
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 764

Session of
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INTRODUCED BY CALTAGIRONE, RICHARDSON, GEIST, MCINTYRE, ANGSTADT
AND LEHR, APRIL 13, 1983

REFERRED TO COMMITTEE ON URBAN AFFAIRS, APRIL 13, 1983

AN ACT

1 Relating to and regulating local government boundary changes;
2 and making repeals.

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

11 CHAPTER 1

12 GENERAL PROVISIONS

13 Section 101. Short title.

14 This act shall be known and may be cited as the Municipal
15 Boundary Change Act.

16 Section 102. Definitions.

17 The following words and phrases when used in this act shall
18 have the meanings given to them in this section unless the
19 context clearly indicates otherwise:

20 "Annexation." Any change in municipal boundaries resulting
21 from the transfer of territory, comprising part of any
22 municipality, to any other municipality.

23 "Annexed municipality." Any municipality from which
24 territory shall be proposed to be annexed or attached to an
25 annexing municipality under Chapter 2. The annexed municipality
26 may be, but need not necessarily be, located in the same county
27 as the annexing municipality.

28 "Annexing municipality." Any municipality to which territory
29 shall be or shall be proposed to be annexed or attached. The
30 annexing municipality may be, but need not necessarily be,

1 located in the same county as the annexed municipality.

2 "Commission." The Boundary Change Commission.

3 "Consolidated or merged municipality." Any municipal entity
4 resulting from successful consolidation or merger proceedings
5 under Chapter 3.

6 "Consolidation or merger." The combination of two or more
7 municipalities into one municipality.

8 "Contiguous territory." Territory, any portion of which
9 abuts the boundary of another municipality, including territory
10 separated from the boundary of such other political subdivision
11 by a street, road, railroad or highway or by a river or other
12 natural or artificial stream of water.

13 "Detached municipality." A municipality which would decrease
14 in total territory as a result of annexation, incorporation or
15 any other means by which territory can be transferred.

16 "Detaching municipality." A municipality which would
17 increase in total territory as a result of annexation,
18 incorporation or any other means by which territory can be
19 transferred.

20 "Detachment." The transfer of territory by annexation,
21 incorporation or other means from one municipality to another
22 municipality.

23 "Election officials." The county boards of election, except
24 in Philadelphia where "election officials" means the city board
25 of elections.

26 "Existing municipality." A municipality from which territory
27 is proposed to be annexed.

28 "Incorporation." The creation of a new municipality from all
29 or part of the territory of an existing municipality or
30 municipalities.

1 "Municipality." Any county, city, borough, incorporated
2 town, township, home rule municipality or any general purpose
3 unit of government hereinafter created by the General Assembly.
4 Section 103. Interpretation.

5 (a) Successive changes not affected.--Nothing in this act
6 shall preclude, restrict or limit successive changes in
7 boundaries and territorial limits of any municipality that would
8 affect any specific territory.

9 (b) Municipalities in more than one county.--When any
10 boundary change shall be made under the provisions of this act
11 which shall result in a municipality which lies partly in one
12 county and partly in one or more other counties, the territory
13 within such municipality shall, for county and institution
14 district purposes, be and remain a part of the county in which
15 such territory is physically located. The commission shall
16 advise the counties and persons involved of the advisability of
17 placing the municipality totally within one of the counties by
18 further annexation.

19 (c) School districts not affected.--Nothing in this act, and
20 no action taken pursuant to this act, shall affect or apply to
21 any school district or any school district boundary. Nothing in
22 this act shall preclude further action from being taken under
23 the provisions of the act of March 10, 1949 (P.L.30, No.14),
24 known as the Public School Code of 1949, or other applicable
25 provisions of the law to change school district boundaries or
26 locations.

27 Section 104. Applicability.

28 This act establishes the procedure for and shall apply to the
29 change of boundaries of all municipalities.

1 BOUNDARY CHANGE COMMISSION

2 Section 201. Boundary Change Commission.

3 (a) Composition.--The Boundary Change Commission is created
4 and shall be composed of 15 members, five of whom are to be
5 appointed by the Governor, five of whom are to be appointed by
6 the President pro tempore of the Senate and five of whom are to
7 be appointed by the Speaker of the House of Representatives. The
8 five members of the commission appointed by each of the three
9 appointing powers shall not all be of the same political party.
10 Commission members need not be members of the General Assembly.
11 The chairman of the commission shall be elected by a majority
12 vote of the members.

13 (b) Terms.--The commission members shall be appointed as to
14 provide for staggered terms to begin on January 1, 1984 and each
15 shall serve until his successor is qualified. Initially, of the
16 five members appointed by each appointing power mentioned in
17 this section, three shall be appointed for terms of four years
18 and two shall be appointed for terms of two years. Thereafter,
19 terms of each member of the commission shall be for a period of
20 four years.

21 (c) Vacancies.--Vacancies shall be filled by the respective
22 appointing power. The person appointed to fill such vacancy
23 shall serve only for the remainder of the vacated term.

24 Section 202. Conduct of business.

25 The commission shall meet in the City of Harrisburg, except
26 as required for the conduct of public hearings within territory
27 proposed for boundary change actions. The commission shall make
28 rules and regulations and prescribe procedures necessary or
29 desirable in carrying out the intent and purpose of this act,
30 including forms of petitions for municipal boundary changes and

1 the documents, maps and supporting statements deemed to be
2 necessary, and establish rules for public hearings, for the
3 submission of supplementary documents and statements. The
4 commission shall keep a record of all proceedings and shall
5 annually make a written report by July 31 of its business and
6 activities to the Governor, the General Assembly, the State
7 Planning Board, the Department of Transportation, the Department
8 of Community Affairs, the Department of Education, the State Tax
9 Equalization Board, the Legislative Reapportionment Commission,
10 the Pennsylvania State Association of County Commissioners, the
11 Pennsylvania League of Cities, the Pennsylvania State
12 Association of Boroughs, the Pennsylvania State Association of
13 Township Commissioners and the Pennsylvania State Association of
14 Township Supervisors.

15 Section 203. Powers and duties.

16 The powers and duties of the commission are as follows:

17 (1) To make studies of proposed local boundary changes
18 that are referred to it by the governing bodies of
19 municipalities, or by a petition signed by at least 5% of the
20 registered electors of a municipality directly affected by
21 the proposed study and advise the municipalities thereon, or
22 on its own initiative. The governing body of any municipality
23 may at any time request the commission to make a study of any
24 proposal for boundary changes affecting the municipality.
25 Such request may also be made jointly by the governing bodies
26 of all the municipalities directly affected by such a
27 proposal.

28 (2) To undertake long-range studies of local boundary
29 problems in Pennsylvania.

30 (3) To set up a system of State and local reporting and

1 recording of local boundary changes, and of proposals
2 relating to local boundary changes. No boundary change shall
3 be considered final until official copies of all ordinances,
4 petitions and pertinent election returns and other official
5 documents relating to local boundary changes are deposited
6 with the commission and the applicable court of common pleas.

7 (4) To set standards such as population, areawide
8 interests, homogeneity, and services which may be used as the
9 basis for recommending State and local action relating to
10 local boundary changes.

11 (5) To make studies of boundary change proposals, other
12 than those effected through the process of initiative and
13 referendum, which involve detachment of territory from a
14 municipality.

15 (6) To determine the precedence of simultaneous local
16 boundary change proceedings which affect the same territory.

17 Section 204. Criteria for granting approval of detachments of
18 territory.

19 (a) Consideration of criteria.--In determining whether a
20 proposed detachment of territory requiring its approval shall
21 receive such approval, the commission shall consider, but shall
22 not be limited to, the following:

23 (1) The topography and other physical characteristics of
24 the geographical area affected by the proposed detachment.

25 (2) The comprehensive plans that pertain to any
26 municipality or territory affected by the proposed
27 detachment.

28 (3) Service factors such as:

29 (i) The need for additional municipal services in
30 the territory proposed for detachment.

(ii) The ability and willingness of any detaching municipality to provide municipal services to any affected territory and the time period within which the residents of such territory shall receive such services.

