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**HB 1850 (Printer's No. 2318) Analysis Date: November 15, 2023**

**Amending the Second Class Township Code to clarify advertising requirements for the appointment of certified public accountants or firms.**

**Prime Sponsor: Representative Smith Wade-El**

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**A. Synopsis of Bill**

Clarifies advertisement provisions of the Second Class Township Code when townships reappoint certified public accountants (CPAs) to replace elected auditors.

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**B. Summary and Analysis of Bill**

This bill amends Section 917, relating to the appointment of an accountant, of the act of May 1, 1933 (P.L. 103, No. 69), otherwise known as the Second Class Township Code, by clarifying in paragraph (2) that an advertisement is only required during the initial vote to replace the elected auditors of a township with a CPA or firm, and stipulates that a reappointment from one CPA or firm to another does not require an additional advertisement.

This bill also inserts a new paragraph, paragraph (3), which provides that a township must advertise 30 days prior to the expiration of a CPA contract if the township supervisors intend to return to the office of elected auditors.

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**C. Relevant Current Law**

Section 917 of the Second Class Township Code provides for the process by which township supervisors may contract with CPAs or firms to replace the office of elected auditors. Under current law, township supervisors must advertise their intent to appoint a CPA; however, after the initial decision to appoint a CPA, future advertisement requirements are not clear.

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**D. Background of Bill**

The Local Government Commission staff received feedback from the Pennsylvania State Association of Township Supervisors (PSATS) that townships which reappoint the same or new CPA must annually advertise the decision, unlike other professional contracting provisions of the Second Class Township Code and emphasized the need for more clarity on this matter.

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**E. Effect of Bill**

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This bill would provide a clear rule requiring advertisement whenever a township transfers responsibility for the annual audit between elected auditors or an appointed CPA.

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**F. Issues, Policy Questions and Stakeholder Feedback**

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This legislation is supported by the Pennsylvania State Association of Township Supervisors.

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**G. Bill History**

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This bill was not introduced in any previous session.