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ARTICLE 322  
Payment of Delinquent Taxes, Assessments, Penalties,  
and User Charges from Fire Insurance Proceeds

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322.01 Designation of City Official, Definitions

- 1.) The Finance Officer for the City of Franklin or such official's designee is hereby appointed as the designated officer who is authorized to carry out all responsibilities and duties of the municipality stated herein.
- 2.) A "fire loss" or claim for fire damage is defined as any loss occurring after the effective date of this Article and covered under a policy of fire insurance, including any endorsements or riders to the policy.
- 3.) A tax, assessment, penalty, or user charge becomes "delinquent" at the time and on the date a lien could otherwise have been filed against the property by the City of Franklin under applicable law.

322.02 Municipal Certificate, Use of Proceeds

- 1.) No insurance company, association, or exchange (hereinafter the "Insurer") doing business in the Commonwealth of Pennsylvania shall pay a claim of a named insured for fire damage to a structure located within the City of Franklin where the amount recoverable for the fire loss to the structure under all policies exceeds Seven Thousand Five Hundred (\$7,500.00) Dollars, unless the Insurer and the named insured comply with the provisions of Section 508 (b), and unless there is compliance with Sections 508 (c) and (d) and the provisions of this Ordinance and Article 1706 of the Codified Ordinances of the City of Franklin.

2. The Finance Officer of the City of Franklin shall, upon receipt of the written request of the named insured specifying the tax description of the property, the name and address of the Insurer, and the date agreed upon by the Insurer and the named insured as the date of the receipt of a loss report of the claim, furnish the Insurer either of the following within fourteen (14) working days of the receipt of the request:
  - a.) A certificate or, at the discretion of the City of Franklin, a verbal notification which shall be confirmed in writing by the Insurer to the effect that, as of the date specified in the request, there are no delinquent taxes, assessments, penalties, or user charges against the property and that, as of the date of the Finance Officer's certificate or verbal notification, the City of Franklin has not certified any amount as total costs incurred by the City of Franklin for the removal, repair, or securing of a building or other structure on the property; or
  - b.) A certificate and bill showing the amount of delinquent taxes, assessments, penalties, and user charges against the property as of the date specified in the request that have not been paid as of the date of the certificate and also showing, as of the date of the Finance Officer's certificate, the amount of the total costs, if any, certified to the Finance Officer that have been incurred by the City of Franklin for the removal, repair, or securing of a building or other structure on the property. For the purposes of this subparagraph, the City of Franklin shall provide to the Finance Officer the total amount, if any, of such costs, if available, or the amount of costs known to the City of Franklin at the time of the Finance Officer's certificate.
- 3.) Upon the receipt of a certificate pursuant to Subparagraph 322.02 2.) a.) of this Ordinance, the Insurer shall pay the claim of the named insured in accordance with the policy terms only if the Insurer and the named insured comply with Sections 508 (c) and (d) and the provisions of Article 1706 of the Codified Ordinances of the City of Franklin.
- 4.) Upon the receipt of a certificate pursuant to Subparagraph 322.02, 2.) b.), of this Ordinance, the Insurer shall return the bill to the Finance Officer and transfer to the Finance Officer an amount from the insurance proceeds necessary to pay the taxes, assessments, penalties, charges, and costs as shown on the bill, or the full amount of the insurance proceeds, whichever is the lesser amount. The City of Franklin shall receive the amount and apply or credit it to payment of the items shown in the bill.

- 5.) Nothing in this Article shall be construed to limit the ability of the City of Franklin to recover any deficiency.
- 6.) The transfer of proceeds shall be on a pro rata basis by all companies, associations, or exchanges insuring the building or other structure.

#### 322.03 Rules and Regulations

- 1.) The Council of the City of Franklin may by resolution adopt procedures and regulations to implement Section 508, as amended by Act 93 of 1994, and this Ordinance, and may by resolution fix reasonable fees to be charged for municipal activities or services provided pursuant to Section 508, as amended by Act 93 of 1994, and this Ordinance, including, but not limited to, issuance of certificates and bills.

#### 322.04 Penalty for Violation

- 1.) Any owner of property, any named insured or any Insurer who violates this Ordinance shall be subject to a penalty of up to \$1,000.00 per violation.

#### 322.05 Severability

- 1.) The provisions of this Ordinance shall be severable and, if any of the provisions herein shall be invalid or unenforceable, the remaining provisions of this Ordinance shall remain in effect.

#### 322.06 Repeal

- 1.) All Ordinances or parts of Ordinances conflicting with any of the provisions of this Ordinance are hereby repealed insofar as the same affect this Ordinance.

#### 322.07 Effective Date, Notice to Department of Community Affairs

- 1.) This Ordinance shall become effective at the earliest date permitted by law, and become Article 322 of the Codified Ordinances of the City of Franklin, and shall be entitled "Payment of Delinquent Taxes, Assessments, Penalties, and User Charges from Fire Insurance Proceeds."
- 2.) A certified copy of this Ordinance shall be filed with the Department of Community Affairs on or before this Ordinance's effective date.