



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

SENATE BILL NO. 692

PRINTERS NO. 831

PRIME SPONSOR: Hutchinson

COST / (SAVINGS)

FUND	FY 2019/20	FY 2020/21
Borough Funds	See "Fiscal Impact"	See "Fiscal Impact"
Third Class City Funds	See "Fiscal Impact"	See "Fiscal Impact"

SUMMARY: Increases from \$1,500 to \$6,000 the value of municipal real property below which a borough or third class city need not publicly advertise for bids when selling its real property. This legislation would take effect in 60 days.

ANALYSIS: This legislation amends the Borough Code and the Third Class City Code, in Titles 8 and 11 of the PA Consolidated Statutes, respectively, by increasing from \$1,500 to \$6,000 the threshold for when municipal real property must be advertised prior to sale to the highest bidder. Prior to selling real property valued at \$6,000 or less without advertisement or competitive bidding, council must make a public announcement of the council's intention to sell the real property at a regular or special meeting of council at least 30 days prior to the sale.

FISCAL IMPACT: By allowing boroughs and third class cities to forgo public notice and bidding requirements for the sale of personal property, this will allow them to reduce advertising costs in newspapers. Any estimate of such savings is indeterminable at this point.

PREPARED BY: Tim Rodrigo
House Appropriations Committee (R)

DATE: January 13, 2020

Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.