

**SENATE APPROPRIATIONS COMMITTEE
FISCAL NOTE**

BILL NO. Senate Bill 656

PRINTER NO. 978

AMOUNT

See Fiscal Impact

FUND

Local Funds

DATE INTRODUCED

May 15, 2017

PRIME SPONSOR

Senator Fontana

DESCRIPTION AND PURPOSE OF BILL

Senate Bill 656 amends Chapter 56 (relating to municipal authorities) of Title 53 (Municipalities Generally) to authorize a governmental unit to use public funds for the replacement or remediation of private water laterals and private sewer laterals that are connected to public systems.

The legislation allows a municipal authority to perform the replacement or remediation of private water laterals and private sewer laterals for customers of an authority if the authority determines that the replacement or remediation will benefit the public health, public water supply system or public sewer system.

An authority that has performed a replacement or remediation shall not be deemed to be the owner of the private water or sewer laterals or be obligated to perform any other duties unless the authority makes an affirmative determination to accept any duties.

Senate Bill 656 allows an authority to use public funds and utilize authority employees for the replacement or remediation of private water and private sewer laterals if the authority determines that the replacement or remediation will benefit the public health, public water supply system or public sewer system. The legislation requires the authority to consider the available public funds, equipment, personnel and facilities and the competing demands of the authority for the same.

Senate Bill 656 allows for the construction and maintenance of water or sanitary sewer pump stations, public water distribution systems, public sewer collection systems or similar general construction services within the service area of the authority, or by contract or agreement with the authority.

This act shall take effect in 60 days.

FISCAL IMPACT:

Senate Bill 656 will have no adverse fiscal impact on Commonwealth funds.

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The legislation authorizes, but does not require, a municipal authority to use public funds for the replacement or remediation of private water laterals and sewer laterals connected to public systems. Presumably, these municipal authorities will expend public funds on private water laterals and sewer laterals only in instances where money is available and the expense is in the best interests of the municipal authority.