

THE GENERAL ASSEMBLY OF PENNSYLVANIA

**HOUSE BILL**  
**No. 1402** Session of  
1981

INTRODUCED BY A. K. HUTCHINSON, MAY 11, 1981

REFERRED TO COMMITTEE ON CONSUMER AFFAIRS, MAY 11, 1981

AN ACT

1 Amending the act of May 2, 1945 (P.L.382, No.164), entitled "An  
2 act providing for the incorporation as bodies corporate and  
3 politic of 'Authorities' for municipalities, counties and  
4 townships; prescribing the rights, powers and duties of such  
5 Authorities heretofore or hereafter incorporated; authorizing  
6 such Authorities to acquire, construct, improve, maintain and  
7 operate projects, and to borrow money and issue bonds  
8 therefor; providing for the payment of such bonds, and  
9 prescribing the rights of the holders thereof; conferring the  
10 right of eminent domain on such Authorities; authorizing such  
11 Authorities to enter into contracts with and to accept grants  
12 from the Federal Government or any agency thereof; and  
13 conferring exclusive jurisdiction on certain courts over  
14 rates," further providing for the jurisdiction of the Public  
15 Utility Commission as to certain Authorities.

16 The General Assembly of the Commonwealth of Pennsylvania  
17 hereby enacts as follows:

18 Section 1. Clause (h) of subsection B of section 4, act of  
19 May 2, 1945 (P.L.382, No.164), known as the "Municipality  
20 Authorities Act of 1945," amended April 10, 1980 (P.L.105,  
21 No.41), is amended to read:

22 Section 4. Purposes and Powers; General.--\* \* \*

23 B. Every Authority is hereby granted, and shall have and may  
24 exercise all powers necessary or convenient for the carrying out

1 of the aforesaid purposes, including but without limiting the  
2 generality of the foregoing, the following rights and powers:

3 \* \* \*

4 (h) To fix, alter, charge and collect rates and other  
5 charges in the area served by its facilities at reasonable and  
6 uniform rates to be determined exclusively by it, for the  
7 purpose of providing for the payment of the expenses of the  
8 Authority, the construction, improvement, repair, maintenance  
9 and operation of its facilities and properties, and, in the case  
10 of an Authority created for the purpose of making business  
11 improvements or providing administrative services, a charge for  
12 such services which is to be based on actual benefits and which  
13 may be measured on among other things gross sales or gross or  
14 net profits, the payment of the principal of and interest on its  
15 obligations, and to fulfill the terms and provisions of any  
16 agreements made with the purchasers or holders of any such  
17 obligations, or with the municipality incorporating or  
18 municipalities which are members of said Authority or with any  
19 municipality, served or to be served by said Authority, and to  
20 determine by itself exclusively the services and improvements  
21 required to provide adequate, safe and reasonable service,  
22 including extensions thereof, in the areas served: Provided,  
23 That if the service area includes more than one municipality,  
24 the revenues from any project shall not be expended directly or  
25 indirectly on any other project, unless such expenditures are  
26 made for the benefit of the entire service area. Any person  
27 questioning the reasonableness or uniformity of any rate fixed  
28 by any Authority or the adequacy, safety and reasonableness of  
29 the Authority's services, including extensions thereof, may  
30 bring suit against the Authority in the court of common pleas of

1 the county wherein the project is located, or if the project is  
2 located in more than one county then in the court of common  
3 pleas of the county wherein the principal office of the project  
4 is located. The court of common pleas shall have exclusive  
5 jurisdiction to determine all such questions involving rates or  
6 service: Provided, however, That in the case of municipal water  
7 Authorities, exclusive jurisdiction to receive, hear and resolve  
8 all questions of reasonableness or uniformity of rates, or of  
9 the adequacy, safety and reasonableness of service, shall lie  
10 with the Pennsylvania Public Utility Commission. Except in  
11 municipal corporations having a population density of three  
12 hundred persons or more per square mile, all owners of real  
13 property in eighth class counties may decline, in writing, the  
14 services of a solid waste authority.

15 \* \* \*

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