

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL
No. 2634 Session of
2006

INTRODUCED BY CLYMER, BOYD, CALTAGIRONE, HENNESSEY AND STEIL,
APRIL 26, 2006

REFERRED TO COMMITTEE ON STATE GOVERNMENT, APRIL 26, 2006

AN ACT

1 Amending Title 53 (Municipalities Generally) of the Pennsylvania
2 Consolidated Statutes, providing for procedure for conveyance
3 of established projects.

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

6 Section 1. Title 53 of the Pennsylvania Consolidated
7 Statutes is amended by adding a section to read:

8 § 5624. Procedure for conveyance of established projects.

9 (a) Approvals.--An incorporating municipality that intends
10 to acquire an established project of an authority pursuant to
11 section 5622 (relating to conveyance by authorities to
12 municipalities or school districts of established projects) or
13 to dissolve an authority which, in either case, provides service
14 to at least 25% of its customer base in municipalities outside
15 the incorporating municipality shall ensure the following occurs
16 before the acquisition or termination of the other authority:

17 (1) A public meeting shall be held by the incorporating
18 municipality on the acquisition or dissolution, which

1 explains the rationale for such action, the disposition of
2 projects or property, the financial mechanism for dissolution
3 and acquisition, the disposition of assets and debt and the
4 future operation and maintenance of the service previously
5 provided by the authority. At the meeting, the incorporating
6 municipality shall allow testimony from interested parties
7 and shall conduct the meeting in such a manner as to provide
8 a forum for issues raised by the public to be addressed.

9 (2) The authority shall hold a public meeting on the
10 intentions of the incorporating municipality and take
11 testimony from impacted citizens.

12 (3) The authority shall take action at a meeting of the
13 authority board to recommend approval or denial of such
14 action of acquisition or dissolution by the incorporating
15 municipality and shall explain the rationale for its action
16 in a report to the incorporating municipality.

17 (4) Each municipality that is served by an authority
18 incorporated by another municipality wishing to dissolve the
19 authority or acquire its established project shall hold a
20 public meeting on the intentions of the incorporating
21 municipality and take testimony from impacted citizens.

22 (5) Each municipality that is served by an authority
23 incorporated by another municipality wishing to dissolve the
24 authority or acquire its established project shall hold a
25 public meeting to recommend approval or denial of the action
26 of dissolution or acquisition by the incorporating
27 municipality and shall explain the rationale for its action
28 in a report to the incorporating municipality.

29 (6) A formal action by an incorporating municipality
30 intending to dissolve an authority or acquire its established

1 project shall not officially take place until all of the
2 requirements set forth in paragraphs (1), (2), (3), (4) and
3 (5) have occurred and at least 120 days have passed since
4 introduction of the action at an official meeting of the
5 municipality.

6 (7) A formal action by the incorporating municipality
7 intending to dissolve an authority or acquire its established
8 project shall not officially take place until such time as
9 such municipality serving 25% or greater of the customer
10 base, and representing at least 51% of that outside customer
11 base, agrees by formal action to approve the dissolution or
12 acquisition.

13 (8) A formal action by an incorporating municipality
14 intending to dissolve an authority or acquire its established
15 project shall not officially take place until such time as
16 each municipality serving 25% or greater of the customer base
17 is reimbursed for the investment of their customers, minus
18 costs, in the infrastructure operation and maintenance of
19 said authority. The amount to be reimbursed shall be
20 certified by a certified public accounting firm.

21 (b) Conveyance.--A municipality that has dissolved such
22 authority or acquired its established project may not offer for
23 sale or conveyance from the date of dissolution or acquisition
24 such authority or its established project to a private entity
25 unless the sale or conveyance was publicly disclosed in the
26 initial official action or at the public meeting in subsection
27 (a)(1).

28 Section 2. This act shall be retroactive to December 15,
29 2005.

30 Section 3. This act shall take effect in 60 days.