

No. 153

AN ACT

HB 1045

Amending the act of July 12, 1972 (P.L. 781, No.185), entitled, as amended, "An act providing debt limits for local government units, including municipalities and school districts; providing the methods of incurring, evidencing, securing and collecting debt; defining the powers and duties of the Department of Community Affairs and certain other public officers and agencies with respect thereto; exercising the inherent legislative authority of the General Assembly by providing additional over-all limitations on the incurring of lease rental and other obligations for the acquisition of capital assets to be repaid from the general tax revenues of such local government units; imposing penalties for filing false or untrue statements or refusing to give information with respect to proceedings for the incurring of debt; and conferring jurisdiction on the Commonwealth Court with respect to certain proceedings relating to the incurring of debt," imposing certain jurisdiction on the court of common pleas.

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

Section 1. Subsection (a) of section 512, act of July 12, 1972 (P.L.781, No.185), known as the "Local Government Unit Debt Act," is amended to read:

Section 512. Approval by Court.—(a) In all cases not covered in section 511, including cases covered thereby in which the funding debt would exceed applicable debt limitations, the local government unit shall, by petition to the **[Commonwealth Court,]** *court of common pleas of the county where the local government unit is located* setting forth the facts, request approval for the issuance of notes to fund the unfunded debt. After hearing, on such notice to the local government unit and its taxpayers as the court may prescribe, the court shall make an order granting authority to fund all or a part of such unfunded debt if the court shall find that such unfunded debt was lawfully incurred, that there has been an unforeseeable decline in revenues, or that taxes levied have not produced the revenues anticipated or that it was not reasonable to foresee such obligation; that paying such debt by curtailing municipal services will be dangerous to the public health, safety or education, and that it is not feasible to levy additional taxes in the current fiscal year. The funding debt so approved shall be stated to mature in such amounts and over such number of years, not exceeding ten, as the court shall find will accomplish the payment of the debt without endangering the rendering of municipal services or requiring the levying of excessive taxes. The provisions of section 409 of this act shall not be applicable to such notes. If the funding of the unfunded debt has not been approved by a vote of the people, the order of the court shall fix the portion thereof, if any, which shall not be charged against the nonelectoral debt limitations of the local government unit under section 202 of this act, during the time such funding debt is

outstanding, so as to leave some available borrowing capacity for other situations. The percentages fixed by section 202 of this act shall be deemed increased to the extent required for such funding debt.

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APPROVED—The 21st day of December, A. D. 1973.

MILTON J. SHAPP

The foregoing is a true and correct copy of Act of the General Assembly No. 153.

A handwritten signature in black ink, reading "C. McLaughlin Tucker". The signature is written in a cursive, flowing style.

Secretary of the Commonwealth.