FISCAL NOTE

HOUSE BILL NO. 406   **PRINTERS NO.** 2831   **PRIME SPONSOR**: Cox

COST / (SAVINGS)

FUND	FY 2019/20	FY 2020/21
Municipal Funds	Minimal	Minimal
Municipal Authority Funds	Minimal	Minimal

SUMMARY: Provides for public notice of a public meeting by a municipality prior to entering into an agreement to sell or lease a water or sewer system. This legislation would take effect in 60 days.

ANALYSIS: This legislation amends Title 53, Pa.C.S., by creating a new Chapter 52 to provide for the public notice by advertising in a newspaper the details of a public meeting to be held by a municipality or a municipal authority prior to entering into an agreement to sell or lease a water or sewer system. It further requires the potential purchaser to attend the public meeting.

This new subchapter provides that prior to entering into an agreement to sell or lease a water or sewer system owned or operated by a municipality or municipal authority, a municipality or an authority shall hold one advertised public meeting, not more than 60 days nor fewer than seven days prior to entering into the agreement with the potential purchaser or lessee and shall provide public notice of the meeting in all municipalities served by the municipal water or sewer system.

FISCAL IMPACT: This legislation could have a minimal fiscal impact on a municipality or municipal authority but only if that entity chooses to sell or lease a water or sewer system, which would require the public advertising of such sale or lease. It is also possible that any discussion of such sale or lease could be conducted at a regularly scheduled meeting and may not necessarily require the advertising of an additional public meeting.

This legislation would have no adverse fiscal impact on Commonwealth funds.

PREPARED BY: Tim Rodrigo
                     House Appropriations Committee (R)

DATE: February 3, 2020

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