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SB 749 (Printer's No. 798) Analysis

Date: June 1, 2023

Amending the Second Class Township Code—Modernizing provisions related to surcharge and township managers

Prime Sponsor: Senator Dush

A. Synopsis of Bill

Makes two specific changes to the Second Class Township Code in a manner consistent with recent revisions to the First Class Township Code as comprehensively updated by Act 96 of 2020.

B. Summary and Analysis of Bill

The legislation amends the Second Class Township Code, Act 69 of 1933, by making changes to the following sections:

Section 907 (Surcharge by auditors)—Adds language providing that an elected or appointed official of a township may not be surcharged if the official acting in good faith on a written or publicly-disclosed opinion of the township solicitor.

Section 1301 (Township Manager; Appointment, Removal, Powers and Duties; Compensation; Bond)—Authorizing a township to appoint a partnership, limited partnership, association or professional corporation as the township manager.

C. Relevant Current Law

Currently, Section 907 of the Second Class Township Code contains no protection for a township official who, by unauthorized official action, causes a financial loss to the township, even if they relied on the opinion of the solicitor.

Section 1301 of the Second Class Township Code permits only an individual to be appointed and employed as the township manager.

D. Background of Bill

The Pennsylvania State Association of Boroughs (PSAB) formally requested the Local Government Commission to introduce legislation to modernize provisions of the Borough Code in a manner consistent with recent changes to the revised First Class Township Code.

After discussions with the Pennsylvania State Association of Township Supervisors, two or the amendments requested by the Boroughs were determined by the Commission to be appropriate for the Second Class Township Code.

E. Effect of Bill

Provides further consistency among municipal classifications for procedural issues.
Offers greater autonomy for a township to receive management services.
Provides good-faith protection to township officials for decision-making.

F. Issues, Policy Questions and Stakeholder Feedback

The Pennsylvania State Association of Township Supervisors supports this legislation.

G. Bill History

In the 2021-2022 Session, this bill was introduced as Senate Bill 673. Senate Bill 673 passed the Senate unanimously and was tabled after first consideration in the House, where it remained upon sine die adjournment. This legislation was also introduced in the House during the 2021-2022 session as House Bill 1351. House Bill 1351 passed the House unanimously and was referred to the Senate Local Government Committee where it remained upon sine die adjournment.