

SENATE APPROPRIATIONS COMMITTEE FISCAL NOTE

BILL NO. Senate Bill 830

PRINTER'S NO. 848

AMOUNT

No Fiscal Impact

FUND

General Fund

DATE INTRODUCED

March 14, 2011

PRIME SPONSOR

Senator Robbins

HISTORY OF BILL

Referred to LOCAL GOVERNMENT, March 14, 2011

Reported as committed, April 12, 2011

First consideration, April 12, 2011

Re-referred to APPROPRIATIONS, May 3, 2011

Re-reported as committed, June 6, 2011

DESCRIPTION AND PURPOSE OF BILL

Senate Bill 830 amends The Third Class City Code by clarifying that a city may create and abolish the office of a city administrator/manager, and that the city council may hire and replace, at its pleasure, the person holding that position.

More specifically, the amendments provide authorization for an employment agreement with a city administrator/manager. The amendments permit the employment agreement to generally set forth the terms and conditions of employment, and it may contain provisions that specify conditions under which a city administrator/manager would be entitled to severance compensation. Nevertheless, the scope of the agreement is limited; the term of such an agreement cannot bind future governing bodies because it may not extend beyond the date of the organization meeting of the governing body following the next municipal election after the effective date of the agreement.

Also, notwithstanding the potential for severance payments, an employment agreement with a city administrator/manager shall not be a guarantee of employment through the term of the agreement, and it shall not confer upon the city administrator/manager any legal remedy to continued employment based on specific performance.

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The legislation addresses potential residency requirements, incompatible offices, and possible powers that may be delegated to the administrator/manager. Senate Bill 830 enumerates eleven specific powers that may be conferred upon a city administrator/manager, which can be summarized as follows:

1. Act as chief administrative officer
2. Direct and supervise all departments and functions of the city unless otherwise provided
3. Appoint, remove and discipline employees on the basis of merit
4. Designate a qualified administrative officer in case of absence
5. Negotiate contracts to be approved by council
6. Ensure that statutes and contracts are complied with
7. Attend and take part in city council meetings
8. Recommend adoption of necessary measures, inform council of financial conditions and make reports as requested by council
9. Investigate the affairs of any officer or department under the administrator's jurisdiction
10. Submit the annual city budget for review and approval
11. Perform other duties as designated by council in the enabling ordinance

The Act shall take effect in 60 days.

FISCAL IMPACT:

It is presumed there would be no costs to the Commonwealth.