

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 930 Session of  
2001

INTRODUCED BY HERMAN, HENNESSEY, CURRY, FREEMAN, HARHAI,  
YUDICHAK, BROWNE, CALTAGIRONE, CAPPELLI, DeLUCA, GEIST,  
HORSEY, R. MILLER, NICKOL, READSHAW, RUBLEY, SATHER, SAYLOR,  
STERN, R. STEVENSON, T. STEVENSON, SURRA, WATSON, WILT,  
WOJNAROSKI AND YOUNGBLOOD, MARCH 13, 2001

AS AMENDED ON THIRD CONSIDERATION, IN SENATE, NOVEMBER 26, 2002

AN ACT

1 Amending Title 53 (Municipalities Generally) of the Pennsylvania  
2 Consolidated Statutes, further providing for definitions <—  
3 ~~relating to consolidation or merger, for initiative of~~  
4 ~~electors seeking consolidation or merger without home rule;~~  
5 ~~providing for initiative of electors seeking consolidation or~~  
6 ~~merger with a new home rule charter; further providing for~~  
7 ~~conduct of referenda and for consolidation or merger~~  
8 ~~agreement; and making editorial changes.~~ POWERS AND DUTIES OF <—  
9 AUTHORITIES.

10 The General Assembly of the Commonwealth of Pennsylvania  
11 hereby enacts as follows:

12 ~~Section 1. The definition of "initiative" in section 732 of~~ <—  
13 ~~Title 53 of the Pennsylvania Consolidated Statutes is amended~~  
14 ~~and the section is amended by adding definitions to read:~~  
15 ~~§ 732. Definitions.~~

16 ~~The following words and phrases when used in this subchapter~~  
17 ~~shall have the meanings given to them in this section unless the~~  
18 ~~context clearly indicates otherwise:~~

19 ~~"Commission." A board of members elected under the~~

~~provisions of section 735.1 (relating to initiative of electors seeking consolidation or merger with new home rule charter) to consider the advisability of the adoption of a new home rule charter for the proposed consolidated or merged municipality and, if advisable, to draft and recommend a new home rule charter to the electorate.~~

~~\* \* \*~~

~~"Electors." The registered voters of a municipality involved in proceedings relating to the adoption and repeal of optional forms of government.~~

~~\* \* \*~~

~~"Initiative." The filing with applicable election officials of a petition containing a proposal for a referendum to be placed on the ballot of the next election. The petition shall be:~~

~~(1) Filed not later than the 13th Tuesday prior to the next election in which it will appear on the ballot.~~

~~(2) Signed by voters comprising 5% [of the persons] of the number of electors voting for the office of Governor in the last gubernatorial general election in the municipality where the proposal will appear on the ballot.~~

~~(3) Placed on the ballot by election officials in a manner fairly representing the content of the petition for decision by referendum at the election.~~

~~(4) Submitted not more than once in five years.~~

~~\* \* \*~~

~~"New home rule charter." A written document that defines the powers, structure, privileges, rights and duties of the proposed consolidated or merged municipality, the limitations thereon and that provides for the composition and election of the governing~~

1 ~~body chosen by popular elections.~~

2       \* \* \*

3       Section 2. ~~Sections 734(b)(4) and 735 of Title 53 are~~  
4 ~~amended to read:~~

5 ~~§ 734. Joint agreement of governing bodies.~~

6       \* \* \*

7       (b) ~~Elements. The joint agreement shall include, but not be~~  
8 ~~limited to:~~