(iii) The extent to which any affected municipality or territory is interdependent for municipal services with others that are affected by the proposed detachment.

(4) The ability of any detaching municipality to assume a share of the existing indebtedness and to purchase public property, as provided in sections 312 and 507.

(5) The extent to which there are mutual community interests in the territory proposed for annexation and in the annexing municipality.

(b) Mandatory denial.--If the only reason set forth in the annexation petition is the demand or promise of extension of municipal services and within a reasonable period of time as established by the commission the existing municipality provides such services, then the commission shall deny the petition for annexation.

Section 205. Findings of effect of detachment.

If the commission shall determine that a proposed detachment shall seriously impair the ability of the remaining portion of the municipality from which territory is proposed for detachment to provide public services to its residents, the commission shall take one of the following actions:

(1) Direct that there be no further action on the original incorporation or annexation petition and initiate a referendum in the affected municipalities for incorporation or consolidation of the entire area of the affected municipalities.

1 (2) Recommend approval of the original petition for
2 annexation or incorporation with agreement that before
3 passage of the annexation ordinance or before submitting the
4 question of incorporation to the electors of the
5 municipalities or parts of municipalities affected,
6 provisions shall be made for the remaining portion of the
7 municipality from which territory is proposed to be detached
8 to be either consolidated with or annexed to another
9 contiguous municipality.

10 (3) Disapprove the original petition for detachment.
11 Section 206. Commission panels.

12 (a) Submission of proposed changes.--All proposed boundary
13 changes shall be submitted to the Local Government Commission.
14 Notice of each proposal shall be forwarded to the chairman of
15 the commission, who may then administratively assign the
16 proposal to a panel composed of not more than nine and not less
17 than three members of the commission who are not residents of
18 the municipalities affected.

19 (b) Action by commission.--The commission panel so appointed
20 or commission as a whole will have the right to hold hearings,
21 conduct investigations and solicit the advice of experts,
22 citizens and officials involved. The panel will be entitled to
23 call such citizens as are available and to hear from those
24 persons within the panel's discretion.

25 (c) Remuneration of members.--The members of the panel and
26 commission shall be paid \$50 per diem and other actual expenses
27 incurred when actually engaged in the performance of their
28 duties.

29 (d) Employment of personnel.--The commission or panel may
30 employ the necessary administrative and clerical personnel or

1 utilize available existing personnel from the Department of
2 Community Affairs, the Local Government Commission, or staffs of
3 the House of Representatives and Senate of Pennsylvania as they
4 may be available from those respective departments or agencies,
5 for the conduct of investigations, hearings and determinations.
6 The salaried clerical persons who are loaned to the commission
7 will not be paid additional compensation except for actual
8 expenses which are incurred while attending these functions, in
9 which case they will be reimbursed.

10 Section 207. Costs of commission.

11 The cost of the functions of the commission in each
12 individual matter referred to it shall be equitably assessed by
13 the commission which in turn shall, as soon as it is assigned,
14 meet with the municipal officials involved and such other
15 persons who may have been involved in the initiation of the
16 question, after which the commission shall determine and advise
17 them as to the assessment of costs that the municipalities will
18 be expected to pay.

19 CHAPTER 3

20 ANNEXATION

21 Section 301. Procedure for annexation.

22 Annexation of contiguous territory may be accomplished by one
23 of the following methods:

24 (1) Petition to the commission, approval by the
25 commission and adoption of an ordinance by the annexing
26 municipality.

27 (2) Action of the governing bodies of the municipalities
28 affected.

29 (3) Initiative and referendum.

30 Section 302. Petition to commission.

1 (a) Initiation of action.--An annexation may be initiated by
2 presenting a petition to the commission, signed by electors
3 comprising at least 50% of the number of electors voting for the
4 office of Governor in the last gubernatorial general election
5 within the territory proposed for annexation, or the petition
6 shall be signed by the freeholders who represent at least 50% of
7 the assessed valuation of real property within the territory
8 proposed for annexation, as certified by the board or boards of
9 county commissioners. A majority in interest of owners of
10 undivided interests in any piece of property shall be deemed and
11 treated as one person for the purpose of ascertaining the number
12 of freeholders. The petition shall be accompanied by a
13 resolution of intent to annex the territory in question from the
14 governing body of the municipality to which the territory is
15 proposed to be annexed. Once the circulation of a petition has
16 begun, the petition shall be submitted to the commission within
17 21 days. Failure to do so within that prescribed time limit will
18 invalidate such petition. Presentation of a receipt indicating
19 that the petition was mailed by registered or certified mail on
20 or before the deadline date shall be evidence of timely filing.

21 (b) Form and contents of petition.--The petition for
22 annexation to be submitted to the commission shall be in such
23 form and shall contain such information as the commission may
24 require.

25 (c) Contents of resolution.--The resolution of intent to
26 annex shall include the following information:

27 (1) A statement that the municipality is willing to
28 annex the territory described in the petition.

29 (2) A statement setting forth the plans of the
30 municipality for extending to the territory proposed for

1 annexation the municipal services performed within the
2 annexing municipality at the time of annexation.

3 Specifically, such plans shall:

4 (i) Conform to the standards of service as
5 determined by the commission.

6 (ii) Provide for extending or improving such
7 services to the territory proposed for annexation on the
8 effective date of annexation on substantially the same
9 basis and in the same manner as such services are
10 provided within the rest of the annexing municipality
11 prior to annexation.

12 (iii) Provide for extension or improvement of such
13 services into the territory proposed for annexation, so
14 that when such services are extended or improved, persons
15 in the territory proposed for annexation will be able to
16 secure such services, according to the policies in effect
17 in the annexing municipality for extending such services
18 to individual persons, lots or subdivisions.

19 (iv) Set forth a proposed timetable which provides
20 for the extension or improvement of such services as soon
21 as possible following the effective date of annexation.

22 (v) Set forth a method under which the annexing
23 municipality plans to finance extension or improvement of
24 such services into the territory proposed for annexation.

25 (3) A statement specifying a place or places within any
26 annexing municipality affected by the proposed annexation
27 where copies of the petition and the resolution of intent can
28 be examined by interested individuals and public officials
29 for a period of at least 30 days following submission of the
30 petition to the commission.

1 Section 303. Notice of annexation proposal.

2 Within ten days after receipt of the petition, the commission
3 shall notify by certified mail the governing bodies of each
4 municipality affected, including the commissioners of each
5 county in which territory proposed for annexation is located.

6 Section 304. Study and report of petition for annexation.

7 The commission shall make a study of the petition for
8 annexation and shall submit its recommendations, within six
9 months after receipt of the petition, to the governing bodies of
10 the municipalities affected and the board or boards of county
11 commissioners of the territory affected by the proposed
12 annexation and by public notice in a newspaper of general
13 circulation in the affected area or areas that the
14 recommendations are available to any person on written request.
15 If the commission approves the proposed annexation, the annexing
16 municipality may complete the annexation by the passage of an
17 ordinance.

18 Section 305. Annexation of property of annexing municipality or
19 municipal authority created solely thereby.

20 Any municipality may annex by ordinance any land contiguous
21 thereto and owned by the annexing municipality or by a municipal
22 authority created solely by the annexing municipality. No
23 petition from freeholders or residents of the annexed area shall
24 be necessary to initiate the annexation procedure.

25 Section 306. Transfer or exchange of territory by agreement of
26 adjacent municipalities.

27 Whenever the governing bodies of two adjacent municipalities
28 shall agree that it is to the best interest of each municipality
29 or that the convenience of the inhabitants thereof would best be
30 served thereby, territory may be transferred from one of such

1 adjacent municipalities to the other, or territory may be
2 exchanged between such two adjacent municipalities, upon
3 enactment of an ordinance to that effect by each of the two
4 municipalities, and change in the boundaries and territorial
5 limits of the said municipalities shall be affected thereby. No
6 petition from freeholders or residents shall be necessary to
7 initiate such transfer or exchange.

