

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 208 Session of 2021

INTRODUCED BY DiSANTO, MENSCH, BARTOLOTTA, MARTIN AND STEFANO,
FEBRUARY 10, 2021

REFERRED TO LOCAL GOVERNMENT, FEBRUARY 10, 2021

AN ACT

1 Amending the act of July 31, 1968 (P.L.805, No.247), entitled
 2 "An act to empower cities of the second class A, and third
 3 class, boroughs, incorporated towns, townships of the first
 4 and second classes including those within a county of the
 5 second class and counties of the second through eighth
 6 classes, individually or jointly, to plan their development
 7 and to govern the same by zoning, subdivision and land
 8 development ordinances, planned residential development and
 9 other ordinances, by official maps, by the reservation of
 10 certain land for future public purpose and by the acquisition
 11 of such land; to promote the conservation of energy through
 12 the use of planning practices and to promote the effective
 13 utilization of renewable energy sources; providing for the
 14 establishment of planning commissions, planning departments,
 15 planning committees and zoning hearing boards, authorizing
 16 them to charge fees, make inspections and hold public
 17 hearings; providing for mediation; providing for transferable
 18 development rights; providing for appropriations, appeals to
 19 courts and penalties for violations; and repealing acts and
 20 parts of acts," in subdivision and land development, further
 21 providing for completion of improvements or guarantee thereof
 22 prerequisite to final plat approval.

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

25 Section 1. Section 509(f), (h) and (j) of the act of July
 26 31, 1968 (P.L.805, No.247), known as the Pennsylvania
 27 Municipalities Planning Code, are amended to read:

28 Section 509. Completion of Improvements or Guarantee Thereof

1 Prerequisite to Final Plat Approval.--* * *

2 (f) The amount of financial security to be posted for the
3 completion of the required improvements shall be equal to 110%
4 of the cost of completion estimated as of 90 days following the
5 date scheduled for completion by the developer. Annually, the
6 municipality may adjust the amount of the financial security by
7 comparing the actual cost of the improvements which have been
8 completed and the estimated cost for the completion of the
9 remaining improvements as of the expiration of the 90th day
10 after either the original date scheduled for completion or a
11 rescheduled date of completion. Subsequent to said adjustment,
12 the municipality may require the developer to post additional
13 security in order to assure that the financial security equals
14 but does not exceed said 110%. Any additional security shall be
15 posted by the developer in accordance with this subsection.

16 * * *

17 (h) If the party posting the financial security requires
18 more than one year from the date of posting of the financial
19 security to complete the required improvements, the amount of
20 financial security may be increased by an additional 10% for
21 each one-year period beyond the first anniversary date from
22 posting of financial security [or] to an amount not exceeding
23 110% of the cost of completing the required improvements as
24 reestablished on or about the expiration of the preceding one-
25 year period by using the above bidding procedure.

26 * * *

27 (j) As the work of installing the required improvements
28 proceeds, the party posting the financial security may request
29 the governing body to release or authorize the release, from
30 time to time, such portions of the financial security necessary

1 for payment to the contractor or contractors performing the
2 work. Any such requests shall be in writing addressed to the
3 governing body, and the governing body shall have 45 days from
4 receipt of such request within which to allow the municipal
5 engineer to certify, in writing, to the governing body that such
6 portion of the work upon the improvements has been completed in
7 accordance with the approved plat. Upon such certification the
8 governing body shall authorize release by the bonding company or
9 lending institution of an amount as estimated by the municipal
10 engineer fairly representing the value of the improvements
11 completed or, if the governing body fails to act within said 45-
12 day period, the governing body shall be deemed to have approved
13 the release of funds as requested. The governing body may, prior
14 to [final] release at the time of completion and certification
15 by its engineer, retain 10% of the [original amount of the
16 posted financial security for the aforesaid] estimated cost of
17 the remaining improvements.

18 * * *

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