

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 488

Session of
1983

INTRODUCED BY GRIECO, GRUPPO, LETTERMAN, SEVENTY, OLASZ, STAIRS,
BOWSER AND CIMINI, MARCH 16, 1983

REFERRED TO COMMITTEE ON LOCAL GOVERNMENT, MARCH 16, 1983

AN ACT

1 Amending the act of February 1, 1966 (1965 P.L.1656, No.581),
2 entitled "An act concerning boroughs, and revising, amending
3 and consolidating the law relating to boroughs," raising
4 expenditure limit on personal interest.

5 The General Assembly of the Commonwealth of Pennsylvania
6 hereby enacts as follows:

7 Section 1. Section 1404 of the act of February 1, 1966 (1965
8 P.L.1656, No.581), known as The Borough Code, is amended to
9 read:

10 Section 1404. Penalty for Personal Interest in Contracts or
11 Purchases.--Except as otherwise provided in this act, no borough
12 official either elected or appointed, who knows or who by the
13 exercise of reasonable diligence could know, shall be interested
14 to any appreciable degree either directly or indirectly in any
15 purchase made or contract entered into or expenditure of money
16 made by the borough or relating to the business of the borough,
17 involving the expenditure by the borough of more than [one
18 thousand dollars (\$1000)] four thousand dollars (\$4,000) in any

1 calendar year, but this limitation shall not apply to cases
2 where such officer or appointee of the borough is an employe of
3 the person, firm or corporation to which the money is to be paid
4 in a capacity with no possible influence on the transaction, and
5 in which he cannot be possibly benefited thereby either
6 financially or otherwise. But in the case of a councilman or
7 mayor, if he knows that he is within the exception just
8 mentioned he shall so inform council and shall refrain from
9 voting on the expenditure or any ordinance relating thereto, and
10 shall in no manner participate therein. Any official or
11 appointee who shall knowingly violate the provisions of this
12 section shall be subject to surcharge to the extent of the
13 damage shown to be thereby sustained by the borough and to
14 ouster from office, and shall be guilty of a misdemeanor, and
15 upon conviction thereof shall be sentenced to pay a fine not
16 exceeding one thousand dollars (\$1000), or not exceeding one
17 hundred eighty days' imprisonment, or both.

18 Section 2. This act shall take effect in 60 days.