



## HOUSE COMMITTEE ON APPROPRIATIONS

# FISCAL NOTE

HOUSE BILL NO. 2265

PRINTER'S NO. 3437

PRIME SPONSOR: Donahue

### COST / (SAVINGS)

FUND	FY 2023/24	FY 2024/25
General Fund	\$0	\$0

### SUMMARY:

House Bill 2265 amends Section 1001(e), (F), and 10A04(a) of Title 8 (Boroughs and Incorporated Towns) to increase the maximum allowable compensation for borough officials and mayors.

### ANALYSIS:

This bill increases the maximum allowable compensation a borough official may receive to the following amounts:

- In boroughs with a population of less than 5,000, \$3,145 per year.
- In boroughs with a population of 5,000 or more, but less than 10,000, \$4,190 per year.
- In boroughs with a population of 10,000 or more, but less than 15,000, \$5,450 per year.
- In boroughs with a population of 15,000 or more, but less than 25,000, \$6,915 per year.
- In boroughs with a population of 25,000 or more, but less than 35,000, \$7,335 per year.
- In boroughs with a population of 35,000 or more, \$8,385 per year.

The bill also adds language allowing for alternative compensation in which members of a borough council may receive compensation on a per-meeting basis based on attendance. Compensation on a per-meeting basis is subject to the limits above. Compensation shall only be payable for meetings in which a member of council participated. Compensation is not payable if a member of council is absent from a meeting and the absence is not excused.

This bill also increase the maximum allowable compensation a mayor may receive to the following amounts:

- In a borough with a population of less than 5,000, a maximum of \$4,190 per year.
- In a borough with a population of 5,000 or more, but less than 10,000, a maximum of \$8,385 per year.
- In a borough with a population of 10,000 or more, but less than 15,000, a maximum of \$12,575 per year.
- In a borough with a population in excess of 15,000, a maximum of \$840 per 1,000 residents or fraction of 1,000, the population to be determined by the latest official census figures.

Finally, the bill stipulates that a borough shall not be required to reduce the salary of a mayor or member of council as a result of a decrease in population.

This act shall take effect in 60 days.

**FISCAL IMPACT:**

This bill would have no impact on commonwealth funds.

**PREPARED BY:** Chris Fetterman  
House Appropriations Committee (D)

**DATE:** June 27, 2024

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