned  
30 accompanied by written objections. Within 30 days, the

1 commission may revise and submit an amended report or resubmit  
2 the report without amendment, which the chief executive shall  
3 finally approve or reject. If the chief executive rejects the  
4 amended or resubmitted plan, the county council may approve the  
5 commission's plan by an affirmative vote of at least two-thirds  
6 of the seated members, whereupon the report shall become  
7 effective. If the county council fails to approve the amended or  
8 resubmitted plan within 30 days of the chief executive's  
9 rejection, the chief executive shall administer the  
10 unincorporated district directly until the report becomes  
11 effective. Copies of the approved plan shall be sent to the  
12 chief executive, county council, the county manager, the  
13 commission and the Department of Community and Economic  
14 Development.

15 (e) Objections to approval of report.--Any claimant who  
16 receives notice regarding a proposed report pursuant to  
17 subsection (c) may file objections to the approval of the report  
18 by the chief executive to the court of common pleas for the  
19 county. The court of common pleas may approve or modify the  
20 report and may issue an order delaying the effective date of the  
21 report pending the completion of its review of the objections of  
22 claimants.

23 (f) Effective date of dissolution.--The dissolution of the  
24 municipality and the establishment of the unincorporated  
25 district shall become effective upon the effective date of the  
26 report, and the commission shall close the business affairs of  
27 the dissolved municipality and administer the unincorporated  
28 district. If, for whatever reason, the report has not become  
29 effective within 365 days of either the county board of  
30 elections' certification of the election results pursuant to

1 section 3104-D(f) or the court of common pleas order pursuant to  
2 section 3104-D(a)(3), the dissolution of the municipality and  
3 establishment of the unincorporated district shall become  
4 effective, and the unincorporated district shall be administered  
5 directly by the chief executive of the county until such report  
6 becomes effective.

7 (g) Collective bargaining agreements.--

8 (1) Except as provided in paragraph (2), a collective  
9 bargaining agreement, contract or arbitration award in effect  
10 in a municipality dissolved under this act shall remain in  
11 effect and apply to the unincorporated district created  
12 pursuant to this act for the same geographical area as the  
13 dissolved municipality until the agreement, contract or award  
14 expires. After the expiration of the agreement, contract or  
15 award, a subsequent agreement, contract or award shall not  
16 impair the implementation of the approved report. The  
17 commission may, in accordance with existing agreements,  
18 contracts and awards and applicable laws, reduce the number  
19 of uniformed and nonuniformed employees to avoid overstaffing  
20 and duplication of functions provided to the unincorporated  
21 district by the county.

22 (2) The provisions of collective bargaining agreements,  
23 contracts or arbitration awards signed or adopted after the  
24 commencement of proceedings pursuant to section 3104-D(a) may  
25 be ratified, modified or rescinded pursuant to the report.

26 Section 3109-D. Debts and obligations.

27 (a) General rule.--The debts and obligations issued on  
28 behalf of a municipality that dissolves that are not discharged  
29 by the plan of dissolution and reorganization shall not become  
30 debts or obligations of the county and shall remain the debts

1 and obligations of the unincorporated district, except that the  
2 county shall be administratively responsible to ensure that all  
3 such debts and obligations are paid.

4 (b) Payment.--The debts and obligations shall be paid by a  
5 charge upon the tax base of the unincorporated district. An  
6 unincorporated district shall have the same tax base as the  
7 dissolved municipality that the unincorporated district  
8 replaces.

9 (c) Revenues.--All revenues collected by the county from the  
10 unincorporated district for the retirement of debts and  
11 obligations shall be applied only to the debts and obligations  
12 of the unincorporated district.

13 (d) Additional taxes.--If insufficient revenue is received  
14 by the county on behalf of the unincorporated district to pay  
15 the debts and obligations thereof, the county council, acting in  
16 its capacity as the governing body of the unincorporated  
17 district, may levy and collect additional taxes, fees and  
18 service charges on the tax base of the unincorporated district  
19 to pay said debts and obligations.

20 Section 3110-D. Operations.

21 The commission, or such director it designates under section  
22 3107-D(c), shall have the following powers and duties:

23 (1) Upon the effective date of dissolution and  
24 thereafter no later than 90 days before the end of each  
25 fiscal year, prepare and propose to the county manager an  
26 annual operating and capital budget, a five-year capital  
27 improvement plan and tax and fee rates for the unincorporated  
28 district. The county manager shall incorporate such proposed  
29 budget, tax and fee rates, with such modifications as he or  
30 she shall deem appropriate, into the county's comprehensive

1 fiscal plan in accordance with section 2 of Article VII of  
2 the home rule charter. If the home rule charter is repealed  
3 or amended to eliminate the comprehensive fiscal plan, the  
4 proposed budget shall be incorporated into the proposed  
5 budget of the county.

