

SENATE APPROPRIATIONS COMMITTEE FISCAL NOTE

BILL NO. Senate Bill 948

PRINTER NO. 1331

AMOUNT

No Fiscal Impact

FUND

General Fund

DATE INTRODUCED

November 15, 2017

PRIME SPONSOR

Senator Hutchinson

DESCRIPTION

Senate Bill 948 amends the First Class Township Code to increase the value threshold from \$1,000 to \$2,000 for when a municipality must advertise for bids for sale of property.

The legislation increases from \$1,000 to \$2,000 the value of personal property for which a township must have the approval of the board of township commissioners to dispose of the personal property by sale or other method. Senate Bill 948 also increases from \$1,000 to \$2,000 the threshold for when the board of township commissioners must adopt a procedure for the sale of surplus personal property that falls below the threshold value.

FISCAL IMPACT:

There is no fiscal impact to Commonwealth funds.

Currently, due to the administrative and advertising costs for a municipality to publish a request for bids for the sale of property, the net return on the sale is often minimal.

The cost to advertise in the Legal Notice section in a medium size paper is for a full page \$6,800, half-page \$3,400 and quarter-page \$1,700. If a bid for sale must be advertised and utilizes a quarter-page advertisement, the municipality would lose money on any sale less than \$1,700.

The increase of the threshold to \$2,000 will allow municipalities to recognize increased revenue from the sale of the property. The amount of the increased revenue will be dependent on the value of property sold under the increased threshold.