

Home Rule Basics

City of Lancaster Home Rule Study Commission

Who is the Home Rule Study Commission?

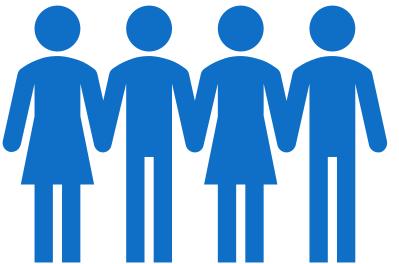
- Nine city residents elected temporarily by fellow city residents in spring 2023.
- The commission's charge is to consider home rule for the city of Lancaster.
- Commissioners are independent and non-partisan.



Photo: Tim Stuhldreher | One United Lancaster.

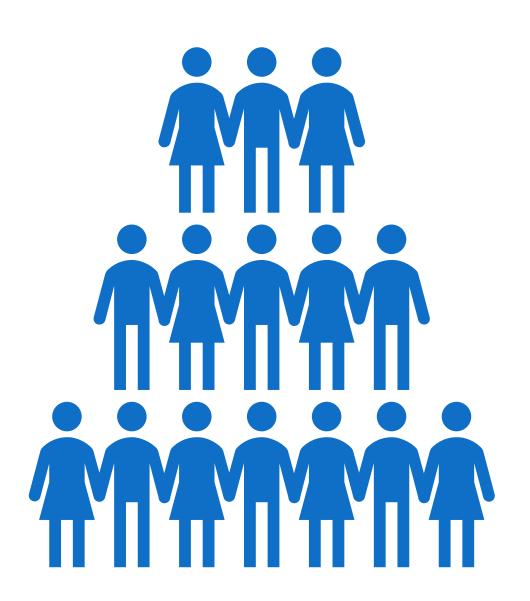
What work has the Home Rule Study Commission completed?

- Studied the current and alternative forms of city government for six months.
- Voted in January to draft a home rule charter.
- Commission members cited different reasons for their vote including to:
 - Improve public participation
 - Strengthen financial procedures
 - Consider a code of conduct
 - Take back control from state government



Home Rule Charter: Commission Next Steps

- Draft a proposed home rule charter
- Complete charter by mid-summer
- Gather community feedback and educate the public on the draft home rule charter's content.
- Proposed charter to be placed on Nov. 5 GENERAL ELECTION BALLOT.
- Lancaster City Voters Make the Ultimate Decision on Approval





Home Rule Basics

- A home rule charter serves as the city's "constitution."
- Literally: Make the Rules at Home
- Home Rule transfers the basic authority to act in municipal affairs from state law to a locally drafted and adopted charter through election by municipal voters.

Lancaster Home Rule Study Commission



Home Rule Charter Basic Components

- A general grant of powers to the municipality.
- The basic organization of the government.
- Specification of critical legislation and administrative procedures.
- Provision for citizen participation and reservation of specific powers to voters.
- Mandates for desirable administrative practices.
- General provisions such as transition procedures and the effective date.

Home Rule Charter: A Constitution

- Constitutions have components.
- The work of the commission is to define the components.
- The whole of the components make up the Charter.

Example Articles of a Home Rule Charter Preamble Article I - General Provisions Article II – Legislative Branch Article III – Executive Branch (Adminis Article IV – Other Elected Officials Article V – Appointed Officials Article VI – Mandated Departments (O) Article VII – Mandated Authorities, Boa Article VIII – Personnel System Article IX – Administrative Code Article X- Fiscal Procedures Article XI – Citizens Participation / Initi Article XII – Transition

Limitations of Home Rule

Restriction

- Arbitration/Labor Relations
- Boundary Change Law
- Election Code
- Ethics Law
- Recall
- Reapportionment
- Sunshine Law
- Open Records Law

Restriction

- Recycling and Waste Reduction Act
- Vehicle Code
- Private Business
 Limitations
- Regulation of Utilities
- Eminent Domain
- Zoning
- PA Municipalities
 Planning Code

