



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

HOUSE BILL NO. 2254

PRINTERS NO. 2610

PRIME SPONSOR: James

COST / (SAVINGS)

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

SUMMARY: Repeals and replaces the City Classification Law of 1895 to update and simplify the city classification process and permit Second Class A and Third-Class cities to remain in their current classification in most cases regardless of population changes unless they qualify for, and actively choose a change of class. This legislation would take effect in 60 days.

ANALYSIS: This legislation maintains the Governor's responsibility to certify that each city's population either will have it advance, recede, or maintain its current classification as a result of decennial census.

Current city classifications by population as follows:

- a. First Class City (Philadelphia), population of greater than 1,000,000
- b. Second Class City (Pittsburgh), population of greater than 250,000 but less than 1,000,000
- c. Second Class A City (Scranton), population of greater than 80,000 but less than 250,000
- d. Third Class City, any other city with population of less than 250,000, other than cities of the Second-Class A

In addition to the current process, this legislation will allow a city:

1. To maintain its current classification if it has adopted a home rule charter or optional charter, regardless of population.
2. To permit any city choosing to become a Second-Class A City in the future to adopt a home rule charter seeking that designation explicitly.
3. A longer transition period into a change of class from January 1 of the year following the first municipal election occurring at least 180 days after the Governor's certification.

The legislation will also repeal the City Classification Law of 1895 and provides that all classification decisions made under that act will remain unchanged until the next Gubernatorial certification under this act.

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

PREPARED BY: Tim Rodrigo
House Appropriations Committee (R)

DATE: June 8, 2022

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