
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL
No. 1075 Session of
1989

INTRODUCED BY WOZNIAK, TRICH, SERAFINI AND MELIO, APRIL 10, 1989

REFERRED TO COMMITTEE ON LOCAL GOVERNMENT, APRIL 10, 1989

AN ACT

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

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

10 CHAPTER 1

11 GENERAL PROVISIONS

12 Section 101. Short title.

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

15 Section 102. Definitions.

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

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

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

27 "Annexing municipality." Any municipality to which territory
28 shall be or shall be proposed to be annexed or attached. The
29 annexing municipality may be, but need not necessarily be,
30 located in the same county as the annexed municipality.

1 "Commission." The Boundary Change Commission.

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

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

7 "Contiguous territory." A territory or area of which a
8 portion abuts the boundary of another municipality, including
9 territory or area separated from the exact boundary of another
10 municipality by a street, road, railroad or highway or by a
11 river or other natural or artificial stream of water.

12 "Department." The Department of Community Affairs of the
13 Commonwealth.

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

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

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

25 "Election officials." The county boards of election, except
26 in a city of the first class where "election officials" means
27 the city board of elections.

28 "Existing municipality." A municipality from which territory
29 or area is proposed to be annexed.

30 "Incorporation." The creation of a new municipality from all

1 or part of the territory or area of an existing municipality or
2 municipalities.

3 "Initiative." As defined in sections 321 and 403, initiative
4 shall mean the filing with applicable election officials of a
5 petition containing a proposal for a referendum to be placed on
6 the ballot of the next election. The petition shall be:

7 (1) Filed not later than the 13th Tuesday prior to the
8 next election in which it will appear on the ballot.

9 (2) Signed by voters comprising 5% of the persons voting
10 for the Office of Governor in the last gubernatorial general
11 election in the municipality where the proposal will appear
12 on the ballot.

13 (3) Placed on the ballot by election officials in a
14 manner fairly representing the content of the petition for
15 decision by referendum at said election.

16 (4) Submitted not more than once in five years.

17 "Municipality." Any city, borough, incorporated town,
18 township of the first class, township of the second class, home
19 rule municipality or any general purpose unit of government
20 hereinafter created by the General Assembly. The term shall not
21 include any county.

22 "Referendum." Placement of a question inserted on the
23 ballot, by initiative or otherwise, by a majority vote of the
24 electors voting thereon.

25 Section 103. Interpretation.

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

30 (b) Municipalities in more than one county.--When any

1 boundary change shall be made under the provisions of this act
2 which shall result in a municipality which lies partly in one
3 county and partly in one or more other counties, the territory
4 or area within such municipality shall, for county and
5 institution district purposes, be and remain a part of the
6 county in which such territory is physically located.

7 (c) School districts not affected.--Nothing in this act, and
8 no action taken pursuant to this act, shall affect or apply to
9 any school district or any school district boundary. Nothing in
10 this act shall preclude further action from being taken under
11 the provisions of the act of March 10, 1949 (P.L.30, No.14),
12 known as the Public School Code of 1949, or other applicable
13 provisions of the law to change school district boundaries or
14 locations.

15 Section 104. Applicability.

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

18 CHAPTER 2

19 BOUNDARY CHANGE COMMISSION

20 Section 201. Boundary Change Commission.

21 (a) Composition.--The Boundary Change Commission is created
22 and shall be composed of 11 members, three of whom are to be
23 appointed by the Governor, two of whom are to be appointed by
24 the President pro tempore of the Senate, two members appointed
25 by the Minority Leader of the Senate, two members appointed by
26 the Speaker of the House of Representatives and two members
27 appointed by the Minority Leader of the House of
28 Representatives. The members of the commission appointed by each
29 of the appointing powers shall not be of the same political
30 party. Commission members shall not be members of the General

1 Assembly. The chairman of the commission shall be elected by a
2 majority vote of the commission members.

3 (b) Terms.--The commission members shall be appointed as to
4 provide for staggered terms to begin on January 1, 1990, and
5 each shall serve until his successor is qualified. Initially,
6 the three members appointed by the Governor shall be appointed
7 for a term of four years. The two members appointed by the
8 President pro tempore of the Senate and the Speaker of the House
9 of Representatives respectively shall be appointed for a term of
10 three years. The two members appointed by the Senate and House
11 Minority Leaders respectively shall be appointed for a term of
12 two years. Thereafter, terms of each member of the commission
13 shall be for a period of four years.

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

17 Section 202. Conduct of business.

18 The commission shall meet quarterly in the city of
19 Harrisburg, except as required for the conduct of public
20 hearings within the territory or area proposed for boundary
21 change actions. The commission shall promulgate rules and
22 regulations and prescribe procedures necessary or desirable in
23 carrying out the intent and purpose of this act, including forms
24 of petitions for municipal boundary changes and the documents,
25 maps and supporting statements deemed to be necessary, and
26 establish rules for public hearings and for the submission of
27 supplementary documents and statements. The commission is
28 subject to the meeting requirements of the act of July 3, 1986
29 (P.L.388, No.84), known as the Sunshine Act. The commission
30 shall keep a record of all proceedings and shall annually, by

1 July 31, make a written report of its business and activities to
2 the Governor, the General Assembly, the Governor's Office of
3 Policy Development or its successor, the Department of
4 Transportation, the Department of Community Affairs, the
5 Department of Education, the State Tax Equalization Board, the
6 Legislative Reapportionment Commission and the court of common
7 pleas and the board of county commissioners of the county or
8 counties in which municipalities affected are located.

9 Section 203. Powers and duties.

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

11 (1) To make studies of proposed local boundary changes
12 that are referred to it by ordinance of the governing bodies
13 of municipalities contemplating a procedure for boundary
14 change, or by a petition signed by at least 5% of the
15 registered electors of a municipality directly affected by
16 the proposed study and advise the municipalities thereon, or
17 on its own initiative. The governing body of any municipality
18 may at any time request the commission to make a study of any
19 proposal for boundary changes affecting the municipality.

20 Such request may also be made jointly by the governing bodies
21 of all the municipalities directly affected by such a
22 proposal.

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

25 (3) To set up a system of State and local reporting and
26 recording of local boundary changes, and of proposals
27 relating to local boundary changes. No boundary change shall
28 be considered final until official copies of all ordinances,
29 petitions and pertinent election returns and other official
30 documents relating to local boundary changes are deposited

1 with the commission and the applicable court of common pleas.

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

6 (5) To make studies of boundary change proposals, other
7 than those effected through the process of initiative and
8 referendum, which involve detachment of territory from a
9 municipality.

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

12 (7) To receive recommendations for applicable boundary
13 changes from a financial plan adopted by a distressed
14 municipality pursuant to the act of July 10, 1987 (P.L.246,
15 No.47), known as the Financially Distressed Municipalities
16 Act.

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.