9               \* \* \*

10       (4) ~~Whether a consolidated or merged municipality shall~~  
11 ~~be governed solely by the code and other general laws~~  
12 ~~applicable to the kind and class of the consolidated or~~  
13 ~~merged municipality; whether it shall be governed by a home~~  
14 ~~rule charter or optional plan of government previously~~  
15 ~~adopted pursuant to [the act of April 13, 1972 (P.L.184,~~  
16 ~~No.62), known as the Home Rule Charter and Optional Plans~~  
17 ~~Law,] Subpart E of Part III (relating to home rule and~~  
18 ~~optional plan government), by one of the municipalities to be~~  
19 ~~consolidated or merged; or whether it shall be governed by a~~  
20 ~~home rule charter or optional plan of government that has not~~  
21 ~~been previously adopted in accordance with [the Home Rule~~  
22 ~~Charter and Optional Plans Law] Subpart E of Part III by any~~  
23 ~~of the municipalities to be consolidated or merged, but~~  
24 ~~which, in the case of an optional plan of government, has~~  
25 ~~been selected and approved by the governing body of each of~~  
26 ~~the municipalities to be consolidated or merged from among~~  
27 ~~the options provided for in [the Home Rule Charter and~~  
28 ~~Optional Plans Law] Subpart E of Part III or, in the case of~~  
29 ~~a home rule charter, has been formulated and approved by the~~  
30 ~~governing body of each of the municipalities to be~~

1 consolidated or merged; provided, however, that nothing in  
2 this subchapter shall be construed as authorizing a  
3 municipality adopting a home rule charter or optional plan of  
4 government pursuant to this subchapter to exercise powers not  
5 granted to a municipality adopting a home rule charter or an  
6 optional plan of government pursuant to [the Home Rule  
7 Charter and Optional Plans Law] Subpart E of Part III.

8 \* \* \*

9 ~~§ 735. Initiative of electors seeking consolidation or merger~~  
10 ~~without new home rule charter.~~

11 (a) ~~General rule.~~ In order for consolidation or merger  
12 proceedings to be initiated by petition of electors, petitions  
13 containing signatures of at least 5% of the number of electors  
14 voting for the office of Governor in the last gubernatorial  
15 general election in each municipality proposed to be  
16 consolidated or merged shall be filed with the county board of  
17 elections of the county in which the municipality, or the  
18 greater portion of its territory, is located.

19 (b) ~~Notice to governing bodies affected.~~ When election  
20 officials find that a petition is in proper order, they shall  
21 send copies of the initiative petition without the signatures  
22 thereon to the governing bodies of each of the municipalities  
23 affected by the proposed consolidation or merger.

24 (c) ~~Contents.~~ A petition shall set forth:

25 (1) ~~The name of the municipality from which the signers~~  
26 ~~of the petition were obtained.~~

27 (2) ~~The names of the municipalities proposed to be~~  
28 ~~consolidated or merged.~~

29 (3) ~~The name of the consolidated or merged municipality.~~

30 (4) ~~The type and class of the consolidated or merged~~

1       municipality.

2       ~~(5) Whether a consolidated or merged municipality shall~~  
3       ~~be governed solely by the code and other general laws~~  
4       ~~applicable to the kind and class of the consolidated or~~  
5       ~~merged municipality; whether it shall be governed by a home~~  
6       ~~rule charter or optional plan of government previously~~  
7       ~~adopted pursuant to the [act of April 13, 1972 (P.L.184,~~  
8       ~~No.62), known as the Home Rule Charter and Optional Plans~~  
9       ~~Law,] Subpart E of Part III (relating to home rule and~~  
10       ~~optional plan government), by one of the municipalities to be~~  
11       ~~consolidated or merged; or whether it shall be governed by an~~  
12       ~~optional plan of government that has not been previously~~  
13       ~~adopted in accordance with [the Home Rule Charter and~~  
14       ~~Optional Plans Law] Subpart E of Part III by any of the~~  
15       ~~municipalities to be consolidated or merged, but which has~~  
16       ~~been selected from among the options provided for in [the~~  
17       ~~Home Rule Charter and Optional Plans Law] Subpart E of Part~~  
18       ~~III and is identified in the petition; provided, however,~~  
19       ~~that nothing in this subchapter shall be construed as~~  
20       ~~authorizing a municipality adopting an optional plan of~~  
21       ~~government pursuant to this subchapter to exercise powers not~~  
22       ~~granted to a municipality adopting an optional plan of~~  
23       ~~government pursuant to [the Home Rule Charter and Optional~~  
24       ~~Plans Law] Subpart E of Part III.~~