8 Section 307. Content of ordinances.

9 Every ordinance providing for annexation pursuant to this act
10 shall set forth a description of the territory to be annexed and
11 shall contain or have attached thereto a plot showing the
12 courses and distances of the boundaries of the annexing
13 municipality before and after the proposed change in the
14 boundaries or territorial limits thereof.

15 Section 308. Responsibilities of annexing municipality
16 following annexation.

17 Within 30 days after final enactment of any ordinance
18 effecting an annexation pursuant to this act, the governing body
19 of the annexing municipality shall perform all of the following
20 acts:

21 (1) Assign a distinctive designation to the annexed
22 territory, for use in referring thereto.

23 (2) File with the court of common pleas of the county a
24 certified copy of the ordinance by which the change was
25 effected, together with a plot, showing the courses and
26 distances of the boundaries of the annexing municipality
27 before and after the change and clearly indicating the
28 designation, as mentioned in paragraph (1), by which the
29 annexed area is to be known. If the territory annexed and the
30 annexing municipality are located in different counties, such

1 documents and information shall be filed with the
2 prothonotary of each of the counties. The change in
3 boundaries shall take effect 30 days after the date on which
4 such documents are filed in the county in which the annexing
5 municipality or the larger portion of the territory of the
6 annexing municipality is located, unless:

7 (i) That date is within 90 days prior to any
8 general, municipal or primary election, in which case the
9 change shall take effect as of the day following the
10 election.

11 (ii) An appeal is taken before the end of such 30-
12 day period, in which case such appeal shall act as a
13 supersedeas and such change shall take effect immediately
14 upon final determination and approval of such ordinance
15 by the court of common pleas.

16 (3) Give notice to the county board of elections of the
17 filing with the court of common pleas of the documents
18 mentioned in paragraph (2).

19 (4) File with the commission, the Legislative
20 Reapportionment Commission, the Local Government Commission,
21 the State Planning Board, the State Tax Equalization Board,
22 the Department of Community Affairs, the Department of
23 Education and the Department of Transportation a final report
24 of the annexation. The final report shall set forth:

25 (i) The name of the annexing municipality.

26 (ii) The area of the annexed territory in acres.

27 (iii) The total assessed valuation of the annexed
28 territory.

29 (iv) The approximate population of the annexed
30 territory.

1 (v) The designation, as mentioned in paragraph (1),
2 by which the annexed area is to be known.

3 Section 309. Appeals.

4 Within 30 days after the date of filing of any ordinance
5 effecting an annexation pursuant to this act, any freeholder of
6 the annexing municipality or of the municipality within which
7 the proposed territory to be annexed is located may appeal from
8 the ordinance to the court of common pleas of the county in
9 which the annexing municipality or the greater portion of the
10 territory of the annexing municipality is located. This appeal
11 shall be the exclusive method of appeal. The appeal shall be
12 taken by petition to the court of common pleas of the county in
13 which the annexing municipality is located and, in the case of
14 any annexing municipality located in more than one county, to
15 the court of common pleas of the county in which the greater
16 portion of the territory of the annexing municipality is
17 located. The appeal shall act as a supersedeas. When an appeal
18 is taken, the court shall fix a day for the hearing and shall
19 give notice of the hearing to all parties interested, in such
20 manner as the court shall direct. After the hearing, the court
21 shall determine whether the proceedings are in conformity with
22 this act and shall make an order or decree dismissing the appeal
23 and approving the annexation or sustaining the appeal and
24 dismissing the annexation. From any final order or decree, any
25 party in interest, aggrieved by the order or decree, may appeal
26 to the Commonwealth Court. Upon final determination and approval
27 of the ordinance by the court of common pleas or by the
28 Commonwealth Court, the annexation shall take effect
29 immediately.

30 Section 310. Annexation by initiative and referendum.

1 (a) General rule.--As an alternative to annexation by the
2 other procedures set forth in this act, annexation by initiative
3 and referendum as governed by this section, may be effected in
4 any municipality, without the approval of any governing body and
5 without enactment of any ordinance.

6 (b) Initiation of referendum.--The referendum shall be
7 initiated by:

8 (1) Filing with the county board of elections of the
9 county in which the territory proposed to be annexed is
10 located, on or before the 13th Tuesday before the next
11 primary, municipal or general election, a petition for
12 referendum signed by electors comprising 5% of the number of
13 electors voting for the office of Governor in the last
14 gubernatorial general election in the municipality within
15 which the proposed territory to be annexed is located.

16 (2) Filing with the county board of elections of the
17 county in which the annexing municipality, or the greater
18 portion of the territory thereof, is located, a petition for
19 referendum signed by electors comprising 5% of the number of
20 electors voting for the office of Governor in the last
21 gubernatorial general election in the annexing municipality.

22 (c) Deadline for circulation.--Once the circulation of a
23 petition has begun, the petition shall be submitted to the
24 county board of elections within 21 days. Failure to submit the
25 petition within the prescribed time limit will invalidate the
26 petition.

27 (d) Review.--When the applicable election officials find
28 that the petition, as submitted, is in proper order, they shall
29 send copies of the initiative petition without the signatures to
30 the governing bodies of both the annexing municipality and the

1 municipality within which the proposed territory to be annexed
2 is located and to the commission.

3 (e) Ballot placement.--The applicable election official
4 shall place the proposal for such annexation on the ballot in
5 both the annexing municipality and the municipality within which
6 the proposed territory to be annexed is located in a manner
7 fairly representing the content of the petition for decision by
8 referendum at the next primary, municipal or general election,
9 occurring not less than the 13th Tuesday after the filing of
10 such petition.

11 (f) Election returns.--If there shall be a favorable vote in
12 such referendum in both the annexing municipality and the
13 municipality within which the proposed territory to be annexed
14 is located, the annexation shall become effective upon
15 certification by the county board of elections of the county or
16 counties involved in the vote. If the vote shall fail, the
17 question of annexation described in the annexation proposal
18 shall not be voted on again for a period of five years.

19 Section 311. Distribution of annexed territory among wards.

20 (a) Municipalities where governing body members not elected
21 at large.--In the case of an annexing municipality with a
22 governing body not elected entirely at large, the governing body
23 of the annexing municipality shall, within 30 days after the
24 effective date of the annexation, petition the court of common
25 pleas of the county in which the annexed territory is located
26 requesting:

27 (1) The assignment of the annexed territory to one or
28 more designated wards of the annexing municipality.

29 (2) The distribution of the annexed territory among the
30 wards of the annexing municipality.

1 (3) The creation of one or more new wards out of the
2 annexed territory.

3 The court shall make the necessary decree which shall include
4 establishing or changing election districts to conform to new
5 ward lines and shall furnish a copy of the decree to the
6 governing body of the annexing municipality, the county board of
7 elections of the county in which the annexing municipality is
8 located, the county board of elections of the county in which
9 the annexed territory is located, the school district in which
10 the ward or wards are located, the Secretary of the
11 Commonwealth, the Secretary of Community Affairs and the
12 Legislative Reapportionment Committee.

13 (b) New wards created.--In case one or more new wards is
14 created in the annexing municipality, the decree of the court
15 shall state the number by which each new ward is to be
16 designated and shall contain a plan and schedule for the
17 appointment or election of the first members of the governing
18 body of the annexing municipality from each of the new wards so
19 that either immediately or after a transitional period the
20 election and tenure of the members of the governing body from
21 the new odd-numbered wards and the new even-numbered wards as
22 the case may be shall conform to those of the existing odd-
23 numbered wards and even-numbered wards in the annexing
24 municipality.

25 Section 312. Adjustment of indebtedness, assets and liabilities
26 following annexation.

27 (a) Adjustment.--Following any annexation of territory, the
28 governing body of the annexing municipality and the governing
29 body of the municipality from which the territory was annexed
30 shall make a proper adjustment and apportionment between them of

1 all indebtedness, assets and liabilities of the annexed
2 municipality at the time of the annexation. The adjustment and
3 apportionment shall provide that the annexing municipality and
4 the municipality from which the territory was annexed shall be
5 entitled to share in a division of the assets, liabilities and
6 indebtedness in the proportion that the assessed valuation, as
7 determined by the county board for the assessment and revision
8 of taxes, of the annexed portion of the municipality from which
9 the territory was annexed bears to the assessed valuation of the
10 entire municipality from which the territory was annexed
11 immediately prior to the annexation.