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

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

8 (4) The ability of any detaching municipality to assume
9 a share of the existing indebtedness and to purchase public
10 property, as provided in sections 333 and 507.

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

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

20 Section 205. Findings of effect of detachment.

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

26 (1) Direct that there be no further action on the
27 original incorporation or annexation petition and initiate a
28 referendum in the affected municipalities for incorporation
29 or consolidation of the entire area of the affected
30 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 commission. Notice of each
14 proposal shall be forwarded to the chairman of the commission,
15 who may then administratively assign the proposal to a panel
16 composed of not more than seven and not less than three members
17 of the commission who are not residents of the municipalities
18 affected.

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

25 (c) Remuneration of members.--The members of the panel and
26 commission shall be paid \$100 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 for the
2 conduct and Senate of Pennsylvania as they may of
3 investigations, hearings and determinations. Any salaried
4 persons who are loaned to the commission by the department will
5 not be paid additional compensation except for actual expenses
6 which are incurred while attending these functions, in which
7 case they will be reimbursed.

8 Section 207. Costs of commission.

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

17 CHAPTER 3

18 ANNEXATION

19 SUBCHAPTER A

20 GENERAL PROVISIONS

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 SUBCHAPTER B

PETITION TO COMMISSION

Section 311. Petition to commission.

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

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

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

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

1 (2) A statement setting forth the plans of the
2 municipality for extending to the territory proposed for
3 annexation the municipal services performed within the
4 annexing municipality at the time of annexation.

5 Specifically, such plans shall:

6 (i) Conform to the standards of service as
7 determined by the commission.

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

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

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

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

27 (3) A statement specifying a place or places within any
28 annexing municipality affected by the proposed annexation
29 where copies of the petition and the resolution of intent can
30 be examined by interested individuals and public officials

1 for a period of at least 30 days following submission of the
2 petition to the commission.

3 Section 312. Notice of annexation proposal.

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

8 Section 313. Study and report of petition for annexation.

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

20 Section 314. Annexation of property of annexing municipality or
21 municipal authority created solely thereby.

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

27 SUBCHAPTER C

28 ACTION BY GOVERNING BODIES

29 Section 321. Transfer or exchange of territory by agreement of
30 adjacent municipalities.

1 Whenever the governing bodies of two adjacent municipalities
2 shall agree that it is to the best interest of each municipality
3 or that the convenience of the inhabitants thereof would best be
4 served thereby, territory or area may be transferred from one of
5 such adjacent municipalities to the other, or territory or area
6 may be exchanged between such two adjacent municipalities, upon
7 enactment of an ordinance to that effect by each of the two
8 municipalities, and change in the boundaries and territorial
9 limits of the said municipalities shall be affected thereby. No
10 petition from freeholders or residents shall be necessary to
11 initiate such transfer or exchange.

12 Section 322. Content of ordinances.

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

19 Section 323. Responsibilities of annexing municipality
20 following annexation.

21 Within 30 days after final enactment of any ordinance
22 effecting an annexation pursuant to this act, the governing body
23 of the annexing municipality shall perform all of the following
24 acts:

25 (1) Assign a distinctive designation to the annexed
26 territory or area, for use in referring thereto.

27 (2) File with the court of common pleas of the county a
28 certified copy of the ordinance by which the change was
29 effected, together with a plot showing the courses and
30 distances of the boundaries of the annexing municipality

1 before and after the change and clearly indicating the
2 designation, as mentioned in paragraph (1), by which the
3 annexed area is to be known. If the territory annexed and the
4 annexing municipality are located in different counties, such
5 documents and information shall be filed with the
6 prothonotary of each of the counties. The change in
7 boundaries shall take effect 30 days after the date on which
8 such documents are filed in the county in which the annexing
9 municipality or the larger portion of the territory of the
10 annexing municipality is located, unless:

11 (i) That date is within 90 days prior to any
12 general, municipal or primary election, in which case the
13 change shall take effect as of the day following the
14 election.

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

20 (3) Give notice to the county board of elections of the
21 filing with the court of common pleas of the documents
22 mentioned in paragraph (2).

23 (4) File with the commission, the Legislative
24 Reapportionment Commission, Governor's Office of Policy
25 Development or its successor, the State Tax Equalization
26 Board, the Department of Community Affairs, the Department of
27 Education, the Department of Transportation and the court of
28 common pleas and the board of county commissioners of the
29 county or counties in which the municipalities affected are
30 located a final report of the annexation. The final report

1 shall set forth:

2 (i) The name of the annexing municipality.

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

4 (iii) The total assessed valuation of the annexed
5 territory.

6 (iv) The approximate population of the annexed
7 territory.

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

10 Section 324. Appeals.

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

1 dismissing the annexation. From any final order or decree, any
2 party in interest, aggrieved by the order or decree, may appeal
3 to the Commonwealth Court. Upon final determination and approval
4 of the ordinance by the court of common pleas or by the
5 Commonwealth Court, the annexation shall take effect
6 immediately.

7 SUBCHAPTER D

8 INITIATIVE AND REFERENDUM

9 Section 331. Annexation by initiative and referendum.

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

15 (b) Initiation of referendum.--The referendum shall be
16 initiated by:

17 (1) Filing with the county board of elections of the
18 county in which the territory proposed to be annexed is
19 located, on or before the 13th Tuesday before the next
20 primary, municipal or general election, a petition for
21 referendum signed by electors comprising 5% of the number of
22 electors voting for the office of Governor in the last
23 gubernatorial general election in the municipality within
24 which the proposed territory to be annexed is located.

25 (2) Filing with the county board of elections of the
26 county in which the annexing municipality, or the greater
27 portion of the territory thereof, is located, on or before
28 the 13th Tuesday before the next primary, municipal or
29 general election, a petition for referendum signed by
30 electors comprising 5% of the number of electors voting for

1 the office of Governor in the last gubernatorial general
2 election in the annexing municipality.

3 (c) Contents of petition.--The petition and proceedings
4 therein shall be in the manner and subject to the provisions of
5 the election law which relate to the signing, filing and
6 adjudication of nomination petitions insofar as such provisions
7 are applicable, except that no referendum petition shall be
8 signed or circulated prior to the 20th Tuesday before the
9 election, nor later than the 13th Tuesday before the election.

10 (d) Review.--When the applicable election officials find
11 that the petition, as submitted, is in proper order, they shall
12 send copies of the initiative petition without the signatures to
13 the governing bodies of both the annexing municipality and the
14 municipality within which the proposed territory to be annexed
15 is located and to the commission.

16 (e) Ballot placement.--The applicable election official
17 shall place the proposal for such annexation on the ballot in
18 both the annexing municipality and the municipality within which
19 the proposed territory to be annexed is located in a manner
20 fairly representing the content of the petition for decision by
21 referendum at the next primary, municipal or general election,
22 occurring not less than the 13th Tuesday after the filing of
23 such petition.

