

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 178 Session of
1999

INTRODUCED BY GEORGE, HERMAN, FAIRCHILD, STABACK, CLARK, WALKO,
COY, DeWEESE, FEESE, HANNA, BELFANTI, RAMOS, TRAVAGLIO,
TIGUE, LEVDANSKY, MELIO, BATTISTO, LUCYK, SOLOBAY, SHANER,
M. COHEN, ARGALL, CALTAGIRONE, MUNDY, PESCI, PRESTON,
SCRIMENTI, VAN HORNE, SATHER, CORRIGAN, HARHAI, GORDNER,
TRELLO, STEELMAN, WOJNAROSKI, LESCOVITZ, SURRA, BELARDI,
MICHLOVIC, THOMAS, GIGLIOTTI, DALEY AND HUTCHINSON,
JANUARY 27, 1999

REFERRED TO COMMITTEE ON ENVIRONMENTAL RESOURCES AND ENERGY,
JANUARY 27, 1999

AN ACT

1 Amending the act of March 1, 1988 (P.L.82, No.16), entitled "An
2 act providing for the establishment, implementation and
3 administration of the Pennsylvania Infrastructure Investment
4 Authority; imposing powers and duties on a board of trustees;
5 transferring the rights, powers, duties and obligations of
6 the Water Facilities Loan Board to the Pennsylvania
7 Infrastructure Investment Authority; providing for the
8 issuance of notes and bonds; providing for financial
9 assistance and for a comprehensive water facilities plan;
10 authorizing a referendum to incur indebtedness; making an
11 appropriation; and making repeals," providing for financial
12 assistance.

13 The General Assembly of the Commonwealth of Pennsylvania
14 hereby enacts as follows:

15 Section 1. Section 10(d) of the act of March 1, 1988
16 (P.L.82, No.16), known as the Pennsylvania Infrastructure
17 Investment Authority Act, amended December 16, 1992 (P.L.1137,
18 No.149), is amended to read:

19 Section 10. Financial assistance.

* * *

(d) Small projects.--

(1) The board shall establish a program of assistance to water supply and sewage disposal systems serving communities with a population of 12,000 people or less or systems having hookups of 1,000 or less.

(2) The board shall establish a program to financially assist storm water projects by municipalities with a population of 12,000 people or less. In addition to other factors which the board in its discretion may consider in assigning priorities under this program, preference shall be given where the municipality undertaking the project:

(i) has no natural watercourse within its boundaries;

(ii) relies on methods of storm water control which do not comply with Federal or State rules, regulations or standards; or

(iii) has been found to be subject to karst sinkhole development or other geologic condition which poses a danger to person or property and which may be aggravated by uncontrolled storm water flows.

(3) (i) The board shall establish a small water/sewer project loan fund for municipalities with a population of 10,000 people or less and shall issue loans from the fund not to exceed \$100,000 or 75% of eligible project costs for each loan, whichever is less. The borrower shall provide a local share in the form of matching funds or in-kind services at a minimum of 25% of the total project costs. The loan shall be for ten years at an interest rate of 2%.

1 (ii) Loans under this paragraph shall be used for
2 the following purposes:

3 (A) Drinking water facilities including
4 construction, rehabilitation, alteration, expansion
5 or improvement of water facilities.

6 (B) Pumping stations, distribution and treatment
7 facilities and reservoir rehabilitation projects.

8 (C) Sanitary sewage disposal facilities,
9 including all facilities related to collection lines
10 and sewage treatment facilities and excluding storm
11 sewers.

12 (D) Access roads to serve a public water or
13 sanitary sewer facility.

14 (4) (i) The board shall administer the Community
15 Facilities Grant Program, which is hereby established.
16 The program shall provide supplemental financial
17 assistance in the form of grants for needed public
18 facilities to strengthen income-producing capability,
19 improve health and safety and alleviate financial
20 hardship of the community.

21 (ii) Grants may be awarded under this paragraph and
22 shall not exceed to \$50,000 for each grant. Certain
23 eligible economically distressed communities, as
24 determined under the act of July 10, 1987 (P.L.246,
25 No.47), known as the Municipalities Financial Recovery
26 Act, may receive not more than \$75,000 for each grant.

27 (iii) Any borough, township or city with a
28 population of 10,000 or less and municipal and county
29 authorities serving such places is eligible for a grant
30 under this paragraph. For projects serving more than one

1 municipality, the population served may not exceed
2 10,000.

3 (iv) Grants under this paragraph shall be used for
4 the following purposes:

5 (A) Drinking water facilities including
6 construction, rehabilitation, alteration, expansion
7 or improvement of water facilities.

8 (B) Pumping stations, distribution and treatment
9 facilities and reservoir rehabilitation projects.

10 (C) Sanitary sewage disposal facilities,
11 including all facilities related to collection lines
12 and sewage treatment facilities and excluding storm
13 sewers.

14 (D) Access roads to serve a public water or
15 sanitary sewer facility.

16 (v) The board shall promulgate regulations to
17 implement this paragraph.

18 (5) The board shall annually expend not more than
19 \$15,000,000 from any funds available to the authority for the
20 purpose of implementing paragraphs (3) and (4).

21 * * *

22 Section 2. The functions, powers and duties of the
23 Department of Commerce with regard to the community facilities
24 program as provided for in 13 Pa. Code Ch. 11 (relating to
25 community facilities) are transferred to and shall be exercised
26 by the authority, and all records, files and property now being
27 used in connection with such functions, powers and duties and
28 the unexpended balances of appropriations, allocations and other
29 funds available or to be made available for use in connection
30 with such functions, powers and duties are transferred to the

1 authority.

2 Section 3. Each rule and regulation of the Department of
3 Commerce relating to the Community Facilities Grant Program in
4 effect on the effective date of this act shall remain in effect
5 after such date until repealed or amended by the board or until
6 it terminates in accordance with its own terms.

7 Section 4. All acts and parts of acts are repealed insofar
8 as they are inconsistent with this act.

9 Section 5. This act shall take effect in 60 days.