12 (b) Assumption by annexing municipality.--Where indebtedness
13 was incurred by the municipality from which the territory was
14 annexed for an improvement located wholly within the limits of
15 the territory annexed, that indebtedness shall be assumed by the
16 annexing municipality and where any part of an improvement is
17 located within the limits of the annexed territory, the part of
18 the indebtedness representing that part of the improvement shall
19 be assumed by the annexing municipality and the adjustment and
20 apportionment of any remaining indebtedness of the municipality
21 from which the territory was annexed shall be made as provided
22 in this subsection.

23 (c) Written document.--The adjustment and apportionment of
24 assets, liabilities and indebtedness shall be reduced to
25 writing, shall be executed and acknowledged by the clerk or
26 secretary of the annexing municipality and shall be filed with
27 the prothonotary of the county or counties in which any
28 municipality affected is located and a copy shall be filed with
29 the Department of Community Affairs.

30 Section 313. Judicial adjustment on failure of agreement.

1 When the governing bodies of the municipalities affected
2 cannot, within six months after the annexation becomes
3 effective, arrive at the adjustment and apportionment of
4 indebtedness, assets and liabilities, as required by section
5 312, the governing body, a citizen, or a property owner of any
6 of the municipalities affected may appeal to the court of common
7 pleas of the county in which the annexing municipality, or the
8 greater portion of its territory, is located. The court shall
9 then appoint three disinterested commissioners who shall be
10 residents and taxpayers of the county and who shall not be a
11 resident or an owner of real estate in the municipalities
12 affected. Those commissioners, after hearing, notice of which
13 shall be given to the municipalities affected as directed by the
14 court, shall proceed to make the apportionment and adjustment
15 and shall report to the court, stating the amount, if any, that
16 shall be due and payable from one municipality affected to
17 another, as well as the amount of indebtedness, if any, that
18 shall be assumed by the municipality there affected or both.
19 Section 314. Proceedings on judicial adjustment.

20 The commissioners appointed under the terms of section 313
21 shall give the affected municipalities at least five days'
22 notice of the filing of their report. Unless exceptions to the
23 report are filed within 30 days after the date when it was
24 filed, the report shall be confirmed absolutely by the court.
25 Any sum awarded by the report to any municipality shall be a
26 legal and valid claim in its favor against the other
27 municipality. Any real or personal property awarded to any
28 municipality shall become its property. Any claim of
29 indebtedness charged against a municipality may be collected
30 from that municipality by its creditors.

1 Section 315. Exceptions to report.

2 In case exceptions are filed to the report of the
3 commissioners appointed pursuant to section 313, the court shall
4 dispose of the same, taking testimony if deemed advisable. The
5 court shall enter its decree confirming or modifying the report
6 of the commissioners, as to the court appears just and proper.
7 The decision of the court shall be final unless an appeal is
8 taken to the Commonwealth Court as provided by law.

9 Section 316. Compensation and expenses of commissioners.

10 The court appointed commissioners shall be allowed such
11 compensation and expenses for their services as the court shall
12 fix. The costs of the proceedings, including the compensation
13 and expenses of the commissioners, shall be apportioned among
14 the municipalities involved as the court deems proper and
15 equitable.

16 Section 317. Annexing municipality located in two or more
17 counties.

18 In case the territory of an annexing municipality is located
19 in two or more counties, the court of common pleas of the county
20 in which the greater portion of the territory of the annexing
21 municipality is located shall have exclusive jurisdiction over
22 the proceedings to determine the cost of certain improvements in
23 the annexed territory and to adjust and apportion the
24 indebtedness among the municipalities affected.

25 Section 318. Liquidation of indebtedness.

26 (a) Court orders.--The court shall make all necessary orders
27 for the collection by any municipality affected and payment by
28 it to any other municipality affected of its share of any
29 indebtedness apportioned to it. The order may direct that the
30 municipality against which the indebtedness was apportioned levy

1 and collect special taxes for one year or pay by annual
2 installments over a stated period of time, the amount needed to
3 liquidate the indebtedness.

4 (b) Interest-bearing notes.--If acceptable to the
5 municipality to which money is owed the other municipality shall
6 have the power to issue and deliver interest-bearing notes in
7 liquidation of the indebtedness.

8 Section 319. Collection of taxes levied prior to annexation.

9 All taxes assessed and levied against property in annexed
10 territory prior to the effective date of the annexation shall be
11 paid to the municipality from which the territory has been
12 annexed and the collection and enforcement shall be as though
13 the annexation had not taken place.

14 Section 320. Authorized expenditures.

15 Municipalities initiating annexations under the provisions of
16 this act are authorized to make expenditures for surveys
17 required to describe the property under consideration or for any
18 other purpose necessary to plan for the study or annexation of
19 territory adjacent to the municipality.

20 Section 321. Crossing county lines.

21 When the municipalities affected are located in different
22 counties, the county board of elections and the court of common
23 pleas in the county where the annexing municipality is located
24 shall furnish all information relating to an annexation to their
25 counterparts in the other county or counties concerned.

26 Section 322. Election districts and officers.

27 Except as provided in section 311, all election districts in
28 the annexed territory shall remain as constituted before the
29 annexation and shall become election districts of the annexing
30 municipality until changed in accordance with the act of June 3,

1 1937 (P.L.1333, No.320), known as the Pennsylvania Election
2 Code. All election district officers shall continue in office
3 until the expiration of their terms, unless the office is
4 vacated.

5 CHAPTER 4

6 CONSOLIDATION OR MERGER

7 Section 401. Procedure for consolidation or merger.

8 (a) Authority.--Any two or more municipalities, situated in
9 the same county or in two or more different counties, may be
10 consolidated or merged as provided in this chapter into a single
11 municipality, if each of the municipalities shall be contiguous
12 to at least one of the other municipalities and if together the
13 municipalities would form a consolidated or merged municipality
14 that is territorially compact.

15 (b) Method.--Consolidation or merger may be commenced by one
16 of the following methods:

17 (1) Joint agreement of the governing bodies of the
18 municipalities proposed for consolidation or merger as
19 approved by ordinance.

20 (2) Initiative.

21 (3) The commission.

22 Section 402. Initiation of consolidation or merger proceedings
23 by joint agreement of governing bodies.

24 (a) Joint agreement.--The governing bodies of all the
25 municipalities proposed for consolidation or merger shall enter
26 into a joint agreement under the official seal of each
27 municipality for the consolidation or merger into one
28 municipality. The joint agreement shall set forth:

29 (1) The names of the municipalities that are parties to
30 the agreement.

1 (2) The name and the territorial boundaries of the
2 municipality proposed for consolidation or merger.

3 (3) The type and class of the new municipality, if the
4 municipalities entering into the agreement are of more than
5 one type or class.

6 (4) Whether the municipality proposed to be consolidated
7 or merged is to be governed solely by the code and other
8 general laws applicable to the kind and class of the
9 consolidated municipality or whether it is to be governed by
10 a home rule charter or an optional plan of government
11 previously adopted by one of the consolidating or merging
12 municipalities.

13 (5) The number of wards, if any, into which the new
14 municipality is to be divided for the purpose of electing all
15 or some of the members of the municipal governing body.

16 (b) Other terms.--The joint agreement shall also set forth
17 those terms agreed upon for:

18 (1) The disposition of the assets of each of the
19 municipalities that are parties thereto.

20 (2) The liquidation of the indebtedness.

21 (3) The responsibility for the liabilities of each,
22 either jointly, separately or in certain defined proportions,
23 by separate rates of taxation on all property subject to
24 taxation within the boundaries of each of the constituent
25 municipalities.

26 (c) Governmental organization.--The joint agreement shall
27 set forth the governmental organization of the new municipality
28 insofar as it concerns elected officers and shall contain a
29 transitional plan and schedule applicable to elected officers.
30 The plan shall provide for the termination of the elected

1 officers of the constituent municipalities and for the election
2 of the first officers of the new municipality so that, either
3 immediately or following a transitional period, election and
4 tenure shall conform to those in other municipalities of the
5 same kind and class in the Commonwealth with properly staggered
6 terms where those are required or desired.