24 (f) Election returns.--If there shall be a favorable vote in
25 such referendum in both the annexing municipality and the
26 municipality within which the proposed territory to be annexed
27 is located, the annexation shall become effective upon
28 certification by the county board of elections of the county or
29 counties involved in the vote. If the vote shall fail in either
30 the annexing municipality, the municipality in which the

1 territory or area is to be annexed, or both, the question of
2 annexation described in the annexation proposal shall not be
3 voted on again for a period of five years.

4 Section 332. Distribution of annexed territory among wards.

5 (a) Municipalities where governing body members not elected
6 at large.--In the case of an annexing municipality with a
7 governing body not elected entirely at large, the governing body
8 of the annexing municipality shall, within 30 days after the
9 effective date of the annexation, petition the court of common
10 pleas of the county in which the annexed territory is located
11 requesting:

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

14 (2) The distribution of the annexed territory among the
15 wards of the annexing municipality.

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

18 The court shall make the necessary decree which shall include
19 establishing or changing election districts to conform to new
20 ward lines and shall furnish a copy of the decree to the
21 governing body of the annexing municipality, the county board of
22 elections of the county in which the annexing municipality is
23 located, the county board of elections of the county in which
24 the annexed territory is located, the school district in which
25 the ward or wards are located, the Secretary of the
26 Commonwealth, the Secretary of Community Affairs and the
27 Legislative Reapportionment Committee.

28 (b) New wards created.--In case one or more new wards is
29 created in the annexing municipality, the decree of the court
30 shall state the number by which each new ward is to be

1 designated and shall contain a plan and schedule for the
2 appointment or election of the first members of the governing
3 body of the annexing municipality from each of the new wards so
4 that, either immediately or after a transitional period, the
5 election and tenure of the members of the governing body from
6 the new odd-numbered wards and the new even-numbered wards, as
7 the case may be, shall conform to those of the existing odd-
8 numbered wards and even-numbered wards in the annexing
9 municipality.

10 Section 333. Adjustment of indebtedness, assets and liabilities
11 following annexation.

12 (a) Adjustment.--Following any annexation of territory, the
13 governing body of the annexing municipality and the governing
14 body of the municipality from which the territory was annexed
15 shall make a proper adjustment and apportionment between them of
16 all indebtedness, assets and liabilities of the annexed
17 municipality at the time of the annexation. The adjustment and
18 apportionment shall provide that the annexing municipality and
19 the municipality from which the territory or area was annexed
20 shall be entitled to share in a division of the assets,
21 liabilities and indebtedness in the proportion that the assessed
22 valuation, as determined by the county board for the assessment
23 and revision of taxes, of the annexed portion of the
24 municipality from which the territory or area was annexed bears
25 to the assessed valuation of the entire municipality from which
26 the territory was annexed immediately prior to the annexation.

27 (b) Assumption by annexing municipality.--Where indebtedness
28 was incurred by the municipality from which the territory or
29 area was annexed for an improvement located wholly within the
30 limits of the territory or area annexed, that indebtedness shall

1 be assumed by the annexing municipality and where any part of an
2 improvement is located within the limits of the annexed
3 territory or area, the part of the indebtedness representing
4 that part of the improvement shall be assumed by the annexing
5 municipality; and the adjustment and apportionment of any
6 remaining indebtedness of the municipality from which the
7 territory or area was annexed shall be made as provided in this
8 subsection.

9 (c) Written document.--The adjustment and apportionment of
10 assets, liabilities and indebtedness shall be reduced to
11 writing, shall be executed and acknowledged by the clerk or
12 secretary of the annexing municipality and shall be filed with
13 the prothonotary of the county or counties in which any
14 municipality affected is located and a copy shall be filed with
15 the department.

16 Section 324. Judicial adjustment on failure of agreement.

17 When the governing bodies of the municipalities affected
18 cannot, within six months after the annexation becomes
19 effective, arrive at the adjustment and apportionment of
20 indebtedness, assets and liabilities, as required by section
21 333, the governing body, a citizen, or a property owner of any
22 of the municipalities affected may appeal to the court of common
23 pleas of the county in which the annexing municipality, or the
24 greater portion of its territory or area, is located. The court
25 shall then appoint three disinterested commissioners who shall
26 be residents and taxpayers of the county and who shall not be
27 residents or owners of real estate in the municipalities
28 affected. Those commissioners, after hearing, notice of which
29 shall be given to the municipalities affected as directed by the
30 court, shall proceed to make the apportionment and adjustment

1 and shall report to the court, stating the amount, if any, that
2 shall be due and payable from one municipality affected to
3 another, as well as the amount of indebtedness, if any, that
4 shall be assumed by the municipality affected, or both.

5 Section 335. Proceedings on judicial adjustment.

6 The commissioners appointed under the terms of section 334
7 shall give the affected municipalities at least five days'
8 notice of the filing of their report. Unless exceptions to the
9 report are filed within 30 days after the date when it was
10 filed, the report shall be confirmed absolutely by the court.
11 Any sum awarded by the report to any municipality shall be a
12 legal and valid claim in its favor against the other
13 municipality. Any real or personal property awarded to any
14 municipality shall become its property. Any claim of
15 indebtedness charged against a municipality may be collected
16 from that municipality by its creditors.

17 Section 336. Exceptions to report.

18 In case exceptions are filed to the report of the
19 commissioners appointed pursuant to section 334, the court shall
20 dispose of the same, taking testimony if deemed advisable. The
21 court shall enter its decree confirming or modifying the report
22 of the commissioners, as to the court appears just and proper.
23 The decision of the court shall be final unless an appeal is
24 taken to the Commonwealth Court as provided by law.

25 Section 337. Compensation and expenses of commissioners.

26 The court-appointed commissioners shall be allowed such
27 compensation and expenses for their services as the court shall
28 fix. The costs of the proceedings, including the compensation
29 and expenses of the commissioners, shall be apportioned among
30 the municipalities involved as the court deems proper and

1 equitable.

2 Section 338. Annexing municipality located in two or more
3 counties.

4 In case the territory or area of an annexing municipality is
5 located in two or more counties, the court of common pleas of
6 the county in which the greater portion of the territory or area
7 of the annexing municipality is located shall have exclusive
8 jurisdiction over the proceedings to determine the cost of
9 certain improvements in the annexed territory or area and to
10 adjust and apportion the indebtedness among the municipalities
11 affected.

12 Section 339. Liquidation of indebtedness.

13 (a) Court orders.--The court shall make all necessary orders
14 for the collection by any municipality affected and payment by
15 it to any other municipality affected of its share of any
16 indebtedness apportioned to it. The order may direct that the
17 municipality against which the indebtedness was apportioned levy
18 and collect special taxes for one year or pay by annual
19 installments over a stated period of time, the amount needed to
20 liquidate the indebtedness.