25       ~~(6) In the case of a merger, where the surviving~~  
26       ~~municipality is a city which had previously adopted an~~  
27       ~~optional charter pursuant to the act of July 15, 1957~~  
28       ~~(P.L.901, No.399), known as the Optional Third Class City~~  
29       ~~Charter Law, whether the resulting merged municipality will~~  
30       ~~continue to operate under the optional charter.~~

1           ~~(7) The number of districts or wards, if any, into which~~  
2           ~~the consolidated or merged municipality will be divided for~~  
3           ~~the purpose of electing all or some members of its governing~~  
4           ~~body.~~

5           ~~(d) Filing of petition. The consolidation or merger~~  
6           ~~petition shall be filed with the election officials not later~~  
7           ~~than the 13th Tuesday prior to the next primary, municipal or~~  
8           ~~general election. The petition and proceedings on the petition~~  
9           ~~shall be conducted in the manner and subject to the provisions~~  
10           ~~of the election laws which relate to the signing, filing and~~  
11           ~~adjudication of nomination petitions insofar as the provisions~~  
12           ~~are applicable, except that no referendum petition shall be~~  
13           ~~signed or circulated prior to the 20th Tuesday before the~~  
14           ~~election, nor later than the 13th Tuesday before the election.~~

15           ~~Section 3. Title 53 is amended by adding a section to read:~~  
16           ~~§ 735.1. Initiative of electors seeking consolidation or merger~~  
17           ~~with new home rule charter.~~

18           ~~(a) General rule. In order for a commission and~~  
19           ~~consolidation or merger proceedings to be initiated by petition~~  
20           ~~of electors, petitions containing signatures of at least 5% of~~  
21           ~~the number of electors voting for the office of Governor in the~~  
22           ~~last gubernatorial general election in each municipality~~  
23           ~~proposed to be consolidated or merged shall be filed with the~~  
24           ~~county board of elections of the county in which the~~  
25           ~~municipality, or the greater portion of its territory, is~~  
26           ~~located.~~

27           ~~(b) Notice to governing bodies affected. When election~~  
28           ~~officials find that a petition is in proper order, they shall~~  
29           ~~send copies of the initiative petition without the signatures~~  
30           ~~thereon to the governing bodies of each of the municipalities~~

~~affected by the proposed consolidation or merger.~~

~~(c) Contents. A petition shall set forth:~~

~~(1) The name of the municipality from which the signers of the petition were obtained.~~

~~(2) The names of the municipalities proposed to be consolidated or merged.~~

~~(3) The name of the consolidated or merged municipality.~~ <—

~~(4) The type and class of the consolidated or merged municipality.~~

~~(5) (3) The number of persons to compose the commission.~~ <—

~~(4) THE PETITION QUESTION WHICH SHALL READ AS FOLLOWS:~~ <—

~~SHALL A GOVERNMENT STUDY COMMISSION OF (SEVEN, NINE OR ELEVEN) MEMBERS BE ELECTED TO STUDY THE ISSUE OF CONSOLIDATION OR MERGER OF (MUNICIPALITIES TO BE CONSOLIDATED OR MERGED); TO PROVIDE A RECOMMENDATION ON CONSOLIDATION OR MERGER; TO CONSIDER THE ADVISABILITY OF THE ADOPTION OF A NEW HOME RULE CHARTER; AND TO DRAFT A NEW HOME RULE CHARTER, IF RECOMMENDED IN THE REPORT OF THE COMMISSION?~~

~~(d) Filing of petition AND DUTY OF ELECTION BOARD.~~ <—

~~(1) A commission and consolidation or merger proceedings petition under this section shall be filed with the election officials not later than the 13th Tuesday prior to the next primary, municipal or general election.~~

~~(2) The petition and proceedings on the petition shall be conducted in the manner and subject to the provisions of the election laws which relate to the signing, filing and adjudication of nomination petitions insofar as the provisions are applicable, except that no referendum petition shall be signed or circulated prior to the 20th Tuesday~~

