

# SENATE APPROPRIATIONS COMMITTEE FISCAL NOTE

**BILL NO.** Senate Bill 740

**PRINTER NO.** 856

**AMOUNT**

No Fiscal Impact  
See Fiscal Impact

**FUND**

General Fund  
Local Funds

**DATE INTRODUCED**

June 6, 2023

**PRIME SPONSOR**

Senator Regan

**DESCRIPTION**

Senate Bill 740 amends the act known as the Second Class Township Code, further providing for auditor’s compensation.

This bill provides for an increase in allowable compensation to auditors of second class townships. An auditor in a second class township with a population of 10,000 or less shall not receive compensation of more than \$1,800, and an auditor in a second class township with a population of more than 10,000 shall not receive compensation of more than \$3,500.

Additionally, this legislation allows for a township board of supervisors to adopt a resolution increasing the rate of compensation for an auditor to an amount not greater than \$18 per hour.

This act shall take effect immediately.

**FISCAL IMPACT:**

Senate Bill 740 will have no impact on Commonwealth funds.

Second class townships may see an increase in expenditures as the legislation provides for the increase in maximum compensation for auditors of second class townships with a population of less than 10,000 from \$1,000 to \$1,800. For those with a population over 10,000, the legislation provides for an increase from \$2,000 to \$3,500. A township board of supervisors may increase the hourly rate for auditors from \$10 per hour to \$18 per hour.

According to the most recent available data, there are 1,453 second class townships, 135 of which have a population over 10,000 and 1,318 that have a population under 10,000. Of the 1,453 second class townships, 821 have independent auditors that are not subject to compensation provisions in the code, leaving 632 second class townships that may be impacted if they choose to increase the compensation of auditors.