21 (b) Interest-bearing notes.--If acceptable to the
22 municipality to which money is owed, the other municipality
23 shall have the power to issue and deliver interest-bearing notes
24 in liquidation of the indebtedness.

25 Section 340. Collection of taxes levied prior to annexation.

26 All taxes assessed and levied against property in the annexed
27 territory or area prior to the effective date of the annexation
28 shall be paid to the municipality from which the territory or
29 area has been annexed and the collection and enforcement shall
30 be as though the annexation had not taken place.

1 Section 341. Authorized expenditures.

2 Municipalities initiating annexations under the provisions of
3 this act are authorized to make expenditures for surveys
4 required to describe the property under consideration or for any
5 other purpose necessary to plan for the study or annexation of
6 territory or area adjacent to the municipality.

7 Section 342. Crossing county lines.

8 When the municipalities affected are located in different
9 counties, the county board of elections and the court of common
10 pleas in the county where the annexing municipality is located
11 shall furnish all information relating to an annexation to their
12 counterparts in the other county or counties concerned.

13 Section 343. Election districts and officers.

14 Except as provided in section 332, all election districts in
15 the annexed territory shall remain as constituted before the
16 annexation and shall become election districts of the annexing
17 municipality until changed in accordance with the act of June 3,
18 1937 (P.L.1333, No.320), known as the Pennsylvania Election
19 Code. All election district officers shall continue in office
20 until the expiration of their terms, unless the office is
21 vacated.

22 CHAPTER 4

23 CONSOLIDATION OR MERGER

24 Section 401. Procedure for consolidation or merger.

25 (a) Authority.--Two or more municipalities may be
26 consolidated or merged as provided in this chapter into a single
27 municipality, whether situated in the same county or in two or
28 more different counties, if each of the municipalities is
29 contiguous to at least one of the other consolidating or merging
30 municipalities, and if together the municipalities would form a

1 consolidated or merged municipality.

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

4 (1) Joint agreement of the governing bodies of the
5 municipalities proposed for consolidation or merger as
6 approved by ordinance.

7 (2) Initiative of electors.

8 (3) The commission.

9 Section 402. Joint agreement of governing bodies.

10 (a) General rule.--The governing bodies of each municipality
11 to be consolidated or merged shall enter into a joint agreement
12 under the official seal of each municipality to consolidate or
13 merge into one municipality.

14 (b) Elements.--The joint agreement shall set forth:

15 (1) The names of each municipality that is party to the
16 agreement.

17 (2) The name and the territorial boundaries of the
18 consolidated or merged municipality.

19 (3) The type and class of the consolidated or merged
20 municipality.

21 (4) Whether the consolidated or merged municipality
22 shall be governed solely by the code and other general laws
23 applicable to the kind and class of the consolidated or
24 merged municipality or whether it is to be governed by a home
25 rule charter or an optional plan of government having
26 previously been adopted by one of the consolidating or
27 merging municipalities.

28 (5) The number of wards, if any, into which the
29 consolidated or merged municipality is to be divided for the
30 purpose of electing all or some of the members of the

1 municipal governing body.

2 (6) Terms for:

3 (i) The disposition of existing assets of each
4 municipality.

5 (ii) The liquidation of existing indebtedness of
6 each municipality.

7 (iii) The assumption, assignment or disposition of
8 existing liabilities of each municipality, either
9 jointly, separately or in certain defined proportions, by
10 separate rates of taxation within each of the constituent
11 municipalities until consolidation or merger becomes
12 effective pursuant to section 407.

13 (iv) The implementation of a legally consistent
14 uniform tax system throughout the consolidated or merged
15 municipality which provides revenue necessary to fund
16 required municipal services.

17 (7) The governmental organization of the consolidated or
18 merged municipality insofar as it concerns elected officers.
19 There shall be a transitional plan and schedule applicable to
20 elected officers. The transitional plan shall provide for the
21 abolition of the elected officers of each component
22 municipality and the termination of the terms of the office
23 of the elected officials of each municipality and for the
24 election of the first officers of the consolidated or merged
25 municipality so that election and tenure shall conform to
26 those in other municipalities of the same kind and class in
27 this Commonwealth with properly staggered terms where those
28 are required or desired.

29 (8) The common administration and enforcement of
30 ordinances enforced uniformly within the consolidated or

1 merged municipality.

2 Section 403. Initiative of electors.

3 (a) General rule.--In order for consolidation or merger
4 proceedings to be initiated by petition of electors, petitions
5 containing signatures of at least 5% of the electors voting for
6 the office of Governor in the last gubernatorial general
7 election in each municipality proposed to be consolidated or
8 merged shall be filed with the county board of elections of the
9 county in which the municipality, or the greater portion of the
10 territory or area thereof, is located.

11 (b) Notice to governing bodies affected.--When the
12 applicable election officials find that a petition is in proper
13 order, they shall send copies of the initiative petition without
14 the signatures thereon to the governing bodies of each of the
15 municipalities affected by the consolidation or merger.

16 (c) Contents.--A petition shall set forth:

17 (1) The name of the municipality from which the signers
18 of the petition were obtained.

19 (2) The names of the municipalities proposed to be
20 consolidated or merged.

21 (3) The name of the consolidated or merged municipality.

22 (4) The type and class of the consolidated or merged
23 municipality.

24 (5) Whether the consolidated or merged municipality
25 shall be governed solely by the code and other general laws
26 applicable to the kind and class of the consolidated or
27 merged municipality, or whether it is to be governed by a
28 home rule charter or an optional plan of government having
29 previously been adopted by one of the consolidated or merged
30 municipalities.

1 (6) The number of wards, if any, into which the
2 consolidated or merged municipality will be divided for the
3 purpose of electing all or some of the members of the
4 municipal governing body.

5 (d) Time limitation.--The consolidation or merger petition
6 shall be filed with the election officials not later than the
7 13th Tuesday prior to the next primary, municipal or general
8 election. The petition and proceedings therein shall be in the
9 manner and subject to the provisions of the election laws which
10 related to the signing, filing and adjudication of nomination
11 petitions insofar as such provisions are applicable except that
12 no referendum petition shall be signed or circulated prior to
13 the 20th Tuesday before the election, nor later than the 13th
14 Tuesday before the election.

15 Section 404. Initiation by petition to commission.

16 (a) General rule.--Petitions may be submitted to the
17 commission. The petition shall contain signatures of at least 5%
18 of the electors voting for the office of Governor in the last
19 gubernatorial general election in each municipality requesting,
20 consolidating or merging.

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

22 (1) The name of the municipality from which the signers
23 of the petition were obtained.

24 (2) The names of the municipalities proposed to be
25 consolidated or merged.

26 (3) The name of the consolidated or merged municipality.

27 (4) The type and class of the consolidated or merged
28 municipality.