1 ~~before the election, nor later than the 13th Tuesday before~~  
2 ~~the election.~~

3 ~~(3) AT THE NEXT GENERAL, MUNICIPAL OR PRIMARY ELECTION~~ <—  
4 ~~OCCURRING NOT LESS THAN THE 13TH TUESDAY AFTER THE FILING OF~~  
5 ~~THE PETITION WITH THE COUNTY BOARD OF ELECTIONS, IT SHALL~~  
6 ~~CAUSE THE APPROPRIATE QUESTION TO BE SUBMITTED TO THE~~  
7 ~~ELECTORS OF EACH OF THE MUNICIPALITIES PROPOSED TO BE~~  
8 ~~CONSOLIDATED OR MERGED IN THE SAME MANNER AS OTHER QUESTIONS~~  
9 ~~ARE SUBMITTED UNDER THE ACT OF JUNE 3, 1937 (P.L.1333,~~  
10 ~~NO.320), KNOWN AS THE PENNSYLVANIA ELECTION CODE.~~

11 ~~(c) Election of members of commission.~~

12 ~~(1) A commission of seven, nine or eleven members, as~~  
13 ~~designated in the question, shall be elected by the qualified~~  
14 ~~voters at the same election the question is submitted to the~~  
15 ~~electors.~~

16 ~~(2) Each candidate for the office of member of the~~  
17 ~~commission shall be nominated and placed upon the ballot~~  
18 ~~containing the question in the manner provided by and subject~~  
19 ~~to the provisions of the act of June 3, 1937 (P.L.1333,~~  
20 ~~No.320), known as the Pennsylvania Election Code, which~~  
21 ~~relate to the nomination of a candidate nominated by~~  
22 ~~nomination papers filed for other offices elective by the~~  
23 ~~voters. Each candidate shall be nominated and listed without~~  
24 ~~any political designation or slogan and no nomination paper~~  
25 ~~shall be signed or circulated prior to the 13th Tuesday~~  
26 ~~before the election nor later than the tenth Tuesday before~~  
27 ~~the election. No signature shall be counted unless it bears a~~  
28 ~~date within this period.~~

29 ~~(3) Each elector shall be instructed to vote on the~~  
30 ~~question and, regardless of the manner of his vote on the~~



1 ~~question, to vote for the designated number of members of a~~ <—  
2 ~~THE commission who shall serve if the question is or has been~~ <—  
3 ~~determined in the affirmative.~~

4 ~~(4) If an insufficient number of nominating papers is~~  
5 ~~filed to fill all of the designated positions on the~~  
6 ~~commission, the question of establishing a THE commission~~ <—  
7 ~~shall be placed on the ballot and, unless a sufficient number~~  
8 ~~of commission members are elected by receiving at least as~~  
9 ~~many votes as signatures are required to file a nominating~~  
10 ~~petition, then the question of creating a THE commission~~ <—  
11 ~~shall be deemed to have been rejected.~~

12 ~~(f) Nomination of candidates.~~

13 ~~(1) All candidates for the A commission shall be~~ <—  
14 ~~electors. Each candidate shall be nominated from the area of~~  
15 ~~the proposed consolidated or merged municipality by~~  
16 ~~nomination papers signed by a number of electors equal at~~  
17 ~~least to 2% of the number of electors voting for the office~~  
18 ~~of Governor in the last gubernatorial general election in~~  
19 ~~each municipality proposed to be consolidated or merged or~~  
20 ~~200 electors from each municipality, whichever is less, and~~  
21 ~~filed with the county board of elections of the county in~~  
22 ~~which the municipality, or the greater portion of its~~  
23 ~~territory, is located not later than the tenth Tuesday prior~~  
24 ~~to the date of the election.~~

