

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 296 Session of
2013

INTRODUCED BY FOLMER, RAFFERTY, VULAKOVICH, WAUGH AND
EICHELBERGER, FEBRUARY 13, 2013

REFERRED TO LOCAL GOVERNMENT, FEBRUARY 13, 2013

AN ACT

1 Amending the act of July 18, 1935 (P.L.1286, No.402), entitled
2 "An act empowering counties, cities, boroughs, incorporated
3 towns, and townships to charge and collect from owners of and
4 water users in property served thereby, annual rentals, rates
5 or charges for the use of certain sewers, sewerage systems
6 and sewage treatment works, including charges for operation,
7 inspection, maintenance, repair, depreciation, and the
8 amortization of indebtedness and interest thereon; empowering
9 counties, cities, boroughs, incorporated towns and townships
10 to contract with authorities organized by cities of the
11 second class, by cities of the second class A, by counties or
12 by cities of the third class for sewer, sewerage and sewage
13 treatment services; to grant, convey, lease, transfer,
14 encumber, mortgage and pledge to such authorities, their
15 sewers, sewerage systems and sewage treatment works; to
16 assign and pledge to such authorities rentals, rates and
17 charges charged and collected by them for the use thereof,
18 and to assign to such authorities their power to charge and
19 collect the same; and validating all such contracts, grants,
20 conveyances, leases, transfers, assignments, encumbrances,
21 mortgages and pledges heretofore made," further providing for
22 rentals for use of sewage system and for amount of rental or
23 charge.

24 The General Assembly of the Commonwealth of Pennsylvania
25 hereby enacts as follows:

26 Section 1. Sections 1 and 2 of the act of July 18, 1935
27 (P.L.1286, No.402), entitled "An act empowering counties,
28 cities, boroughs, incorporated towns, and townships to charge

1 and collect from owners of and water users in property served
2 thereby, annual rentals, rates or charges for the use of certain
3 sewers, sewerage systems and sewage treatment works, including
4 charges for operation, inspection, maintenance, repair,
5 depreciation, and the amortization of indebtedness and interest
6 thereon; empowering counties, cities, boroughs, incorporated
7 towns and townships to contract with authorities organized by
8 cities of the second class, by cities of the second class A, by
9 counties or by cities of the third class for sewer, sewerage and
10 sewage treatment services; to grant, convey, lease, transfer,
11 encumber, mortgage and pledge to such authorities, their sewers,
12 sewerage systems and sewage treatment works; to assign and
13 pledge to such authorities rentals, rates and charges charged
14 and collected by them for the use thereof, and to assign to such
15 authorities their power to charge and collect the same; and
16 validating all such contracts, grants, conveyances, leases,
17 transfers, assignments, encumbrances, mortgages and pledges
18 heretofore made," reenacted and amended June 22, 1970 (P.L.406,
19 No.133), are amended to read:

20 Section 1. Be it enacted, &c., That whenever any county,
21 city, borough, incorporated town, or township, either singly or
22 jointly with other municipalities or townships, (a) has, wholly
23 or partially, constructed or completed or shall hereafter,
24 wholly or partially, construct or complete any water, sewer,
25 sewerage system or sewage treatment works, either wholly or
26 partially at public expense, or (b) has acquired or shall
27 hereafter acquire the same, either wholly or partially at public
28 expense, or (c) has entered or shall hereafter enter into any
29 contract with any authority established in accordance with law
30 or with any private corporation for the design or construction

1 of water-supply systems, sewers, sewerage systems or sewage
2 treatment works or for the furnishing of water, sewer, sewerage
3 or sewage treatment services, for its or their benefit and the
4 benefit of the inhabitants thereof, such county, city, borough,
5 incorporated town, or township may provide by ordinance or
6 resolution, enacted either before or after the acquisition or
7 construction thereof, or the entry into such contract, for the
8 imposition and collection of an annual rental, rate or charge
9 for the use of such water-supply system, sewer, sewerage system,
10 or sewage treatment works from the owners of, or the users of
11 water in or on the property served or to be served by it, or
12 from both the owner and the water user, whether such property is
13 located within or without the corporate limits of such county,
14 city, borough, town, or township.

15 The annual rental, rate or charge so imposed shall be a lien
16 on the properties served, and such liens may be filed in the
17 office of the prothonotary and collected in the manner provided
18 by law for the filing and collection of municipal claims.

19 Section 2. Any such annual rental, rate or charge [may be,
20 but shall not be limited to, such sum as may be] shall be
21 strictly limited to such sum as is sufficient to meet any or all
22 of the following classes of expense: (a) the amount expended
23 annually by the county, city, borough, incorporated town, or
24 township in the operation, maintenance, repair, alteration,
25 inspection, depreciation, or other expenses in relation to such
26 water-supply systems, sewer, sewerage system, or sewage
27 treatment works; (b) such annual amount as [may] shall be
28 necessary to provide for the amortization of any indebtedness
29 incurred, or non-debt revenue bonds issued, by the county, city,
30 borough, incorporated town, or township in the construction or

1 acquisition of such water-supply system, sewer, sewerage system,
2 or sewage treatment works, and interest thereon, in order that
3 said improvements [may] shall become self-liquidating, or as
4 [may] shall be sufficient to pay the amount agreed to be paid
5 annually under the terms of any contract or lease with any
6 authority or private corporation furnishing, or undertaking to
7 design or construct facilities with which to furnish, water,
8 sewer, sewerage or sewage treatment services to such county,
9 city, borough, town, or township and its inhabitants; and (c)
10 sufficient to establish a margin of safety of ten per centum.
11 Any unused surplus from any preceding year shall be paid into
12 the fund accruing from said rentals, rates or charges and,
13 whenever the amount in said fund exceeds the said margin of
14 safety of ten per centum, the excess shall be paid into the
15 sinking fund. The amount required for sinking fund and interest
16 shall be paid into the sinking fund, and the amount so paid,
17 including any excess as above provided, shall not be used for
18 any other purpose. The said annual rental or whatever rate or
19 charge shall be decided upon by the county, city, borough,
20 incorporated town, or township shall be apportioned equitably
21 among the properties served by the said water-supply system,
22 sewer, sewerage system, or sewage treatment works.

23 The court of common pleas shall have plenary jurisdiction to
24 review said rentals, rates or charges to ensure compliance with
25 the requirements of this section.

26 Section 2. The act is amended by adding a section to read:

27 Section 2.4. Any individual, firm or corporation that
28 violates any provision of this act commits a misdemeanor of the
29 first degree and shall, upon conviction, be sentenced to pay a
30 fine of not more than one thousand dollars and costs.

1 In addition to any other civil or criminal penalty authorized
2 by law, the court shall order restitution for any violation of
3 this act.

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