



## HOUSE COMMITTEE ON APPROPRIATIONS

# FISCAL NOTE

HOUSE BILL NO. 1877

PRINTERS NO. 2528

PRIME SPONSOR: Freeman

### COST / (SAVINGS)

FUND	FY 2021/22	FY 2022/23
Municipal Funds	\$0	\$0

**SUMMARY:** Establishes the Municipal Boundary Change Act to consolidate and modernize all law relating to a change in municipal boundaries, with the exception of those that occur as a result of a municipal merger or consolidation. This legislation would take effect in 60 days.

**ANALYSIS:** This legislation would amend Chapter 7 of Title 53 (Municipalities Generally) of the Pennsylvania Consolidated Statutes by adding Subchapter B (Municipal Boundary Change) to consolidate and modernize all law relating to a change in municipal boundaries, with the exception of those that occur following a municipal merger or consolidation under existing Subchapter C.

The legislation would re-enact the provisions of the Second Class Township Code, First Class Township Code, Borough Code and the Third Class City Code that allow a court of common pleas to establish a legal territorial boundary where the existing boundary is in dispute by appointing a board of commissioners to hold a hearing and view to determine the boundaries.

A new process would also be established by which municipal officials from adjoining municipalities can make an agreement by ordinance to adjust a municipal boundary or settle a dispute where an existing boundary is unclear. Each municipality would have to accept public comment on the proposed ordinance at a regular or special meeting occurring not less than 10 days after the ordinance is introduced nor 10 days prior to the adoption of the ordinance. In most cases, the agreement between the municipalities would take effect on the following January 1, after the officials notify the commissioners of the county or counties impacted by the change as well as any owner of land that would be impacted by the change if no petition is filed protesting the ordinance.

A petition protesting the ordinance can be filed by any directly impacted landowner or by 20% of the registered electors in any impacted municipalities. In response to a petition, the question of whether the boundary should be changed would be submitted to the voters of the municipalities at the next primary, municipal or general election for approval. A boundary change can only take effect if it has been approved by the voters of each impacted municipality.

Further, the legislation would require consistent notification of county and state officials of the boundary change. After an effective boundary change, municipal officials must submit a report describing the boundary change, including a land survey of the boundary, coordinates of monuments as well as information regarding the assessed value of the impacted territory to the following:

1. The appropriate county board of elections
2. The Department of Community and Economic Development
3. The Department of Transportation
4. The Governor's Office of Policy Development
5. The Department of Education
6. The State Tax Equalization Board
7. The Legislative Data Processing Committee

Finally, the legislation would clarify and establish the rights and responsibilities of municipalities if a change of boundary occurs, including adjustment of municipal wards, collection of taxes, adjustment of election districts and adjustment of debts associated with impacted territory. The governing bodies of the municipalities may resolve questions of apportionment of property rights, finances, apportionment of indebtedness and tax collections by agreement or may petition the court of common pleas for adjustment proceedings.

**FISCAL IMPACT:** This legislation would have no adverse fiscal impact on Commonwealth or municipal funds.

**PREPARED BY:** Tim Rodrigo  
House Appropriations Committee (R)

**DATE:** December 14, 2021

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