25 ~~(2) Each nomination paper shall set forth the name,~~  
26 ~~place of residence and post office address of the candidate~~  
27 ~~thereby nominated, that the nomination is for the office of~~  
28 ~~commissioner and that the signers are legally qualified to~~  
29 ~~vote for the candidate. An elector may not sign nomination~~  
30 ~~papers for more candidates for the commission than he could~~

~~vote for at the election. Every elector signing a nomination paper shall write his place of residence, post office address and street number, if any, on the petition.~~

~~(3) Each nomination paper shall, before it may be filed with the county board of elections, contain under oath of the candidate an acceptance of the nomination in writing, signed by the candidate therein nominated, upon or annexed to the paper, or, if the same person be named in more than one paper, upon or annexed to one of the papers. The acceptance shall certify that the candidate is an elector, that the nominee consents to run as a candidate at the election and that, if elected, the candidate agrees to take office and serve.~~

~~(4) Each nomination paper shall be verified by an oath of one or more of the signers, taken and subscribed before a person qualified under the laws of this Commonwealth to administer an oath, to the effect that the paper was signed by each of the signers in his proper handwriting, that the signers are, to the best knowledge and belief of the affiant, electors and that the nomination paper is prepared and filed in good faith for the sole purpose of endorsing the person named therein for election as stated in the paper.~~

~~(g) Results of election. The result of the votes cast for~~ <—

~~(G) RESULTS OF ELECTION.~~ <—

~~(1) THE RESULT OF THE VOTES CAST FOR and against the question as to the election of a commission and consolidation and merger proceedings shall be returned by the election officers, and a canvass of the election had, as is provided by law in the case of other public questions put to the electors. The votes cast for members of the commission shall~~

~~be counted and the result returned by the county board of electors of the county in which the municipality, or the greater portion of its territory, is located, and a canvass of the election had, as is provided by law in the case of election of members of municipal councils or boards. The designated number of candidates receiving the greatest number of votes shall be elected and shall constitute the commission. If a majority of those voting on the question vote against the election of a THE commission, none of the candidates shall be elected. If two or more candidates for the last seat shall be equal in number of votes, they shall draw lots to determine which one shall be elected.~~

~~(2) IF, IN ACCORDANCE WITH SUBSECTION (E)(4), THERE HAS BEEN AN INSUFFICIENT NUMBER OF NOMINATING PAPERS FILED TO FILL ALL OF THE DESIGNATED POSITIONS ON THE COMMISSION AND A SUFFICIENT NUMBER OF COMMISSION MEMBERS ARE NOT ELECTED BY RECEIVING AT LEAST AS MANY VOTES AS SIGNATURES ARE REQUIRED TO FILE A NOMINATING PETITION, THE QUESTION AS TO THE ELECTION OF A COMMISSION AND CONSOLIDATION AND MERGER PROCEEDINGS SHALL BE DEEMED TO HAVE BEEN REJECTED AND SHALL FAIL AND NONE OF THE CANDIDATES SHALL BE ELECTED.~~

~~(h) Oath of office of members of commission.~~

~~(1) As soon as possible and in any event no later than ten days after its certification of election, the members of a commission elected on a countywide basis shall, before a judge of a court of common pleas, make oath to support the Constitution of the United States and the Constitution of Pennsylvania and to perform the duties of the office with fidelity.~~

~~(2) As soon as possible and in any event no later than~~

~~ten days after its certification of election, the members of  
a commission elected on other than a countywide basis shall,  
before a district justice, make oath to support the  
Constitution of the United States and the Constitution of  
Pennsylvania and to perform the duties of the office with  
fidelity.~~

~~(i) First meeting of commission.~~

~~(1) As soon as possible and in any event no later than  
15 days after its certification of election, a commission  
shall organize and hold its first meeting and elect one of  
its members chairman and another member vice chairman, fix  
its hours and place of meeting and adopt rules for the  
conduct of business it deems necessary and advisable.~~

~~(2) A majority of the members of the commission shall  
constitute a quorum for the transaction of business, but no  
recommendation of the commission shall have any legal effect  
unless adopted by a majority of the whole number of the  
members of the commission.~~