7 (d) Administration and enforcement during transitional
8 period.--During the two-year transitional period provided in
9 section 409, the joint agreement shall provide for common
10 administration and enforcement, by the officer or officers of
11 the consolidated municipality named in the agreement of those
12 ordinances that are to be enforced separately within the former
13 constituent municipalities.

14 Section 403. Initiation of consolidation or merger proceedings
15 by petition of electors.

16 (a) Number of signatures.--In order for consolidation or
17 merger proceedings to be initiated by petition of electors,
18 petitions containing signatures of at least 5% of the electors
19 in each municipality, respectively, voting for the office of
20 Governor in the last gubernatorial general election in each
21 municipality proposed to be involved in the consolidation or
22 merger shall be filed with the county board of elections of the
23 county in which the municipality, or the greater portion of the
24 territory thereof, is located.

25 (b) Review.--When the applicable election officials find
26 that the petition or petitions as submitted are in proper order,
27 they shall send copies of the initiative petition or petitions
28 without the signatures to the governing bodies of each of the
29 municipalities affected by the consolidation or merger and to
30 the commission.

1 (c) Contents.--Every petition shall set forth:

2 (1) The name of the municipality from which the signers
3 of the petition were obtained.

4 (2) The names of the municipalities proposed to be
5 involved in the consolidation or merger.

6 (3) The name of the municipality proposed for
7 consolidation or merger.

8 (4) The type and class of the new municipality, if the
9 municipalities to be involved in the consolidation or merger
10 are of more than one type or class.

11 (5) Whether the municipality proposed for consolidation
12 or merger is to be governed solely by the code and other
13 general laws applicable to the kind and class of the
14 consolidated or merged municipality, or whether it is to be
15 governed by a home rule charter or an optional plan of
16 government previously adopted by one of the consolidated or
17 merged municipalities.

18 (6) The number of wards, if any, the new municipality is
19 to be divided into for the purpose of electing all or some of
20 the members of the municipal governing body.

21 (d) Time limitation.--Once the circulation of a petition has
22 begun, the petition shall be submitted to the county board of
23 elections within 21 days. Failure to do so within the prescribed
24 time limit will invalidate the petition.

25 Section 404. Initiation of consolidation or merger proceedings
26 by petition to commission.

27 (a) Number of signatures.--Petitions may be submitted to the
28 commission. The petition shall contain signatures of at least 5%
29 of the electors in each municipality, respectively, voting for
30 the office of Governor in the last gubernatorial general

1 election in such municipality, requesting consolidation or
2 merger of two or more municipalities into one municipality.

3 (b) Content.--Every petition shall set forth:

4 (1) The name of the municipality from which the signers
5 of the petition were obtained.

6 (2) The names of the municipalities proposed to be
7 involved in the consolidation or merger.

8 (3) The name of the municipality proposed for
9 consolidation or merger.

10 (4) The type and class of the new municipality, if the
11 municipalities to be involved in the consolidation or merger
12 are of more than one type or class.

13 (5) Whether the municipality proposed for consolidation
14 or merger is to be governed solely by the code and other
15 general laws applicable to the kind and class of the
16 consolidated or merged municipality, or whether it is to be
17 governed by a home rule charter or an optional plan of
18 government previously adopted by one of the consolidated or
19 merged municipalities.

20 (6) The number of wards, if any, the new municipality is
21 to be divided into for the purpose of electing some or all of
22 the members of the municipal governing body.

23 (c) Time limitations.--Once the circulation of a petition
24 has begun, the petition shall be submitted to the commission
25 within 21 days. Failure to do so within the prescribed time
26 limit shall invalidate the petition. Presentation of a receipt
27 indicating that the petition was mailed by registered or
28 certified mail on or before the deadline date shall be evidence
29 of timely filing.

30 (d) Review by commission.--Whenever such petitions shall

1 have been received by the commission, the commission shall take
2 all necessary steps to place such referendum question before the
3 electors of all municipalities proposed to be so consolidated or
4 merged. Such steps may include:

5 (1) A study of the consolidation or merger proposal.

6 (2) Advising citizens and officials on any and all
7 matters pertaining thereto.

8 (3) Holding meetings or conferences in any of the
9 municipalities proposed to be consolidated or merged.

10 All studies, meetings and assistance by the commission shall be
11 completed within six months after receipt of the petitions
12 received from municipalities involved in a specific
13 consolidation or merger proposal. The completion date shall be
14 attested by the chairman of the commission in a document to be
15 filed with the Secretary of the Commonwealth.

16 Section 405. Conduct of referenda.

17 (a) Referendum.--Following initiation of proceedings for
18 consolidation or merger by either of the three procedures set
19 forth, the question of the consolidation or merger shall be
20 placed before the electors of each of the municipalities
21 proposed to be so consolidated or merged into a single
22 municipality. The referendum shall be held at the first primary,
23 municipal or general election held not less than the 13th
24 Tuesday after:

25 (1) The date of the general agreement entered into under
26 the provisions of section 402.

27 (2) The date of filing of the petition filed under the
28 provisions of section 403.

29 (3) The date of completion of the work of the commission
30 under the provisions of section 404.

1 (b) Referendum returns.--The consolidation or merger shall
2 not be effected unless the referendum question thereon shall be
3 approved by a majority of all the electors voting in each of the
4 municipalities in which the referendum is held. If in any one of
5 the municipalities in which any such referendum shall be held, a
6 majority in favor of such consolidation or merger shall not
7 result, the consolidation or merger shall fail and the
8 consolidation or merger shall not take place. The question of
9 merger or consolidation described in the merger or consolidation
10 proposal shall not be voted on again for a period of five years.

11 (c) Further studies.--If the electors of two or more
12 contiguous municipalities proposed for consolidation or merger
13 shall approve the consolidation or merger, but one or more of
14 the municipalities shall fail to approve, the commission may
15 make a study of the feasibility of consolidation or merger of
16 those municipalities approving the proposal and, in its
17 discretion may initiate a local referendum for the consolidation
18 or merger of such municipalities at the next primary, municipal
19 or general election but not less than the 13th Tuesday after the
20 commission has submitted its study to the local governing bodies
21 of the municipalities involved.

22 Section 406. Consolidation or merger agreement.

23 (a) Merger agreement meeting.--Upon favorable action by the
24 electorate on consolidation or merger, in cases where
25 consolidation or merger was initiated otherwise than provided in
26 section 402, the governing bodies of all municipalities to be
27 consolidated or merged into a single new municipality shall meet
28 within 60 days after the certification of the favorable vote.

29 (b) Contents of agreement.--At the meeting, the
30 municipalities shall make a consolidation or merger agreement,

1 as follows:

2 (1) When the governing body, or part of the governing
3 body, of the consolidated or merged municipality is to be
4 elected on a ward basis, the agreement shall set forth the
5 boundaries and the ward designation, by number of each ward,
6 and the number of members of the municipal governing body to
7 be elected from each ward.

8 (2) The agreement shall set forth those terms agreed
9 upon for:

10 (i) The disposition of the assets of each of the
11 municipalities that are parties to the agreement.

12 (ii) The liquidation of the indebtedness and the
13 responsibility for the liabilities of each, either
14 jointly, separately or in certain defined proportions, by
15 separate rates of taxation on all property subject to
16 taxation within the boundaries of each of the
17 municipalities involved.

18 (3) The agreement shall also set forth the governmental
19 organization of the new municipality, insofar as it concerns
20 elected officers, and shall contain a transitional plan and
21 schedule applicable to elected officers. The agreement shall
22 provide for the termination of the elected officers of the
23 municipalities being merged or consolidated, and the election
24 of the first officers of the new municipality so that, either
25 immediately or following a transitional period, election and
26 tenure shall conform to those in other municipalities of the
27 same kind and class in the Commonwealth, with properly
28 staggered terms, where those are required or desired.

