

---

THE GENERAL ASSEMBLY OF PENNSYLVANIA

---

SENATE BILL

No. 948 Session of  
2017

---

INTRODUCED BY HUTCHINSON, EICHELBERGER, MCGARRIGLE, BLAKE AND  
SCHWANK, NOVEMBER 15, 2017

---

REFERRED TO LOCAL GOVERNMENT, NOVEMBER 15, 2017

---

AN ACT

1 Amending the act of June 24, 1931 (P.L.1206, No.331), entitled  
2 "An act concerning townships of the first class; amending,  
3 revising, consolidating, and changing the law relating  
4 thereto," further providing for suits and property.

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

7 Section 1. Section 1501 of the act of June 24, 1931  
8 (P.L.1206, No.331), known as The First Class Township Code, is  
9 amended to read:

10 Section 1501. Suits; Property.--Townships of the first class  
11 may--

12 I. Sue and be sued.

13 II. Purchase, acquire by gift, or otherwise, hold, lease,  
14 let and convey, by sale or lease, such real and personal  
15 property as shall be deemed to be to the best interest of the  
16 township: Provided, That no real estate owned by the township  
17 shall be sold for a consideration in excess of one thousand five  
18 hundred dollars except to the highest bidder after due notice by  
19 advertisement for bids or advertisement of a public auction in

1 one newspaper of general circulation in the township. Such  
2 advertisement shall be published once not less than ten days  
3 prior to the date fixed for the opening of bids or public  
4 auction, and such date for opening bids or public auction shall  
5 be announced in such advertisement. The award of contracts shall  
6 be made only by public announcement at a regular or special  
7 meeting of the board of township commissioners or at the public  
8 auction. All bids shall be accepted on the condition that  
9 payment of the purchase price in full shall be made within sixty  
10 days of the acceptance of bids.

11 The board of township commissioners shall have the authority  
12 to reject all bids if such bids are deemed to be less than the  
13 fair market value of the real property. In the case of a public  
14 auction, the board of township commissioners may establish a  
15 minimum bid based on the fair market value of the real property.

16 Except as otherwise hereinafter provided in the case of  
17 personal property of an estimated fair market value of less than  
18 [one thousand dollars] two thousand dollars, no township  
19 personal property shall be disposed of, by sale or otherwise,  
20 except upon approval of the board of township commissioners, by  
21 ordinance or resolution. In cases where the board of township  
22 commissioners shall approve a sale of such property, it shall  
23 estimate the fair market value of the entire lot to be disposed  
24 of. If the board of township commissioners shall estimate the  
25 fair market value to be [one thousand dollars] two thousand  
26 dollars or more, the entire lot shall be advertised for sale  
27 once, in at least one newspaper of general circulation in the  
28 township, not less than ten days prior to the date fixed for the  
29 opening of bids or public auction, and such date of opening of  
30 bids or public auction shall be announced in such advertisement,

1 and sale of the property so advertised shall be made to the best  
2 responsible bidder. A public auction of personal property may be  
3 conducted by means of an online or electronic auction sale.  
4 During an electronic auction sale, bids shall be accepted  
5 electronically at the time and in the manner designated in the  
6 advertisement. During the electronic auction, each bidder shall  
7 have the capability to view the bidder's bid rank or the high  
8 bid price. Bidders may increase their bid prices during the  
9 electronic auction. The record of the electronic auction shall  
10 be accessible for public inspection. The purchase price shall be  
11 paid by the high bidder immediately or at a reasonable time  
12 after the conclusion of the electronic auction as determined by  
13 the board of township commissioners. In the event that shipping  
14 costs are incurred, they shall be paid by the high bidder. A  
15 township that has complied with the advertising requirements of  
16 this clause may provide additional public notice of the sale by  
17 bids or public auction in any manner deemed appropriate by the  
18 board of township commissioners. The advertisement for  
19 electronic auction sales authorized in this clause shall include  
20 the Internet address or means of accessing the electronic  
21 auction and the date, time and duration of the electronic  
22 auction. The board of township commissioners may reject any bids  
23 received if the bids are believed to be less than the fair  
24 market value of the property. The board of township  
25 commissioners shall, by resolution, adopt a procedure for the  
26 sale of surplus personal property, either individual items or  
27 lots of items, of an estimated fair market value of less than  
28 [one thousand dollars] two thousand dollars and the approval of  
29 the board of township commissioners shall not be required for  
30 any individual sale that shall be made in conformity to such

1 procedure.

2 The provisions of this clause shall not be mandatory where  
3 township property is to be traded in or exchanged for new  
4 township property.

5 The provisions of this clause shall not prohibit the sale or  
6 exchange of township property to public utilities.

7 The provisions of this clause requiring advertising for bids  
8 or sale at public auction and sale to the highest bidder shall  
9 not apply where township real or personal property is to be sold  
10 to a county, city, borough, town, township, institution  
11 district, school district, volunteer fire company, volunteer  
12 ambulance service or volunteer rescue squad located within the  
13 township, or authority as defined in 53 Pa.C.S. § 5602 (relating  
14 to definitions), or to a nonprofit corporation engaged in  
15 community industrial, commercial or affordable housing  
16 development or reuse or where real property is to be sold to a  
17 person for his exclusive use in an industrial development  
18 program or where real property is to be sold to a nonprofit  
19 corporation organized as a public library, or where real  
20 property is to be sold to a nonprofit medical service  
21 corporation as authorized by clause LXXII of section 1502, or  
22 where real property is to be sold to a nonprofit housing  
23 corporation as authorized by clause LXXIII of section 1502. When  
24 real property is to be sold to a nonprofit corporation organized  
25 as a public library or to a nonprofit medical service  
26 corporation or to a nonprofit housing corporation the board of  
27 township commissioners may elect to accept such nominal  
28 consideration for such sale as it shall deem appropriate. Real  
29 property sold pursuant to this clause to a volunteer fire  
30 company, volunteer ambulance service or volunteer rescue squad,

1 nonprofit medical service corporation or to a nonprofit housing  
2 corporation shall be subject to the condition that when the  
3 property is not used for the purposes of the company, service,  
4 squad or the corporation the property shall revert to the  
5 township.

6 Any officer who sells and each officer who votes in favor of  
7 selling any township property, either real or personal, without  
8 the provisions of this section having been complied with, shall  
9 be subject to surcharge in the amount of any loss sustained by  
10 the township by reason of such sale.

11 The exemption granted by this clause to nonprofit  
12 corporations engaged in community, industrial, commercial or  
13 affordable housing development or reuse shall not apply to  
14 property owned and operated by the township or subcontracted or  
15 operated on the behalf of the township in order to conduct  
16 existing governmental functions.

17 Section 2. This act shall take effect in 60 days.