~~(j) Vacancies. In case of a vacancy in a commission, the  
remaining members of the commission shall fill it by appointing  
thereto some other properly qualified elector.~~

~~(k) Function and duty of commission.~~

~~(1) A COMMISSION SHALL STUDY THE ISSUE OF CONSOLIDATION  
OR MERGER OF THE MUNICIPALITIES.~~

~~(2) THE commission shall study the advisability of a new  
home rule charter form of government for the proposed  
consolidated or merged municipality and compare it with other  
available forms under the laws of this Commonwealth and  
determine in its judgment which form of government is more  
clearly responsible or accountable to the people and its~~

~~operation more economical and efficient.~~

~~(2) (3) If a new home rule charter is found to be the  
most advisable form of government for the proposed  
consolidated or merged municipality, the commission shall  
draft and recommend a new home rule charter for the proposed  
SHALL:~~

~~(I) DRAFT AND RECOMMEND TO THE ELECTORATE A NEW HOME  
RULE CHARTER FOR THE PROPOSED consolidated or merged  
municipality to the electorate. CONTAINING A TRANSITIONAL  
PLAN AND SCHEDULE APPLICABLE TO ELECTED OFFICERS;  
PROVIDED, HOWEVER, THAT NOTHING IN THIS SECTION SHALL BE  
CONSTRUED AS AUTHORIZING A CONSOLIDATED OR MERGED  
MUNICIPALITY ADOPTING A NEW HOME RULE CHARTER PURSUANT TO  
THIS SECTION TO EXERCISE POWERS NOT GRANTED TO A  
MUNICIPALITY ADOPTING A HOME RULE CHARTER PURSUANT TO  
PART III, SUBPT. E (RELATING TO HOME RULE AND OPTIONAL  
PLAN GOVERNMENT).~~

~~(II) IF THE NEW HOME RULE CHARTER CALLS FOR ALL OR  
ANY PART OF THE GOVERNING BODY OF THE CONSOLIDATED OR  
MERGED MUNICIPALITY TO BE ELECTED ON A DISTRICT OR WARD  
BASIS, PREPARE AND SET FORTH, AS AN APPENDIX TO THE NEW  
HOME RULE CHARTER:~~

~~(A) THE DISTRICT OR WARD BOUNDARIES ESTABLISHED  
TO ACHIEVE SUBSTANTIALLY EQUAL REPRESENTATION.~~

~~(B) THE DISTRICT OR WARD DESIGNATION BY NUMBER.~~

~~(C) THE NUMBER OF MEMBERS OF THE MUNICIPAL  
GOVERNING BODY TO BE ELECTED FROM EACH DISTRICT OR  
WARD.~~

~~(III) PREPARE AND SUGGEST FOR ADOPTION BY THE  
GOVERNING BODY OF THE NEWLY CONSOLIDATED OR MERGED~~

~~MUNICIPALITY RECOMMENDATIONS CONCERNING:~~

~~(A) THE DISPOSITION OF ASSETS THAT MAY BE  
SURPLUS OR UNNEEDED AS A RESULT OF THE CONSOLIDATION  
OR MERGER.~~

~~(B) THE LIQUIDATION, ASSUMPTION OR OTHER  
DISPOSITION OF EXISTING INDEBTEDNESS OF THE  
CONSOLIDATED OR MERGED MUNICIPALITIES.~~

~~(C) A LEGALLY CONSISTENT UNIFORM TAX SYSTEM TO  
BE IMPLEMENTED THROUGHOUT THE CONSOLIDATED OR MERGED  
MUNICIPALITY WHICH PROVIDES THE REVENUE NECESSARY TO  
FUND REQUIRED MUNICIPAL SERVICES.~~

~~(D) ORDINANCES TO BE UNIFORMLY ENFORCED  
THROUGHOUT THE CONSOLIDATED OR MERGED MUNICIPALITY,  
WHICH MAY BE ADOPTED BY THE NEW GOVERNING BODY OF THE  
CONSOLIDATED OR MERGED MUNICIPALITY AT ITS  
ORGANIZATIONAL MEETING; PROVIDED, THAT CODIFICATION  
OF ALL ORDINANCES SHALL BE COMPLETED AS SPECIFIED IN  
SECTION 740 (RELATING TO PROCEDURES).~~