29 (4) The agreement shall provide for common
30 administration and enforcement, during the two-year

1 transitional period referred to in section 409, by the
2 officer or officers of the consolidated municipality named in
3 the agreement of those ordinances that are to be enforced
4 separately within the former constituent municipalities.

5 (c) Filing of agreement.--A copy of the consolidation or
6 merger agreement shall be filed with the commission, the
7 Legislative Reapportionment Commission, the Local Government
8 Commission, the State Planning Board, the State Tax Equalization
9 Board, the Department of Community Affairs, the Department of
10 Education, the Department of Transportation, court of common
11 pleas and the board of county commissioners of the county or
12 counties in which municipalities affected are located.

13 Section 407. Effectuation of consolidation or merger.

14 (a) Election of officers.--The municipalities so
15 consolidated or merged shall continue to be governed as before
16 consolidation or merger until the first Monday of January
17 following the municipal election next succeeding the election at
18 which consolidation or merger referenda were held. At that
19 municipal election, the necessary officers of the consolidated
20 municipality shall be elected in accordance with the terms of
21 the general law affecting municipalities of the kind or class of
22 the consolidated or merged municipality, or, in case of a
23 consolidated or merged municipality operating under a home rule
24 charter or optional plan of government, in accordance with the
25 charter or optional plan or with general law affecting home rule
26 or optional plan municipalities, as applicable.

27 (b) Terms.--The officers elected at that municipal election
28 shall be elected for terms of office under the plan and schedule
29 set out in the consolidation or merger agreement authorized by
30 section 402 or 406. They shall take office as officers of the

1 merged municipality on the first Monday of January following the
2 municipal election at which they were elected, and, thereupon,
3 the consolidated or merged municipality shall begin to function
4 and the former municipalities so consolidated or merged shall be
5 abolished.

6 Section 408. Effect of transition on employees of the
7 consolidated or merged municipality.

8 As of the date when a consolidated or merged municipality
9 shall begin to function, except for those officers and employees
10 which are protected by any tenure of office or civil service
11 provision, all other appointive offices and positions then
12 existing in all former municipalities involved in the
13 consolidation or merger shall be disposed of in accordance with
14 the terms of the consolidation or merger agreement. Provisions
15 shall be made for instances in which there is duplication of
16 positions, included but not limited to chief of police or
17 manager and to such other matters as varying length of employee
18 contracts, different civil service regulations in the
19 constituent municipalities and differing ranks and position
20 classifications for similar positions.

21 Section 409. Effect of consolidation or merger.

22 (a) Status of ordinances.--Except for ordinances which by
23 the very nature of their provisions could not be carried out
24 after the consolidation or merger, the ordinances in force in
25 each of the constituent municipalities at the time of the
26 consolidation or merger shall continue in force throughout the
27 territory for which they were originally enacted until replaced
28 or repealed by the governing body of the consolidated or merged
29 municipality. Ordinances remaining in effect shall be subject to
30 any common administrative and enforcement arrangements contained

1 in the consolidation agreement. After the consolidation or
2 merger becomes effective, a new ordinance book shall be used by
3 the municipality and the first document to be recorded in it
4 shall be the consolidation agreement. No later than two years
5 after the consolidation or merger goes into effect, codification
6 of all the ordinances of the constituent municipalities shall be
7 completed. This shall include new provisions uniform throughout
8 the new municipality when needed, the repeal of obsolete
9 material and tabulation or indexing of those ordinances of the
10 constituent municipalities that are of permanent effect.

11 (b) Vesting in consolidated or merged municipality.--All
12 rights, privileges and franchises of each of the constituent
13 municipalities and all property, real, personal and mixed
14 belonging to each of those municipalities shall be vested in the
15 consolidated or merged municipality. The title to real estate
16 vested in any of those municipalities shall not revert or be in
17 any way impaired by reason of the consolidation or merger. All
18 rights of creditors and liens shall be preserved. All agreements
19 and contracts shall remain in force. All debts, liabilities and
20 duties of each of the municipalities shall be attached to the
21 consolidated or merged municipality and may be enforced against
22 it.

23 CHAPTER 5

24 INCORPORATION

25 Section 501. Procedure for incorporation.

26 A new municipality may be incorporated by initiative and
27 referendum from contiguous territory of all or part of an
28 existing municipality or municipalities. Incorporation proposals
29 which include a part of a municipality shall receive the
30 approval of the commission before they are submitted for

1 referendum.

2 Section 502. Petition for incorporation.

3 (a) Submission and signatures.--The petition for
4 incorporation of a municipality shall be submitted to the
5 commission. The petition shall be signed by:

6 (1) Electors comprising at least 5% of the electors in
7 each municipality, respectively, voting for the office of
8 Governor in the last gubernatorial general election within
9 each municipality proposed for incorporation.

10 (2) The freeholders in each municipality or part thereof
11 who represent at least 50% of the assessed valuation of real
12 property within each municipality or part thereof proposed
13 for incorporation, as certified by the board or boards of
14 county commissioners.

15 A majority in interest of owners of undivided interests in any
16 piece of property shall be deemed and treated as one person for
17 the purpose of ascertaining the number of freeholders.

18 (b) Time limitation.--Once the circulation of a petition has
19 begun, the petition shall be submitted to the commission within
20 21 days. Failure to do so within the prescribed time limit shall
21 invalidate the petition. Presentation of a receipt indicating
22 that the petition was mailed by registered or certified mail on
23 or before the deadline date shall be evidence of timely filing.

24 Section 503. Incorporation petition.

25 The petition for incorporation to the commission shall be in
26 such form and shall contain such information as the commission
27 may require.

28 Section 504. Study and report on petition for incorporation.

29 The commission shall make a study of the petition for
30 incorporation and shall submit its recommendations, within six

1 months after receipt of the petition, to the person in each
2 municipality who submitted the petition, to the governing bodies
3 of the municipalities affected and to the board or boards of
4 county commissioners of the territory affected by the proposed
5 incorporation.

6 Section 505. Incorporation election.

7 (a) Submission of question.--The commission shall cause a
8 question relating to the proposed incorporation to be submitted
9 to the electorate of the territory proposed for incorporation.
10 The commission shall not cause to be submitted for referendum
11 any incorporation proposal affecting less than an entire
12 municipality unless the proposal has been approved by the
13 commission.

14 (b) Conduct of election.--The election shall be held at the
15 next primary, municipal or general election not less than the
16 13th Tuesday after the commission has requested the appropriate
17 county board or boards of election to place the question on the
18 ballot. The election shall be conducted under the provisions of
19 the act of June 3, 1937 (P.L.1333, No.320), known as the
20 Pennsylvania Election Code. In the case of a referendum on the
21 incorporation of territory not constituting an entire existing
22 municipality or one or more entire existing wards, the county
23 board of elections shall prescribe the procedure to be followed.

24 (c) Election return.--If a majority of the electors voting
25 on such question in each of the municipalities affected shall
26 vote in favor of such incorporation or, where a proposal
27 affecting less than an entire municipality has been approved by
28 the commission, if a majority of the electors voting upon such
29 question in the territory proposed for incorporation shall vote
30 in favor of such incorporation, it shall be deemed final.

1 (d) Certification.--Certification of the vote favorable to
2 incorporate shall be made by the county board of elections to
3 the governing bodies of the municipalities affected, to the
4 appropriate board or boards of county commissioners and to the
5 commission.

6 (e) Failure of proceeding.--If the incorporation proposal
7 includes either all or part of two or more municipalities and if
8 a majority of the persons voting on such question in any one of
9 the municipalities affected shall vote against such
10 incorporation, then the incorporation proceedings shall fail. If
11 the referendum on incorporation proceedings shall fail, the
12 question of incorporation of territory described in the
13 incorporation proposal shall not be voted on again for a period
14 of five years.

15 Section 506. Effectuation of incorporation.

16 (a) Effective date.--Incorporation shall become effective on
17 the 1st Tuesday after the 1st Monday in January following the
18 next succeeding municipal election or special election held in
19 conjunction with any primary, general or municipal election at
20 which local officials of the new municipality shall be elected.
21 At the request of the petitioners, the special election may be
22 called for by the court of common pleas which shall fix the
23 time, place and manner of holding the special election which
24 shall be in conjunction with any primary, general or municipal
25 election.