Restriction

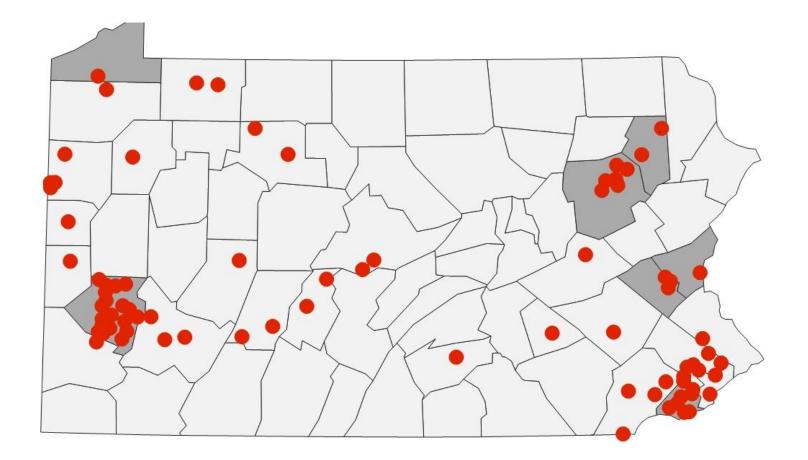
- Local Agency Law
- Torte Claims
- Unit Debt Act
- Taxation Subjects
- Veterans Preference
- Clean Streams
- Sewage Facilities Act
- Storm Water Management Act

Why do municipalities consider Home Rule?

- Checks and Balances/Improve Accountability
- Separate Legislative and Executive Functions
- Improve Fiscal Procedures and Controls
- Flexibility in Representation and Taxation
- Professional Administration
- Residual Powers: Write Own Administrative Code
- Focus Political Leadership
- Increase Citizen Participation: Initiative and Referendum
- Improve Flexibility and Responsiveness

Home Rule Municipalities in PA

 More than half of thirdclass cities like Lancaster operate under a home rule charter, along with numerous boroughs and townships



Myth vs. Reality

- Myth: the home rule charter will raise my taxes
- Reality: a home rule charter does not set tax rates; it provides local flexibility on the mix of taxes appropriate to the local tax base.
- Myth: the home rule charter will give the city freedom to tax whatever they like.
- Reality: the city cannot invent new taxes.
- Myth: the home rule charter will give the city freedom to raise taxes however high they like.
- Reality: the commission can place limits in the charter on revenue growth from tax increases.



Why are municipalities considering home rule for tax flexibility?

Findings from the Pennsylvania Economy League Study, "It's Not 1965 Anymore."

- PA municipalities are governed by state tax laws that date to 1965 (Act 511) and prior (third-class city code).
- All taxes are capped at amount or rate
 - Amounts are as low as \$5 or \$10
 - Earned income tax produces most natural growth but is capped
- Tax authorizations mostly limited to wealth within municipal borders.
- Exceptions:
 - Local Services Tax increased from \$10 to \$52 in early 2000s; not raised since.
 - Mechanisms provided to increase Earned Income Tax for commuters in distressed cities
- Municipalities are not authorized to levy sales tax, drink tax, commuter tax, etc.

Why are municipalities considering home rule for tax flexibility?

Findings from the PEL Study "It's Not 1965 Anymore."

- Wealthier residents migrated to previously rural areas from dense urban core communities and took their tax money with them.
- Urban cores are left with lower income residents and older, lower value real estate while still paying for the same robust services.
- The large number of tax-exempt institutions that gravitate to these regional hubs further eroded urban tax bases.
- Act 511's capped rates and flat tax amounts failed to keep up with inflation.
- Urban cores have become over reliant on property tax revenue because that is generally the only tax that a municipality can increase.
- But property taxes on average do not keep up with expenditures in part because of PA's inadequate and uneven property assessment system.



Why are municipalities considering home rule for tax flexibility?

Findings from the PEL Study "It's Not 1965 Anymore."

- Home rule lifts state caps on municipal tax rates
- Home rule *does not* allow a municipality to create new taxes.
- Home rule *does not* permit the city to levy a commuter wage tax.
- Home rule *is not* the cure all for outdated state tax laws, but it does permit more flexibility than municipal codes.



How can the public get involved?

- Read the Home Rule web page on the city's web site.
 - Numerous education materials on home rule.
 - Ask questions in the Feedback section.
- Watch or attend a commission or committee meeting
 - Meeting dates are posted on the web page.
 - Meetings provide two opportunities for public comment.
 - Meeting agendas, minutes, and other materials are also posted.
- Stay tuned for more events and information as the process continues!

Lancaster City Home Rule Website:

https://www.cityoflancasterpa.gov/home-rule/.