~~(1) Compensation and personnel, PERSONNEL AND COMMISSION  
BUDGET.~~

~~(1) Members of the government study commission shall  
serve without compensation, but shall be reimbursed by the  
municipalities proposed to be consolidated or merged for  
their necessary expenses incurred in the performance of their  
duties. Each governing body shall appropriate moneys  
necessary for this purpose.~~

~~(2) Within the limits of the appropriations and other  
publicly and privately contributed funds and services made  
available to it, the~~

~~(2) THE commission may appoint one or more consultants~~

1 ~~and clerical and other assistants to serve at the pleasure of~~  
2 ~~the commission and may fix reasonable compensation therefor~~  
3 ~~to be paid the consultants and clerical and other assistants.~~

4 ~~(3) IN ACCORDANCE WITH THIS SUBSECTION, THE COMMISSION~~ <—  
5 ~~SHALL PREPARE AND SUBMIT TO THE GOVERNING BODY OF EACH OF THE~~  
6 ~~MUNICIPALITIES BEING CONSIDERED FOR CONSOLIDATION OR MERGER,~~  
7 ~~BUDGET ESTIMATES OF THE AMOUNT OF MONEY NECESSARY TO MEET THE~~  
8 ~~EXPENDITURES TO BE INCURRED BY THE COMMISSION IN THE CARRYING~~  
9 ~~OUT OF ITS FUNCTIONS IN ACCORDANCE WITH THIS SECTION,~~  
10 ~~INCLUDING, BUT NOT LIMITED TO, REASONABLE ESTIMATIONS OF THE~~  
11 ~~NECESSARY EXPENSES OF COMMISSION MEMBERS, COMPENSATION OF~~  
12 ~~CONSULTANTS, CLERICAL PERSONNEL AND OTHER ASSISTANTS AND~~  
13 ~~OTHER EXPENDITURES INCIDENT TO WORK OF THE COMMISSION.~~

14 ~~(4) THE COMMISSION SHALL PREPARE AND SUBMIT AN INITIAL~~  
15 ~~BUDGET SUBMISSION THAT ESTIMATES EXPENSES FOR THE FIRST NINE~~  
16 ~~MONTH PHASE OF THE COMMISSION'S WORK. THE INITIAL BUDGET~~  
17 ~~ESTIMATE SHALL BE SUBMITTED AS SOON AS POSSIBLE AND IN ANY~~  
18 ~~EVENT NO LATER THAN 45 DAYS AFTER THE COMMISSION'S~~  
19 ~~CERTIFICATION OF ELECTION.~~

20 ~~(5) IF, DURING THE FIRST NINE MONTH PHASE OF ITS WORK,~~  
21 ~~THE COMMISSION ELECTS TO PREPARE AND SUBMIT A NEW HOME RULE~~  
22 ~~CHARTER FOR THE PROPOSED CONSOLIDATED OR MERGED MUNICIPALITY,~~  
23 ~~A FINAL BUDGET SHALL BE SUBMITTED TO THE GOVERNING BODY OF~~  
24 ~~EACH OF THE MUNICIPALITIES BEING CONSIDERED FOR CONSOLIDATION~~  
25 ~~OR MERGER THAT ESTIMATES EXPENSES TO BE INCURRED IN THE~~  
26 ~~COMPLETION OF THE COMMISSION'S WORK.~~

27 ~~(6) NO LATER THAN 15 DAYS AFTER THE SUBMISSION OF A~~  
28 ~~BUDGET IN ACCORDANCE WITH PARAGRAPHS (4) OR (5), A JOINT~~  
29 ~~PUBLIC HEARING OF THE COMMISSION AND THE GOVERNING BODIES OF~~  
30 ~~THE MUNICIPALITIES SHALL BE HELD. THE GOVERNING BODIES OF THE~~