26 (b) Terms of office.--Municipal officers chosen at a special
27 election shall serve until the 1st Tuesday after the 1st Monday
28 in January following the next succeeding municipal election at
29 which time their successors shall be elected in accordance with
30 the laws covering the election of municipal officials of the

1 type and class of municipality to which the new incorporated
2 municipality belongs.

3 (c) Governing law.--The municipal election at which said
4 officials are to be elected shall be held in accordance with the
5 laws governing municipal officials of the type and class of
6 municipality to which the new municipality belongs. The election
7 of municipal officials shall be such as to provide for
8 staggering terms of office as closely in compliance as possible
9 with the governing municipal code.

10 (d) Appointment of officials.--Said election shall not be
11 held before the 13th Tuesday after certification of the
12 favorable vote to incorporate. The court of common pleas having
13 jurisdiction shall appoint from among the electors of the newly
14 incorporated municipality a judge and inspector to hold the
15 election.

16 (e) Existence of new municipality terminates old
17 municipality.--When the newly incorporated municipality shall go
18 into effect, the former municipality or municipalities shall
19 cease to exist in every case in which the entire territory of a
20 municipality or municipalities has been included in the newly
21 incorporated municipality.

22 Section 507. Assets, liabilities and indebtedness where entire
23 municipality incorporated as new municipality.

24 Where an entire municipality shall be incorporated as a new
25 municipality, all assets of the former municipality shall become
26 assets of and property of the new municipality, all indebtedness
27 of the old municipality shall be assumed by the new municipality
28 and all liabilities of the old municipality shall become
29 liabilities of the new municipality.

30 Section 508. Adjustment of assets, liabilities and indebtedness

1 where part of municipality incorporated as new
2 municipality.

3 (a) Adjustment.--Following any incorporation of part of the
4 territory of a municipality as a new municipality, the governing
5 body of the newly incorporated municipality and the governing
6 body of the municipality from which territory was incorporated
7 shall make a proper adjustment and apportionment between the two
8 municipalities of all indebtedness, assets and liabilities of
9 the municipality from which territory was incorporated, as of
10 the time of incorporation. The adjustment and apportionment
11 shall provide that both the new municipality and the original
12 municipality shall be entitled to share in a division of the
13 assets, liabilities and indebtedness in the proportion that the
14 assessed valuation of the new municipality, as determined by the
15 county board for the assessment and revision of taxes, bears to
16 the assessed valuation, as so determined, of the original
17 municipality immediately prior to the annexation.

18 (b) Assumption by annexing municipality.--Where indebtedness
19 was incurred by the municipality from which the new municipality
20 was incorporated for an improvement located wholly within the
21 newly incorporated municipality, that indebtedness shall be
22 assumed by the newly incorporated municipality. Where any part
23 of an improvement is located within the limits of the newly
24 incorporated municipality, the part of the indebtedness
25 representing that part of the improvement shall be assumed by
26 the newly incorporated municipality, and apportionment of any
27 remaining indebtedness of the original municipality shall be
28 made as provided in subsection (a).

29 (c) Written document.--The adjustment and apportionment of
30 the assets, liabilities and indebtedness shall be reduced to

1 writing, shall be executed and acknowledged by the clerk or
2 secretary of the newly incorporated municipality and shall be
3 filed with the prothonotary of the county or counties in which
4 the two municipalities are located and copies shall be filed
5 with the commission, the Legislative Reapportionment Commission,
6 the Local Government Commission, the State Planning Board, the
7 State Tax Equalization Board, the Department of Community
8 Affairs, the Department of Education, the Department of
9 Transportation and the boards of county commissioners of the
10 counties in which the two municipalities are located.

11 Section 509. Judicial adjustment on failure of agreement.

12 (a) Appeal to court.--In case the governing bodies of the
13 newly incorporated municipality and the municipality from which
14 territory was incorporated cannot, within six months after the
15 incorporation becomes effective, arrive at the adjustment and
16 apportionment of the indebtedness, assets and liabilities,
17 pursuant to section 507, the governing body, a citizen or a
18 property owner of any of the municipalities affected may appeal
19 to the court of common pleas of the county in which the
20 municipality from which territory was incorporated or the
21 greater portion of the area of that municipality is located.

22 (b) Appointment of commissioners.--The court shall thereupon
23 appoint three disinterested commissioners, who shall be
24 residents and taxpayers of the county and who shall not be
25 residents or owners of real estate in either the newly
26 incorporated municipality or the municipality from the territory
27 of which that municipality was incorporated. The commissioners
28 after hearing, notice of which shall be given to both interested
29 municipalities as directed by the court, shall proceed to make
30 the apportionment and adjustment and shall report to the court

1 stating the amount, if any, that shall be due and payable from
2 the newly incorporated municipality to the municipality from
3 which it was incorporated or from the municipality from which
4 the new municipality was incorporated, as well as the amount of
5 indebtedness, if any, that shall be assumed by the newly
6 incorporated municipality or the municipality from which it was
7 incorporated or both of them.

8 Section 510. Proceedings on judicial adjustment.

9 (a) Notice.--The commissioners shall give the incorporating
10 municipality and the municipality from which territory was
11 incorporated at least 15 days' notice of the filing of their
12 report. Unless exceptions to the report are filed, the report
13 shall be confirmed absolutely by the court. Any sum awarded by
14 the court to the incorporating municipality or to the
15 municipality from which territory has been incorporated shall be
16 a legal and valid claim in its favor against the municipality
17 charged therewith. Any property, real or personal, given to the
18 incorporating municipality or to the municipality from which
19 territory has been incorporated shall become its property. Any
20 claim or indebtedness charged against the incorporating
21 municipality or the municipality from which territory has been
22 incorporated shall be paid within one year from the date of
23 confirmation absolute.

24 (b) Exceptions.--If exceptions are filed to the report of
25 the commissioners, the court shall dispose of same and enter its
26 decree or modify the same as it appears just and proper.

27 Section 511. Compensation and expenses of commissioners.

28 The appointed commissioners shall be allowed such
29 compensation and expenses for their services as the court shall
30 fix. The compensation and expenses shall be paid to the

1 commissioners for days on which they are actually engaged in the
2 performance of their duties. The costs of the proceedings,
3 including the compensation and expenses of the commissioners,
4 shall be apportioned between the newly incorporated municipality
5 and the municipality from which territory has been incorporated
6 as it deems proper and equitable.

7 Section 512. Incorporating municipality located in two or more
8 counties.

9 If the territory of the new incorporated municipality is
10 located in two or more counties, the court of common pleas of
11 the county in which the greater portion of the territory of the
12 new incorporated municipality is located shall have exclusive
13 jurisdiction over the proceedings to determine the cost of
14 certain improvements in the territory incorporated and to adjust
15 and apportion the indebtedness between the incorporating
16 municipality and the municipality from which territory has been
17 incorporated.

18 Section 513. Liquidation of indebtedness.

19 (a) Court orders.--The court may make all necessary orders
20 for the collection by the newly incorporated municipality or by
21 the municipality from which territory was incorporated, as the
22 case may be, and payment by it to the other municipality, of its
23 share of any indebtedness apportioned to it. The order may
24 direct the municipality against which the indebtedness was
25 apportioned to levy and collect special taxes for one year or
26 pay by annual installments over a stated period of time the
27 amount needed to liquidate the indebtedness.

28 (b) Interest bearing notes.--If acceptable to the
29 municipality to which money is owed, the other municipality
30 shall have the power to issue and deliver interest-bearing bonds

1 in liquidation of the indebtedness.

2 Section 514. Collection of taxes levied prior to incorporation.

3 All taxes levied against property in the territory
4 incorporated prior to the effective date of the incorporation
5 shall be paid to the municipality from which territory has been
6 incorporated and the collection and enforcement shall be as
7 though the incorporation had not taken place.