F Y © D In English	🛗 Calendar 🗯 Jobs 🗳 Col	atact Us Q Search PAY BILLS & TAXES				
	SHBORHOODS SERVICES	CITY GOV BUSINESS VISITORS NEWS				
	\square			IISSION RESOURCES		
HOME RULE STU	DY COMM	ISSION	Regular Meeting Agendas	Regular Meeting Minutes	Meeting Materials	Home Rule Resources
			Ethics Subcommittee Agendas	Finance Subcommittee Agendas	Preamble Subcommittee Agendas	Public Engagement Subcommittee Agendas
HOME RULE STUDY COMMISSION		COMMISSION MEMBERS				
if a home rule charter would better serve the City of Lancaster. On January	May 16, 2023, Lancaster City voters decided to form a Home Rule Study Commission to determine Peter Barber nome rule charter would better serve the City of Lancaster. On January 27. 2024, by a vote of 7-1, Darlene Byrd Home Rule Study Commission voted to move forward with drafting a home rule charter for the Maxine Cook					
WHAT IS THE PURPOSE OF THE HOME RUI E STUDY O	OMMISSION?	Elizabeth Elias Carl Feldman				
HOW TO PARTICIPATE	FROM THE ADMINISTRATION		4 2024 HORE ROLES COMMITTEE M 7:00 PM to 8:00 PM City Hall - Polite Co	1	APR HOME RULE STUDY COMMISSION - PREAM COMMITTEE MEETING 5:00 PM to 6:00 PM Two Dudes Painting Company Two Dudes Painting Company	
MEETING SCHEDULE WATCH MEETINGS The Sorace Administration is recommending Home Rule as a solution stronger, more equitable Lancaster. By adopting Home Rule, Lancaster more tools to control expenses and provide for other ways to raise reproperty taxes. Learn More		HOME RULE STUDY COMMISSION MEETING		APR HOME RULE STUDY COMMISSION - FINANCE		
ADDITIONAL RESOURCES		LE INTRODUCTION PRESENTATION	4			
 It's Not 1965 Anymore (PDF) PA Economy League Home Rule in Pennsylvania Presentation Feb. 1, 2023 Norma de Autonomía (Home Rule) en PA Presentación A de Fahrera 2002 (m Emañol) 	Hor	ne Rule Neighborhood Meeting Presentation	Share			
1 de Febrero 2023 (en Español) • <u>Home Rule in PA Presentation to Council</u> Feb. 1, 2023 (Video)		ome Rule	J			
PRESS COVERAGE • LNP LancasterOnline	FEBR	UARY & MARCH 2023	FT 3			
One United Lancaster	Watch on	YouTube cityoflan	ACASTERPA.GOV			

LEARN MORE ABOUT THE CITY OF LANCASTER HOME RULE STUDY COMMISSION

What is Home Rule?

Home Rule = Make the Rules at Home

- A home rule charter serves as the city's "constitution".
- Home Rule means that Lancaster City will have basic authority to act in municipal affairs.
- The power to act is transferred from the state to the local government.

Commission members mentioned various reasons for their votes to draft a charter, including:

- Improving public participation
- Strengthening financial procedures
- Considering a code of conduct
- Taking back control from state government

Commission Next Steps

- Draft a proposed home rule charter
- Complete charter by mid summer
- Gather community feedback and educate the public
- Lancaster city voters make the ultimate decision on charter approval

Home Rule Commission Meetings

Home Rule Study Commission meetings are open to the public and are usually held at City Hall (Polite Council Chambers) at 7:00PM (be sure to check the website, as this schedule may change.)

- April 11 & 25 Aug 1 & 15 & 29
- May 9 & 23
- Sept 12 & 26
 Oct 10 & 24
- June 6 & 20 O
- July 2 & 18

How To Participate

- Attend or watch Home Rule Commission Meetings (tune in online at cityoflancasterpa.gov/home-rule)
- Send feedback to *cityoflancasterpa.gov/hrfeedback* (or scan the QR code below)
- Learn more at cityoflancasterpa.gov/home-rule

Send your feedback to the Commission!

Scan here or visit

cityoflancasterpa.gov/hrfeedback to send your feedback to the Home Rule Study Commission!



Home Rule Recap

- A home rule charter serves as a municipality's "constitution" rather than state code.
- A proposed home rule charter is being drafted now by the Home Rule Study Commission.
- Completion anticipated mid-summer.
- The commission will conduct public engagement on the charter.
- Lancaster city residents vote on the proposed home rule charter at the Nov. 5 General Election.



• Questions?