29 (5) Whether the consolidated or merged municipality
30 shall be governed solely by the code and other general laws

1 applicable to the kind and class of the consolidated or
2 merged municipality, or whether it is to be governed by a
3 home rule charter or an optional plan of government having
4 previously been adopted by one of the consolidated or merged
5 municipalities.

6 (6) The number of wards, if any, into which the
7 consolidated or merged municipality will be divided for the
8 purpose of electing some or all of the members of the
9 municipal governing body.

10 (c) Time limitations.--Once the circulation of a petition
11 has begun, the petition shall be submitted to the commission
12 within seven weeks. Failure to do so within the prescribed time
13 limit shall invalidate the petition. Presentation of a receipt
14 indicating that the petition was mailed by registered or
15 certified mail on or before the deadline date shall be evidence
16 of timely filing.

17 (d) Review by commission.--Whenever such petitions shall
18 have been received by the commission, the commission shall take
19 all necessary steps to place such referendum question before the
20 electors of the municipalities proposed to be so consolidated or
21 merged. Such steps may include:

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

23 (2) Advising citizens and officials on any and all
24 matters pertaining thereto.

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

27 All studies, meetings and assistance by the commission shall be
28 completed within six months after receipt of the petitions
29 received from municipalities involved in a specific
30 consolidation or merger proposal. The completion date shall be

1 attested by the chairman of the commission in a document to be
2 filed with the Secretary of the Commonwealth.

3 Section 405. Conduct of referenda.

4 (a) Referendum.--Following initiation of proceedings for
5 consolidation or merger by the procedures set forth in either
6 section 402, 403 or 404, the question of the consolidation or
7 merger shall be placed before the electors of each of the
8 municipalities proposed to be so consolidated or merged. A
9 referendum shall be held at the first primary, municipal or
10 general election held not less than the 13th Tuesday after any
11 of the following:

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

14 (2) The date of filing of the petition filed under the
15 provisions of section 403.

16 (3) The date of completion of the work of the commission
17 under the provisions of section 404.

18 (b) Approval.--The consolidation or merger shall not be
19 effective unless the referendum question is approved by a
20 majority of electors voting in each of the municipalities in
21 which the referendum is held. If in any one of the
22 municipalities in which the referendum is held a majority in
23 favor of such consolidation or merger does not result, the
24 referendum shall fail and the consolidation or merger shall not
25 take place. The question described in the merger or
26 consolidation proposal shall not be voted on again for a period
27 of five years.

28 (c) Further studies.--If the electors of two or more
29 contiguous municipalities proposed for consolidation or merger
30 shall approve the consolidation or merger, but one or more of

1 the municipalities shall fail to approve, the commission may
2 make a study of the feasibility of consolidation or merger of
3 those municipalities approving the proposal and, in its
4 discretion may initiate a local referendum for the consolidation
5 or merger of such municipalities at the next primary, municipal
6 or general election but not less than the 13th Tuesday after the
7 commission has submitted its study to the local governing bodies
8 of the municipalities involved.

9 Section 406. Consolidation or merger agreement.

10 (a) Form.--Upon favorable action by the electorate on
11 consolidation or merger, in cases where consolidation or merger
12 was initiated other than by joint agreement of the governing
13 bodies under section 402, the governing bodies of the
14 municipalities to be consolidated or merged into a single
15 municipality shall meet within 60 days after the certification
16 of the favorable vote and shall make a consolidation or merger
17 agreement as follows:

18 (1) If the governing body, or part of the governing
19 body, of the consolidated or merged municipality is to be
20 elected on a ward basis, the agreement shall set forth the
21 boundaries and the ward designation, by number of each ward,
22 and the number of members of the municipal governing body to
23 be elected from each ward.

24 (2) The agreement shall set forth those terms for:

25 (i) The disposition of the existing assets of each
26 municipality.

27 (ii) The liquidation of the existing indebtedness of
28 each municipality.

29 (iii) The assumption, assignment and disposition of
30 the existing liabilities of each municipality, either

1 jointly, separately or in certain defined proportions, by
2 separate rates of taxation within each of constituent
3 municipalities until consolidation or merger becomes
4 effective under section 407.

5 (3) The agreement shall set forth the governmental
6 organization of the consolidated or merged municipality,
7 insofar as it concerns elected officers, and shall contain a
8 transitional plan and schedule applicable to elected
9 officers. The agreement shall provide for the abolition of
10 elected offices and for the termination of the terms of
11 office of elected officers of each municipality being merged
12 or consolidated, and the election of the first officers of
13 the consolidated or merged municipality so that election and
14 tenure shall conform to those in other municipalities of the
15 same kind and class in the Commonwealth, with properly
16 staggered terms, where those are required or desired.

17 (4) The agreement shall provide for common
18 administration and enforcement of ordinances to be enforced
19 uniformly within the consolidated or merged municipality.

20 (5) The agreement shall also provide, consistent with
21 existing law, for the implementation of a uniform tax system
22 throughout the consolidated or merged municipality which
23 shall provide the revenues necessary to fund required
24 municipal services.

25 (b) Filing.--A copy of the consolidation or merger agreement
26 shall be filed with the commission, the Legislative
27 Reapportionment Commission, the Governor's Office of Policy
28 Development or its successor, the State Tax Equalization Board,
29 the Department of Community Affairs, the Department of
30 Education, the Department of Transportation, the court of common

1 pleas and the board of county commissioners of the county or
2 counties in which municipalities affected are located.

3 Section 407. Effectuation of consolidation or merger.

4 (a) Election of officers.--Municipalities so consolidated or
5 merged shall continue to be governed as before consolidation or
6 merger until the first Monday of January following the municipal
7 election next succeeding the election at which consolidation or
8 merger referenda were held. At that municipal election, the
9 necessary officers of the consolidated municipality shall be
10 elected in accordance with the terms of the general law
11 affecting municipalities of the kind or class of the
12 consolidated or merged municipality, or, in case of a
13 consolidated or merged municipality operating under a home rule
14 charter or optional plan of government, in accordance with the
15 charter or optional plan or with general law affecting home rule
16 or optional plan municipalities, as applicable.

17 (b) Terms.--The officers elected at that municipal election
18 shall be elected for terms of office under the plan and schedule
19 set out in the consolidation or merger agreement authorized by
20 section 402 or 406, as the case may be. They shall take office
21 as officers of the consolidated or merged municipality on the
22 first Monday of January following the municipal election at
23 which they were elected, and, thereupon, the consolidated or
24 merged municipality shall begin to function and the former
25 municipalities consolidated or merged shall be abolished.

