

Pennsylvania State Capital - Harrisburg



Will COVID-19 Increase the Pressure for Municipal Mergers?



- Municipal merger and consolidation is often discussed as the solution to fiscal distress, particularly in Pennsylvania with over 2,500 city, boroughs and townships.
- Combined municipalities benefit from a bigger tax base that can support more robust services.
- But the laborious process can have numerous pitfalls. What can be done to change that?
- While the state offers encouragement and limited funding, more could be done in terms of technical and financial assistance, as well

Most Attempts at Municipal Mergers Fail. Will Financial Impacts from COVID-19 Change that Dynamic?

Governing Magazine wonders about [*Too Much Government? Or Just Too Many Governments?*](#) as it explores a merger attempt during the pandemic by three struggling southern Illinois small towns. Will they be stronger together despite their combined challenges? And will financial pressures from Covid steer more towns in this direction?

PEW Trust ponders [*History, Politics and Pride: Why Small Cities, Counties Rarely Merge*](#) in a look at the merger between Princeton, N.J. borough and township that netted a \$2.3 million savings for the new Princeton community in 2015.

Pennsylvania Economy League's [*Municipal Merger Study*](#) examined case studies of municipal merger failure and

- as streamlining the process.
- Until then, local officials considering a merger or consolidation should start small by first sharing services or developing joint comprehensive plans with communities that have a history of common interests.

success. Reasons for failure include feared loss of identity, tax and service considerations, difficulties combining pension plans and collective bargaining agreements, and opposition by key stakeholders. Mergers and consolidations are most successful when the effort is driven by the community and not outsiders.



PEL's Signature Issues Forum Event is Going Online

COVID-19's Impact on Commonwealth Communities
Oct. 15, 8 a.m. to 9:15 a.m.

The Pennsylvania Economy League and the Harrisburg Regional Chamber are teaming up to present a statewide, virtual Issues Forum on COVID-19.

Panelists: C. Kim Bracey, Executive Director, DCED, Center for Local Government Services; David Black, President and CEO, Harrisburg Regional Chamber & CREDC; Dr. George Dougherty, University of Pittsburgh Graduate School for Public and International Policy.

Are communities experiencing revenue losses, layoffs or service cuts? How can local businesses and municipalities work together to overcome pandemic challenges?

Our expert panel moderated by **LeeAnne Clayberger, PEL CEO**, will discuss lessons learned and new challenges from COVID-19.

Learn how local governments have been impacted and the steps they have taken to mitigate COVID-19. **Phil Klotz, PEL Director of Government and Community Affairs**, will share results from PEL's recent municipal survey on COVID-19 conducted in cooperation with Pennsylvania's municipal associations.

You will receive a Zoom link for the Issues Forum by email a few days before the event.

[Click here to register](#)

An Independent, Nonpartisan Voice for Good Government

The work of the Pennsylvania Economy League ranges from practical support for municipalities and school districts to independent public policy research on issues impacting state and local government.



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