



# HOUSE COMMITTEE ON APPROPRIATIONS

## FISCAL NOTE

HOUSE BILL NO. 197

PRINTERS NO. 1642

PRIME SPONSOR: Gingrich

### COST / (SAVINGS)

FUND	FY 2010/11	FY 2011/12
General Fund	\$0	\$0
Municipal Funds	\$0	\$0

**SUMMARY:** Amends Title 53 (Municipalities Generally) to further provide for review of agreements by the Local Government Commission. This legislation would take effect in 60 days.

**ANALYSIS:** This legislation specifies that the Local Government Commission (LGC) has 90 days to review intergovernmental cooperation agreements between a local government and the Commonwealth, any other state, government of another state or the Federal government. These agreements shall be submitted to the LGC, prior to and as a condition of enactment. Within 90 days of receipt, the LGC will submit a written advisory response regarding its review of the agreement, with any recommended amendments to place the agreement in a form compatible with the laws of the Commonwealth.

If the LGC fails to provide the advisory note within the 90 day time period, it shall not impede the implementation of the agreement. In all cases where the intergovernmental agreement is with the Commonwealth, the agreement shall be submitted to the Appropriations Committees of the Senate and House of Representatives for review and preparation of a fiscal note and, if deemed necessary, a public hearing. No agreement shall be deemed in effect between a local government and the Commonwealth until a period of 180 days has elapsed from the date the agreement was submitted to the Appropriations Committees. These requirements do not apply to any agreement necessary to respond to a disaster emergency or other local emergency.

This legislation designates a series of contracts or agreements that are exceptions to the review process which include:

1. Contracts or agreements between local governments and the Commonwealth that are of a routine nature or are performed on a periodic basis, such as those for public improvements.
2. State grants and loans that are administered by the Commonwealth pursuant to a statute or regulation.

3. Contracts or agreements for cooperative purchasing.
4. Contracts, agreements, or memoranda of understanding between the Commonwealth and local government units that are expressly authorized by statute or regulation and by which the Commonwealth delegates all or a portion of its enforcement duties or responsibilities to a local government unit.
5. Contracts or agreements between the Commonwealth and local government units that are expressly authorized by statute or regulation and through which the local government unit provides a service on the behalf of the Commonwealth.
6. Contracts or agreements relating to the purchase, right to capacity, sale, exchange, interchange, wheeling, pooling, transmission or development of electric power and associated energy and related services.

**FISCAL IMPACT:** This legislation will have no adverse impact on Commonwealth funds. This legislation will have no adverse impact on municipal funds.

**PREPARED BY:** Tim Rodrigo  
House Appropriations Committee (R)

**DATE:** April 26, 2011

*Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.*