26 Section 408. Effect of transition on employees of the
27 consolidated or merged municipality.

28 As of the date when a consolidated or merged municipality
29 shall begin to function, except for those officers and employees
30 which are protected by any tenure of office, civil service

1 provision or collective bargaining agreement, all appointive
2 offices and positions then existing in all former municipalities
3 involved in the consolidation or merger shall be disposed of in
4 accordance with the terms of the consolidation or merger
5 agreement. Provisions shall be made for instances in which there
6 is duplication of positions, including, but not limited to,
7 chief of police or manager, and for such other matters as
8 varying length of employee contracts, different civil service
9 regulations in the constituent municipalities and differing
10 ranks and position classifications for similar positions.

11 Section 409. Procedures.

12 (a) Ordinance book.--After consolidation or merger become
13 effective, a new ordinance book shall be used by the
14 municipality and the first document to be recorded in it shall
15 be the consolidation or merger agreement.

16 (b) Ordinance codification.--No later than two years after
17 the consolidation or merger goes into effect, codification of
18 all the ordinances of the constituent municipalities shall be
19 completed. This shall include tabulation or indexing of those
20 ordinances of the component municipalities that are of permanent
21 effect in the consolidated or merged municipalities.

22 (c) Vesting of rights, privileges, property and
23 obligations.--All rights, privileges and franchises of each
24 component municipality and all property, real, personal and
25 mixed, belonging to each component municipality shall be vested
26 in the consolidated or merged municipality. The title to real
27 estate vested in any of those municipalities shall not revert or
28 be in any way impaired by reason of the consolidation or merger.
29 All rights of creditors and liens shall be preserved. Agreements
30 and contracts shall remain in force. Debts, liabilities and

1 duties of each of the municipalities shall be attached to the
2 consolidated or merged municipality and may be enforced against
3 it.

4 CHAPTER 5

5 INCORPORATION

6 Section 501. Procedure for incorporation.

7 A municipality may be incorporated by initiative and
8 referendum from contiguous territory of all or part of an
9 existing municipality or municipalities. Incorporation proposals
10 which include a part of a municipality shall receive the
11 approval of the commission before they are submitted for
12 referendum.

13 Section 502. Petition for incorporation.

14 (a) Submission and signatures.--The petition for
15 incorporation of a municipality shall be submitted to the
16 commission. The petition shall be signed by:

17 (1) Electors comprising at least 5% of the electors in
18 each municipality, respectively, voting for the Office of
19 Governor in the last gubernatorial general election within
20 each municipality proposed for incorporation.

21 (2) The freeholders in each municipality or part thereof
22 who represent at least 50% of the assessed valuation of real
23 property within each municipality or part thereof proposed
24 for incorporation, as certified by the board or boards of
25 county commissioners. A majority in interest of owners of
26 undivided interests in any piece of property shall be deemed
27 and treated as one person for the purpose of ascertaining the
28 number of freeholders.

29 (b) Time limitation.--Once the circulation of a petition has
30 begun, the petition shall be submitted to the commission within

1 seven weeks. Failure to do so within the prescribed time limit
2 shall invalidate the petition. Presentation of a receipt
3 indicating that the petition was mailed by registered or
4 certified mail on or before the deadline date shall be evidence
5 of timely filing.

6 Section 503. Incorporation petition.

7 The petition for incorporation to the commission shall be in
8 such form and shall contain such information as the commission
9 may require.

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

11 The commission shall make a study of the petition for
12 incorporation and shall submit its recommendations, within six
13 months after receipt of the petition, to the person in each
14 municipality who submitted the petition, to the governing bodies
15 of the municipalities affected and to the board or boards of
16 county commissioners of the territory affected by the proposed
17 incorporation.

18 Section 505. Incorporation election.

19 (a) Submission of question.--The commission shall cause a
20 question relating to the proposed incorporation to be submitted
21 to the electorate of the territory or area proposed for
22 incorporation. The commission shall not cause to be submitted
23 for referendum any incorporation proposal affecting less than an
24 entire municipality unless the proposal has been approved by the
25 commission.

26 (b) Conduct of election.--The election shall be held at the
27 next primary, municipal or general election not less than the
28 13th Tuesday after the commission has requested the appropriate
29 county board or boards of elections to place the question on the
30 ballot. The election shall be conducted under the provisions of

1 the act of June 3, 1937 (P.L.1333, No.320), known as the
2 Pennsylvania Election Code. In the case of a referendum on the
3 incorporation of territory not constituting an entire existing
4 municipality or one or more entire existing wards, the county
5 board of elections shall prescribe the procedure to be followed.

6 (c) Election return.--If a majority of the electors voting
7 on such question in each of the municipalities affected shall
8 vote in favor of such incorporation or, where a proposal
9 affecting less than an entire municipality has been approved by
10 the commission, if a majority of the electors voting upon such
11 question in the territory proposed for incorporation shall vote
12 in favor of such incorporation, it shall be deemed final.

13 (d) Certification.--Certification of the vote favorable to
14 incorporate shall be made by the county board of elections to
15 the governing bodies of the municipalities affected, to the
16 appropriate board or boards of county commissioners and to the
17 commission.

18 (e) Failure of proceeding.--If the incorporation proposal
19 includes either all or part of two or more municipalities and if
20 a majority of the persons voting on such question in the area or
21 territory affected by an incorporation in any one of the
22 municipalities affected shall vote against such incorporation,
23 then the incorporation proceedings shall fail. If the referendum
24 on incorporation proceedings shall fail, the question of
25 incorporation of territory described in the incorporation
26 proposal shall not be voted on again for a period of five years.
27 Section 506. Effectuation of incorporation.

28 (a) Effective date.--Incorporation shall become effective on
29 the first Tuesday after the first Monday in January following
30 the next succeeding municipal election or special election held

1 in conjunction with any primary, general or municipal election
2 at which local officials of the new municipality shall be
3 elected. At the request of the petitioners, the special election
4 may be called for by the court of common pleas which shall fix
5 the time, place and manner of holding the special election which
6 shall be in conjunction with any primary, general or municipal
7 election.

8 (b) Terms of office.--Municipal officers chosen at a special
9 election shall serve until the first Tuesday after the first
10 Monday in January following the next succeeding municipal
11 election at which time their successors shall be elected in
12 accordance with the laws covering the election of municipal
13 officials of the type and class of municipality to which the new
14 incorporated municipality belongs.

15 (c) Governing law.--The municipal election at which said
16 officials are to be elected shall be held in accordance with the
17 laws governing municipal officials of the type and class of
18 municipality to which the new municipality belongs. The election
19 of municipal officials shall be such as to provide for
20 staggering terms of office as closely in compliance as possible
21 with the governing municipal code.

22 (d) Appointment of officials.--The municipal election shall
23 not be held before the 13th Tuesday after certification of the
24 favorable vote to incorporate. The court of common pleas having
25 jurisdiction shall appoint from among the electors of the newly
26 incorporated municipality a judge and inspector to hold the
27 election.

