

MEMORANDUM

TO: Members of the House of Representatives

FROM: Representative Jesse White

DATE: December 6, 2010

SUBJECT: **Co-Sponsorship of Legislation: Municipal Authorities Reform Package**

In the near future, I plan to re-introduce a package of bills that reform Pennsylvania's municipal authorities by providing increased oversight and accountability of municipal authorities.

I am re-introducing these bills from the 2009-2010 legislative session to address a growing problem in my District and throughout the Commonwealth. In one specific situation, a municipal authority in my District failed to apply for state and federal grants along with low-income loans. These funds would have reduced the financial burden on residents rather than relying solely on private funding. As a result, residents were forced to burden the entire cost by paying rates and fees well above those paid in nearby communities.

To ensure situations such as I described above no longer occurs, I am re-introducing a package of four bills to do the following:

1. The first bill permits the Auditor General to conduct performance audits of a Municipal Authority;
2. The second bill requires projects in excess of \$1 million and where the authority is eligible to apply for federal and state funding to apply for funding and provide public notice of the application or applications;
3. The third bill assists property owners by requiring that an authority offer an installment payment plan at a fixed rate of interest when tapping or other similar fees are in excess of \$1,000; and
4. The fourth bill disallows the collection of a salary for a member of a governing board before a successor is put into place. The board member is only allowed to collect a stipend for reimbursement of reasonable traveling costs.

Many municipal authorities throughout the Commonwealth run efficiently and effectively. However, my legislation is intended to ensure that all municipal authorities achieve this standard, and all residents are protected. If you would like to co-sponsor any or all of these bills, please contact Eileen Kornotto at 783-6437 or by email at EKornott@pahouse.net.