

PEACH BOTTOM TOWNSHIP

AN ORDINANCE OF THE TOWNSHIP OF PEACH BOTTOM, YORK COUNTY, PENNSYLVANIA ADOPTING THE TERMS OF ACT 93 OF 1994 OBLIGATING INSURANCE COMPANIES, ASSOCIATIONS, OR EXCHANGES DOING BUSINESS IN THE COMMONWEALTH TO PAY DELINQUENT TAXES AND THE COST OF REMOVAL, REPAIR OR SECURING A BUILDING DAMAGED OR DESTROYED BY FIRE WITHIN THE TOWNSHIP, AND SETTING PROCEDURES FOR NOTIFICATION, PAYMENT OF SUCH COSTS AND SECURING AND RETURNING UNUSED FUNDS, AND APPOINTING A REPRESENTATIVE OF THE TOWNSHIP TO ADMINISTER THIS ORDINANCE

WHEREAS, Act 93 of 1994, Act of October 13, 1994 P.L. 609, 40 P.S. §638 (Act) authorizes and directs insurance companies, associations or exchanges doing business in the Commonwealth to pay funds to Pennsylvania municipalities delinquent taxes, assessments, penalties, user charges and total costs incurred by a municipality for the removal, repair or securing of a building or other structure damaged or destroyed by fire;

and

WHEREAS, Peach Bottom Township (Township) is a municipality as defined in the Act, being a second class township; and

WHEREAS, the Township desires to take advantage of the Act, which requires that the Township adopt an Ordinance authorizing the procedures in the Act:

NOW, THEREFORE, be it ordained and enacted and it is hereby ordained and enacted as follows:

SECTION 1: Peach Bottom Township (Township) hereby authorizes the procedures set forth in Act 93 of 1994, Act of October 13, 1994, P.L. 609, 40 P.S. §638 (Act).

SECTION 2: The purpose and intent of this Ordinance is to comply with the requirements of Act 93 of 1994, Act of October 13, 1994, P.L. 609, 40 P.S. §638, relating to fire damage to buildings or structures located within the Township which are at the time of such fire damage

insured by an insurance company, association or exchange doing business in the Commonwealth of Pennsylvania.

SECTION 3: In the event of fire damage to a building or structure within the Township, the Township treasurer shall, upon written request of the named insured, which written request shall specify the tax description of the property, the name and address of the insurance company, association or exchange, and the date of the receipt of a loss report of a claim, furnish the identified insurance company, within fourteen (14) working days of the request, the following:

A. A certificate or, at the discretion of the Township, a verbal notification, that, as of the date specified in the request, there are no delinquent taxes, assessments, penalties or user charges against the identified property, and that, as of the date of the treasurer's certificate or verbal notification, neither the Township nor any other municipality to the knowledge of the treasurer, has certified any amount as total costs incurred by the Township or other municipality for the removal, repair or securing of a building or other structure on the property; or

B. A certificate or bill showing the amount of delinquent taxes, assessments, penalties and user charges against the property as of the date specified and the requests that have not been paid as of the date of the certificate, and also showing, as of the date of the treasurer's certificate, the amount of the total costs, if any, certified to the treasurer that have been incurred by the Township or any other municipality known to the Treasurer, for the removal, repair or securing of a building or other structure on the property. For purposes of this subsection, the Township shall certify to the treasurer the total amount, if any, of such costs.

C. A tax, assessment, penalty or user charge becomes delinquent for purposes of this section at the time and on the date a lien could otherwise have been filed against the property by the Township under applicable law.

D. Upon receipt of a certificate and bill pursuant to subsection B of this Section, the insurance company, association or exchange shall return the bill to the Township treasurer and transfer to the treasurer an amount from the insurance proceeds necessary to pay the taxes, assessments, penalties, charges and costs as shown on the bill. The Township shall receive the amount and apply or credit it to payment of the items shown in the bill.

E. When the loss as determined by agreement between the insured and the

insurance company, association or exchange equals or exceeds sixty percent (60%) of the aggregate limits of liability on all fire policies covering the structure, the insurance company, association or exchange shall transfer from the insurance proceeds to the treasurer of the Township in the aggregate two thousand dollars (\$2,000.00) for each fifteen thousand dollars (\$15,000.00) and each fraction of that amount of a claim, or, if at the time of a loss report the named insured has submitted a contractor's signed estimate of the costs of removing, repairing or securing the building or other structure in an amount less than the amount calculated under the foregoing transfer formula, the insurance company, association or exchange shall transfer from the insurance proceeds the amount specified in the estimate. In the event that the named insured submits a contractor's signed estimate of the costs of removing, repairing or securing the building or other structure after the transfer authorized in this subsection, then the Township treasurer shall return the amount of the fund in excess of the estimate to the named insured if the Township has not commenced to remove, repair or secure the building or other structure.

SECTION 4: The following rules shall apply:

A. Upon receipt of proceeds by the Township as authorized by this Ordinance, the Township treasurer shall place the proceeds in a separate fund to be used solely as security against the total cost of removing, repairing or securing incurred by the Township. When transferring the funds as required in Section 3 of this Ordinance, an insurance company, association or exchange shall provide the Township with the name and address of the named insured, whereupon the Township shall contact the named insured, certify that the proceeds have been received by the Township, and notify the named insured that the procedures under this Section shall be followed.

B. The fund shall be returned to the named insured when repairs, removal or securing of the building or other structure have been completed, and the required proof received by the Township secretary or treasurer has not incurred any costs for repairs, removal or securing. If the Township has incurred costs for repairs, removal or securing of the building or other structure, the costs shall be paid from the fund, and, if excess funds remains, the Township shall transfer the remaining funds to the named insured. Nothing in this Ordinance shall be construed to limit the ability of the Township to recover any costs for repairs, removal or securing of the building or other structure which exceed the fund provided in Section 3 of this Ordinance.

C. Nothing in this Ordinance shall be construed to make an insurance company, association or exchange liable for any amount in excess of the proceeds payable under its insurance policy, for any other act performed pursuant to this Ordinance, or to make the Township or a public official an insured under a policy of insurance, or to create an obligation to pay delinquent property taxes or unpaid removal liens or expenses other than as provided in this Ordinance.

D. Any insurance company, association or exchange making payments of policy proceeds under this Ordinance shall have the full benefit of such payment, including all rights of subrogation and of assignment.

SECTION 5: An exact copy of this Ordinance shall be filed with the Governor's Center for Local Government Services, which is the designated successor to the Department of Community Affairs, which was the designated recipient in the Act, but which Department has been abolished.

SECTION 6: This ordinance shall be known as the Peach Bottom Township Fire Insurance Ordinance.

SECTION 7: This Ordinance shall be effective five (5) days after enactment.

ORDAINED AND ENACTED by the Board of Supervisors of Peach Bottom Township, York County, Pennsylvania on the _____ day of _____, 2010.

**PEACH BOTTOM TOWNSHIP
BOARD OF SUPERVISORS**

ATTEST:

By: _____
Chairman