28 (e) Existence of incorporated municipality terminates old
29 municipality.--When the incorporated municipality shall go into
30 effect, the former municipality or municipalities shall cease to

1 exist in every case in which the entire territory of a
2 municipality or municipalities has been included in the
3 incorporated municipality.

4 Section 507. Assets, liabilities and indebtedness where entire
5 municipality incorporated as new municipality.

6 Where an entire municipality shall be incorporated as a newly
7 created municipality, all assets of the former municipality
8 shall become assets of and property of the incorporated
9 municipality, all indebtedness of the former municipality shall
10 be assumed by the incorporated municipality and all liabilities
11 of the former municipality shall become liabilities of the
12 incorporated municipality.

13 Section 508. Adjustment of assets, liabilities and indebtedness
14 where part of a municipality becomes an
15 incorporated municipality.

16 (a) Adjustment.--Following any incorporation of part of the
17 territory or area of a municipality as a newly incorporated
18 municipality, the governing body of the newly incorporated
19 municipality and the governing body of the municipality from
20 which territory was incorporated shall make a proper adjustment
21 and apportionment between the two municipalities of all
22 indebtedness, assets and liabilities of the municipality from
23 which territory was incorporated, as of the time of
24 incorporation. The adjustment and apportionment shall provide
25 that both the new municipality and the municipality from which
26 an incorporation occurred shall be entitled to share in a
27 division of the assets, liabilities and indebtedness in the
28 proportion that the assessed valuation of the newly incorporated
29 municipality, as determined by the county board for the
30 assessment and revision of taxes, bears to the assessed

1 valuation, as so determined, of the original municipality the
2 year immediately prior to the incorporation.

3 (b) Assumption by incorporating municipality.--Where
4 indebtedness was incurred by the municipality from which the new
5 municipality was incorporated for an improvement located wholly
6 within the newly incorporated municipality, that indebtedness
7 shall be assumed by the newly incorporated municipality. Where
8 any part of an improvement is located within the limits of the
9 newly incorporated municipality, the part of the indebtedness
10 representing that part of the improvement shall be assumed by
11 the newly incorporated municipality, and apportionment of any
12 remaining indebtedness of the original municipality shall be
13 made as provided in subsection (a).

14 (c) Written document.--The adjustment and apportionment of
15 the assets, liabilities and indebtedness shall be reduced to
16 writing, shall be executed and acknowledged by the clerk or
17 secretary of the newly incorporated municipality and shall be
18 filed with the prothonotary of the county or counties in which
19 the two municipalities are located and copies shall be filed
20 with the commission, the Legislative Reapportionment Commission,
21 the Governor's Office of Policy Development or its successor,
22 the State Tax Equalization Board, the Department of Community
23 Affairs, the Department of Education, the Department of
24 Transportation and the court of common pleas and the board of
25 county commissioners of the county or counties in which the two
26 municipalities are located.

27 Section 509. Judicial adjustment on failure of agreement.

28 (a) Appeal to court.--In case the governing bodies of the
29 newly incorporated municipality and the municipality from which
30 territory was incorporated cannot, within six months after the

1 incorporation becomes effective, arrive at the adjustment and
2 apportionment of the indebtedness, assets and liabilities,
3 pursuant to section 507, the governing body, a citizen or a
4 property owner of any of the municipalities affected may appeal
5 to the court of common pleas of the county in which the
6 municipality from which territory was incorporated or the
7 greater portion of the area of that municipality is located.

8 (b) Appointment of commissioners.--The court shall thereupon
9 appoint three disinterested commissioners, who shall be
10 residents and taxpayers of the county and who shall not be
11 residents or owners of real estate in either the newly
12 incorporated municipality or the municipality from the territory
13 of which that municipality was incorporated. The commissioners,
14 after hearing, notice of which shall be given to both interested
15 municipalities as directed by the court, shall proceed to make
16 the apportionment and adjustment and shall report to the court
17 stating the amount, if any, that shall be due and payable from
18 the newly incorporated municipality to the municipality from
19 which it was incorporated or from the municipality from which
20 the new municipality was incorporated, as well as the amount of
21 indebtedness, if any, that shall be assumed by the newly
22 incorporated municipality or the municipality from which it was
23 incorporated or both of them.

24 Section 510. Proceedings on judicial adjustment.

25 (a) Notice.--The commissioners shall give the incorporating
26 municipality and the municipality from which territory was
27 incorporated at least 15 days' notice of the filing of their
28 report. Unless exceptions to the report are filed, the report
29 shall be confirmed absolutely by the court. Any sum awarded by
30 the court to the incorporating municipality or to the

1 municipality from which territory has been incorporated shall be
2 a legal and valid claim in its favor against the municipality
3 charged therewith. Any property, real or personal, given to the
4 incorporating municipality or to the municipality from which
5 territory has been incorporated shall become its property. Any
6 claim or indebtedness charged against the incorporating
7 municipality or the municipality from which territory has been
8 incorporated shall be paid within one year from the date of
9 confirmation absolute.

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

14 Section 511. Compensation and expenses of commissioners.

15 The appointed commissioners shall be allowed such
16 compensation and expenses for their services as the court shall
17 fix. The compensation and expenses shall be paid to the
18 commissioners for days on which they are actually engaged in the
19 performance of their duties. The costs of the proceedings,
20 including the compensation and expenses of the commissioners,
21 shall be apportioned between the newly incorporated municipality
22 and the municipality from which territory has been incorporated
23 as it deems proper and equitable.

24 Section 512. Incorporating municipality located in two or more
25 counties.

26 If the territory of the newly incorporated municipality is
27 located in two or more counties, the court of common pleas of
28 the county in which the greater portion of the territory of the
29 newly incorporated municipality is located shall have exclusive
30 jurisdiction over the proceedings to determine the cost of

1 certain improvements in the territory incorporated and to adjust
2 and apportion the indebtedness between the incorporating
3 municipality and the municipality from which territory has been
4 incorporated.

5 Section 513. Liquidation of indebtedness.

6 (a) Court orders.--The court may make all necessary orders
7 for the collection by the newly incorporated municipality or by
8 the municipality from which territory was incorporated, as the
9 case may be, and payment by it to the other municipality, of its
10 share of any indebtedness apportioned to it. The order may
11 direct the municipality against which the indebtedness was
12 apportioned to levy and collect special taxes for one year or
13 pay by annual installments over a stated period of time the
14 amount needed to liquidate the indebtedness.

15 (b) Interest bearing notes.--If acceptable to the
16 municipality to which money is owed, the other municipality
17 shall have the power to issue and deliver interest-bearing bonds
18 in liquidation of the indebtedness.

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

20 All taxes levied against property in the territory
21 incorporated prior to the effective date of the incorporation
22 shall be paid to the municipality from which territory has been
23 incorporated and the collection and enforcement shall be as
24 though the incorporation had not taken place.