8 Section 515. Crossing county lines.

9 Where the newly incorporated municipality is located in more
10 than one county, the county board of elections and the court of
11 common pleas in the county in which the greater part of the
12 territory of the newly incorporated municipality is located
13 shall furnish official information relating to the incorporation
14 to their counterparts in the other county or counties concerned.

15 Section 516. Election districts and officers.

16 Except for any temporary arrangements for the purpose of a
17 referendum under section 505, all election districts in the
18 newly incorporated territory shall remain as constituted before
19 the incorporation and shall become election districts of the
20 incorporating municipality until changed in accordance with the
21 act of June 3, 1937 (P.L.1333, No.320), known as the
22 Pennsylvania Election Code. All election district officers shall
23 continue in office until the expiration of their terms, unless
24 the office is vacated.

25 CHAPTER 6

26 REPEALS AND EFFECTIVE DATE

27 Section 601. Repeals.

28 (a) The following acts and parts of acts are repealed:

29 Act of April 22, 1903 (P.L.247, No.183), entitled "An act
30 enabling the burgess and council of any borough or incorporated

1 town, by ordinance, to annex to the borough or incorporated town
2 adjacent territory, upon petition of a majority of the freehold
3 owners thereof."

4 Act of April 28, 1903 (P.L.332, No.260), entitled "An act for
5 the annexation of any city, borough, township, or part of a
6 township, to a contiguous city, and providing for the
7 indebtedness of the same."

8 Act of February 7, 1906 (P.L.7, No.1), entitled "An act to
9 enable cities that are now, or may hereafter be, contiguous or
10 in close proximity, to be united, with any intervening land
11 other than boroughs, in one municipality; providing for the
12 consequences of such consolidation, the temporary government of
13 the consolidated city, payment of the indebtedness of each of
14 the united territories, and the enforcement of debts and claims
15 due to or from each."

16 Act of May 28, 1907 (P.L.295, No.223), entitled "A supplement
17 to an act, entitled 'An act for the annexation of any city,
18 borough, township, or part of a township, to a contiguous city,
19 and providing for the indebtedness of the same,' approved the
20 twenty-eighth day of April, Anno Domini one thousand nine
21 hundred and three; to enable territory now annexed, or which may
22 hereafter be annexed under the provisions of said act, to be
23 arranged and erected into a ward, or wards, of the city to which
24 it is annexed; and providing the procedure for that purpose, and
25 for the proper representation of the ward or wards erected."

26 Act of June 1, 1907 (P.L.377, No.271), entitled "A supplement
27 to an act, approved April twenty-eighth, one thousand nine
28 hundred three, entitled 'An act for the annexation of any city,
29 borough, township, or part of a township, to a contiguous city,
30 and providing for the indebtedness of the same,' providing for

1 the preservation of rights of creditors and of liens, and for
2 funding the debt of the municipality or school district
3 annexed."

4 Act of May 6, 1915 (P.L.260, No.152), entitled "A supplement
5 to an act approved the seventh day of February, one thousand
6 nine hundred and six, entitled 'An act to enable cities that are
7 now or may hereafter be contiguous or in close proximity, to be
8 united with any intervening land, other than boroughs, in one
9 municipality; providing for the consequences of such
10 consolidation, the temporary government of the consolidated
11 city, payment of the indebtedness of each of the united
12 territories, and the enforcement of debts and claims due to or
13 from each,' by providing that the indebtedness of each city and
14 intervening land, heretofore or hereafter united or consolidated
15 under the provisions of said act, shall be paid by the
16 consolidated city, and for the levying of a uniform tax, upon
17 all the territory included within the consolidated city, for the
18 payment of the same."

19 Act of May 6, 1915 (P.L.272, No.167), entitled "A supplement
20 to an act, approved the twenty-eight day of April, one thousand
21 nine hundred and three, entitled 'An act for the annexation of
22 any city, borough, township, or part of a township, to a
23 contiguous city, and providing for the indebtedness of the
24 same,' by providing that any city, heretofore or hereafter
25 enlarged by any annexation under the terms of said act, shall be
26 liable for and shall pay the indebtedness of such city and the
27 territory so annexed; and providing for the levying of a uniform
28 tax upon all the territory included within such city as enlarged
29 by such annexation, for the payment of all such indebtedness."

30 Act of May 31, 1923 (P.L.473, No.258), entitled "An act

1 authorizing the annexation to cities of the second class of
2 portions of townships not exceeding one hundred acres in area
3 and totally surrounded by said cities; and providing for the
4 division of the assets and liabilities of said townships."

5 Act of May 12, 1925 (P.L.596, No.320), entitled "An act
6 providing for the alteration of the boundaries of counties in
7 certain cases for the adjustment of the indebtedness thereof;
8 providing the effect thereof."

9 Sections 201, 202, 203, 204, 205, 206, 207, 208, 209, 210,
10 250, 251, 252, 253, 254, 255, 501, 502, 503, 504, 505, 506, 515,
11 516, 517, 518, 525, 526, 535, 536, 540, 541, 542, 543, 544, 545,
12 550, 551, 560, 561, 562, 570 and 580 of the act of June 23, 1931
13 (P.L.932, No.317), known as The Third Class City Code, reenacted
14 and amended June 28, 1951 (P.L.662, No.164).

15 Sections 210, 211, 212, 213, 214, 216, 217, 218 and 219 of
16 the act of June 24, 1931 (P.L.1206, No.331), known as The First
17 Class Township Code, reenacted and amended May 27, 1949
18 (P.L.1955, No.569).

19 Sections 205, 206, 207, 208, 209, 210, 211, 211.1, 212, 213,
20 214 and 215 of the act of May 1, 1933 (P.L.103, No.69), known as
21 The Second Class Township Code, reenacted and amended July 10,
22 1947 (P.L.1481, No.567).

23 Sections 2(c) and 3 of the act of May 29, 1935 (P.L.244,
24 No.102), entitled "An act creating a Local Government Commission
25 to study and report on functions of local government; their
26 allocation and elimination; the cost of local government and
27 means of reducing it; and the consolidation of local government;
28 and making an appropriation."

29 Act of May 13, 1937 (P.L.620, No.161), entitled "An act
30 requiring the consent of the electors of a township of the first

1 class when such township, or any part thereof, is to be annexed
2 to a contiguous borough or city."

3 Act of July 2, 1937 (P.L.2803, No.588), entitled "An act
4 providing a method of annexation of townships of the first
5 class, and parts thereof, to cities and boroughs, and regulating
6 the proceedings pertaining thereto," sections 1 through 9
7 reenacted and amended May 9, 1951 (P.L.225, No.34).

8 Act of June 15, 1939 (P.L.372, No.217), entitled "An act
9 affecting cities of the second class A, authorizing the
10 annexation of boroughs and townships thereto under certain
11 conditions, and, in connection therewith, placing duties upon or
12 affecting courts of quarter sessions, county boards of
13 elections, and officers of boroughs, townships, and cities of
14 the second class A, and providing for the payment of the
15 indebtedness of the various territorial units involved."

16 Act of July 20, 1953 (P.L.550, No.145), entitled "An act
17 providing for and regulating the annexation of parts of a second
18 class township to boroughs, cities and townships."

19 Articles II and IV of the act of February 1, 1966 (1965
20 P.L.1656, No.581), known as The Borough Code.

21 (b) All other acts and parts of acts are repealed insofar as
22 they are inconsistent with this act.

23 Section 602. Application to procedures previously initiated.

24 Where initiative and referendum proceedings under the second
25 paragraph of section 8 of Article IX of the Constitution of
26 Pennsylvania were commenced in any municipality before the
27 effective date of this act, those proceedings may continue just
28 as if this act had not been passed. Insofar as this act sets
29 forth procedures, conditions and requirements applicable
30 following a referendum on the question of consolidation, merger

1 or boundary change, this act shall apply in any municipality
2 where those referendum proceedings had been commenced or where
3 the electors had voted in the affirmative or in the negative in
4 any such referendum before the effective date of this act.

5 Section 603. Effective date.

6 This act shall take effect in 90 days.