6 (2) Administer the day-to-day operations as necessary in  
7 the unincorporated district.

8 (3) Procure or provide municipal services, the costs of  
9 which shall be paid by charges upon the tax base of the  
10 unincorporated district.

11 (4) Continue or discontinue, pursuant to section 3108-  
12 D(c), capital projects approved or begun prior to  
13 dissolution, the costs of which shall be paid by charges upon  
14 the tax base of the unincorporated district.

15 (5) Powers granted to planning commissions under the act  
16 of July 31, 1968 (P.L.805, No.247), known as the Pennsylvania  
17 Municipalities Planning Code.

18 (6) Within three years of the effective date of  
19 dissolution, prepare a strategic plan for the unincorporated  
20 district, including, but not limited to, the advisability of  
21 merger with or annexation to another municipality.

22 (7) Prepare all reports, if any, required of the  
23 dissolved municipality by the Commonwealth.

24 Section 3111-D. Disposition of law and ordinances.

25 Subject to the provisions of the home rule charter, the  
26 county council shall be vested with the legislative powers of  
27 the governing body of the unincorporated district and shall have  
28 the power to amend, repeal or enact local ordinances, laws,  
29 rules or regulations governing the unincorporated district.

30 Unless amended by county council, all local ordinances, laws,

1 rules or regulations of the dissolved municipality in effect on  
2 the date of dissolution shall remain in effect as if the same  
3 had been duly adopted by the county council and shall be  
4 enforced by the county within the boundaries of the  
5 unincorporated district.

6 Section 3112-D. Revenue, taxation and assessments.

7 (a) General rule.--The county council shall have the power  
8 and authority, acting as the governing body of the  
9 unincorporated district, to enact and the chief executive shall  
10 have the power and authority to enforce local tax, fee and  
11 service charge ordinances on the subjects of taxation, fees or  
12 service charges of the unincorporated district at any rate or  
13 amount as granted by statute to the class of municipality of  
14 which the unincorporated district would be a member were it not  
15 for its dissolution.

16 (b) Levy.--The county council shall levy and the county  
17 shall collect taxes, fees and service charges authorized by  
18 subsection (a) on the subjects of taxation, fees or service  
19 charges of the unincorporated district necessary to cover the  
20 operating and capital costs of the unincorporated district.

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

26 (d) Uncollected taxes.--If, after the effective date of  
27 dissolution, there are uncollected taxes, fees and service  
28 charges, revenues or unsatisfied liens, debts or obligations  
29 owed to the dissolved municipality, the county manager shall  
30 ensure that the debts and obligations are paid and satisfied and

1 the same shall be paid to the county.

2 Section 3113-D. Financial assistance.

3 (a) Commonwealth Dissolution Fund.--The Department of  
4 Community and Economic Development shall create and the General  
5 Assembly may appropriate funding for a grant program to assist  
6 municipalities in the process of dissolution and formation of an  
7 unincorporated district. The grant program shall be administered  
8 through the Department of Community and Economic Development.  
9 Grants may be used by municipalities to study the costs and  
10 benefits of dissolution and formation of an unincorporated  
11 district and by commissions to offset the cost of services in  
12 unincorporated districts.

13 (b) Priority.--Unincorporated districts shall receive  
14 priority in all economic and community development programs  
15 funded by the Commonwealth. Each Commonwealth agency authorized  
16 to administer economic and community development programs shall,  
17 in consultation with the Department of Community and Economic  
18 Development, determine the manner in which to provide a  
19 preference or priority to unincorporated districts and shall not  
20 be required to afford first priority to unincorporated  
21 districts.

22 Section 3114-D. Severability.

23 The provisions of this act are severable. If any provision of  
24 this act or its application to any person or circumstance is  
25 held invalid, the invalidity shall not affect other provisions  
26 or applications of this act which can be given effect without  
27 the invalid provision or application.

28 Section 3115-D. Effect of dissolution.

29 The fact that a municipality has been dissolved under this  
30 act shall not affect its classification as a municipality for

1 purposes of any other statute.

2 Section 2. All acts and parts of acts are repealed insofar  
3 as they are inconsistent with this act.

4 Section 3. This act shall take effect immediately.