25 Section 515. Crossing county lines.

26 Where the newly incorporated municipality is located in more
27 than one county, the county board of elections and the court of
28 common pleas in the county in which the greater part of the
29 territory of the newly incorporated municipality is located
30 shall furnish official information relating to the incorporation

1 to their counterparts in the other county or counties concerned.

2 Section 516. Election districts and officers.

3 Except for any temporary arrangements for the purpose of a
4 referendum under section 505, all election districts in the
5 newly incorporated territory shall remain as constituted before
6 the incorporation and shall become election districts of the
7 incorporating municipality until changed in accordance with the
8 act of June 3, 1937 (P.L.1333, No.320), known as the
9 Pennsylvania Election Code. All election district officers shall
10 continue in office until the expiration of their terms, unless
11 the office is vacated.

12 CHAPTER 6

13 REPEALS AND EFFECTIVE DATE

14 Section 601. Repeals.

15 (a) Specific repeals.--The following acts and parts of acts
16 are repealed:

17 Act of April 22, 1903 (P.L.247, No.183), entitled "An act
18 enabling the burgess and council of any borough or incorporated
19 town, by ordinance, to annex to the borough or incorporated town
20 adjacent territory, upon petition of a majority of the freehold
21 owners thereof."

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

26 Act of February 7, 1906 (Sp.Sess., P.L.7, No.1), entitled "An
27 act to enable cities that are now, or may hereafter be,
28 contiguous or in close proximity, to be united, with any
29 intervening land other than boroughs, in one municipality;
30 providing for the consequences of such consolidation, the

1 temporary government of the consolidated city, payment of the
2 indebtedness of each of the united territories, and the
3 enforcement of debts and claims due to or from each."

4 Act of May 28, 1907 (P.L.295, No.223), entitled "A supplement
5 to an act, entitled 'An act for the annexation of any city,
6 borough, township, or part of a township, to a contiguous city,
7 and providing for the indebtedness of the same,' approved the
8 twenty-eighth day of April, Anno Domini one thousand nine
9 hundred and three; to enable territory now annexed, or which may
10 hereafter be annexed under the provisions of said act, to be
11 arranged and erected into a ward, or wards, of the city to which
12 it is annexed; and providing the procedure for that purpose, and
13 for the proper representation of the ward or wards erected."

14 Act of June 1, 1907 (P.L.377, No.271), entitled "A supplement
15 to an act, approved April twenty-eighth, one thousand nine
16 hundred three, entitled 'An act for the annexation of any city,
17 borough, township, or part of a township, to a contiguous city,
18 and providing for the indebtedness of the same,' providing for
19 the preservation of rights of creditors and of liens, and for
20 funding the debt of the municipality or school district
21 annexed."

22 Act of May 6, 1915 (P.L.260, No.152), entitled "A supplement
23 to an act approved the seventh day of February, one thousand
24 nine hundred and six, entitled 'An act to enable cities that are
25 now or may hereafter be contiguous or in close proximity, to be
26 united with any intervening land, other than boroughs, in one
27 municipality; providing for the consequences of such
28 consolidation, the temporary government of the consolidated
29 city, payment of the indebtedness of each of the united
30 territories, and the enforcement of debts and claims due to or

1 from each,' by providing that the indebtedness of each city and
2 intervening land, heretofore or hereafter united or consolidated
3 under the provisions of said act, shall be paid by the
4 consolidated city, and for the levying of a uniform tax, upon
5 all the territory included within the consolidated city, for the
6 payment of the same."

7 Act of May 6, 1915 (P.L.272, No.167), entitled "A supplement
8 to an act, approved the twenty-eight day of April, one thousand
9 nine hundred and three, entitled 'An act for the annexation of
10 any city, borough, township, or part of a township, to a
11 contiguous city, and providing for the indebtedness of the
12 same,' by providing that any city, heretofore or hereafter
13 enlarged by any annexation under the terms of said act, shall be
14 liable for and shall pay the indebtedness of such city and the
15 territory so annexed; and providing for the levying of a uniform
16 tax upon all the territory included within such city as enlarged
17 by such annexation, for the payment of all such indebtedness."

18 Act of May 31, 1923 (P.L.473, No.258), entitled "An act
19 authorizing the annexation to cities of the second class of
20 portions of townships not exceeding one hundred acres in area
21 and totally surrounded by said cities; and providing for the
22 division of the assets and liabilities of said townships."

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

27 Sections 201, 202, 203, 204, 205, 206, 207, 208, 209, 210,
28 250, 251, 252, 253, 254, 255, 501, 502, 503, 504, 505, 506, 515,
29 516, 517, 518, 525, 526, 535, 536, 540, 541, 542, 543, 544, 545,
30 550, 551, 560, 561, 562, 570 and 580 of the act of June 23, 1931

1 (P.L.932, No.317), known as The Third Class City Code, reenacted
2 and amended June 28, 1951 (P.L.662, No.164).

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

7 Sections 205, 206, 207, 208, 209, 210, 211, 211.1, 212, 213,
8 214 and 215 of the act of May 1, 1933 (P.L.103, No.69), known as
9 The Second Class Township Code, reenacted and amended July 10,
10 1947 (P.L.1481, No.567).

11 Sections 2(c) and 3 of the act of May 29, 1935 (P.L.244,
12 No.102), entitled "An act creating a Local Government Commission
13 to study and report on functions of local government; their
14 allocation and elimination; the cost of local government and
15 means of reducing it; and the consolidation of local government;
16 and making an appropriation."

17 Act of May 13, 1937 (P.L.620, No.161), entitled "An act
18 requiring the consent of the electors of a township of the first
19 class when such township, or any part thereof, is to be annexed
20 to a contiguous borough or city."

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

26 Act of June 15, 1939 (P.L.372, No.217), entitled "An act
27 affecting cities of the second class A, authorizing the
28 annexation of boroughs and townships thereto under certain
29 conditions, and, in connection therewith, placing duties upon or
30 affecting courts of quarter sessions, county boards of

1 elections, and officers of boroughs, townships, and cities of
2 the second class A, and providing for the payment of the
3 indebtedness of the various territorial units involved."

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

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

9 Act of July 10, 1987 (P.L.246, No.47), known as the
10 Financially Distressed Municipalities Act, as follows: the
11 definitions of "consolidated or merged municipality,"
12 "consolidation or merger," "contiguous territory," "election
13 officials," "initiative" and "referendum" in section 103; as
14 much as reads as follows: "pursuant to Chapter 4" of section
15 241(7); all of sections 401, 402, 403, 404, 405, 406, 407 and
16 409; and as much as reads as follows: "under provisions of this
17 chapter" of section 421.

18 (b) General repeal.--All other acts and parts of acts are
19 repealed insofar as they are inconsistent with this act.
20 Section 602. Application to procedures previously initiated.

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

- 1 any such referendum before the effective date of this act.
- 2 Section 603. Effective date.
- 3 This act shall take effect in 90 days.