



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

HOUSE BILL NO. 1034

PRINTERS NO. 2157

PRIME SPONSOR: Mako

COST / (SAVINGS)

FUND	FY 2016/17	FY 2017/18
Municipal Authority Funds	\$0	See "Fiscal Impact"

SUMMARY: Amends Title 53 (Municipalities Generally) to create a standardized procedure for the way authorities handle funds and provides for audits and fiscal reports. This legislation would take effect in 90 days.

ANALYSIS: This legislation amends Title 53 Pa.C.S., Chapter 56 (Municipal Authorities) to create a standardized procedure for the way authorities handle funds and provides for audits and fiscal reports.

The legislation amends Section 5612 (Money of Authority) to require that the treasurer of the authority shall receive the money due and deposit the money in an account with a designated depository. The money shall be remitted to the authority in the name of the authority and shall not include the name of an individual.

A new subsection is added (Fiscal procedures) to require an authority to establish, according to accepted accounting principles, the following procedures:

- customer billing,
- collection of payments,
- issuance of receipts,
- handling of money received, and
- the deposit of money into a designated depository.

This legislation also provides that the required annual audit and financial report shall be presented at a meeting of the authority board, discussed publicly and require an official vote of acceptance.

The legislation amends the annual report provisions within Section 5612(b) to change the timing of the filing of the municipal authority's annual report from July 1 to within 180 days following the end of its fiscal year.

FISCAL IMPACT: This legislation would have no adverse fiscal impact on Commonwealth or municipal authority funds. It is presumed that any municipal authority that has to create a standardized procedure to handle funds, such as changing the name or establishing a new bank account, could do so conveniently without any additional cost.

PREPARED BY: Tim Rodrigo
House Appropriations Committee (R)

DATE: June 27, 2017

Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.