1 ~~MUNICIPALITIES TO BE CONSOLIDATED OR MERGED MAY, BY~~  
2 ~~AGREEMENT, MODIFY ANY BUDGET SUBMITTED BY THE COMMISSION. A~~  
3 ~~GOVERNING BODY OF A MUNICIPALITY TO BE CONSOLIDATED OR MERGED~~  
4 ~~MAY APPROVE APPROPRIATIONS TO THE COMMISSION IN CONFORMITY~~  
5 ~~WITH ITS SHARE OF THE MODIFIED BUDGET, AS DETERMINED IN~~  
6 ~~ACCORDANCE WITH PARAGRAPH (7). ANY UNREASONABLE MODIFICATION~~  
7 ~~OF THE BUDGET MAY BE SUBJECT TO AN ACTION AS PROVIDED IN~~  
8 ~~PARAGRAPH (8) IN THE COURT OF COMMON PLEAS OF ANY COUNTY~~  
9 ~~WHEREIN A MUNICIPALITY TO BE CONSOLIDATED OR MERGED LIES.~~

10 ~~(7) THE MUNICIPALITIES TO BE CONSOLIDATED OR MERGED MAY,~~  
11 ~~BY AGREEMENT, DETERMINE THE SHARE THAT EACH MUNICIPALITY~~  
12 ~~SHALL APPROPRIATE TO FUND THE ESTIMATED BUDGET OF THE~~  
13 ~~COMMISSION. IF NO AGREEMENT AS TO THE RESPECTIVE AMOUNT THAT~~  
14 ~~EACH MUNICIPALITY SHALL APPROPRIATE IS REACHED, EACH~~  
15 ~~MUNICIPALITY SHALL APPROPRIATE FUNDS EQUAL TO ITS PRO RATA~~  
16 ~~SHARE OF THE TOTAL ESTIMATED BUDGET OF THE COMMISSION BASED~~  
17 ~~UPON ITS SHARE OF POPULATION TO THE TOTAL POPULATION OF THE~~  
18 ~~MUNICIPALITIES TO BE CONSOLIDATED OR MERGED.~~

19 ~~(8) THE COMMISSION MAY BRING AN ACTION IN THE COURT OF~~  
20 ~~COMMON PLEAS OF THE COUNTY WHERE A MUNICIPALITY IS LOCATED~~  
21 ~~REQUESTING THAT THE COURT DETERMINE WHETHER THE MUNICIPALITY~~  
22 ~~HAS FAILED TO REASONABLY MODIFY AN ESTIMATED BUDGET OR TO~~  
23 ~~APPROPRIATE MONEYS IN ACCORDANCE WITH THIS SUBSECTION. THE~~  
24 ~~COURT MAY PROVIDE APPROPRIATE RELIEF, INCLUDING, BUT NOT~~  
25 ~~LIMITED TO, ORDERING APPROPRIATION OF FUNDS IN ACCORDANCE~~  
26 ~~WITH THE BUDGET:~~

27 ~~(I) AS SUBMITTED BY THE COMMISSION OR AS MODIFIED BY~~  
28 ~~THE MUNICIPALITIES; OR~~

29 ~~(II) AS MODIFIED BY THE COURT.~~

30 ~~(9) IN ALL CASES, THE COSTS AND FEES OF ANY ACTION~~



~~BROUGHT BY THE COMMISSION UNDER THIS SUBSECTION SHALL BE PAID  
BY THE MUNICIPALITY OR MUNICIPALITIES NAMED AS DEFENDANTS.~~

~~(10) A MUNICIPALITY SHALL BE ENTITLED TO A PROPORTIONATE  
REIMBURSEMENT OR OFFSET OF ITS SHARE OF THE BUDGET BY ANY  
PUBLICLY OR PRIVATELY CONTRIBUTED FUNDS OR SERVICES MADE  
AVAILABLE TO THE COMMISSION.~~

~~(m) Hearings and public forums. A commission shall hold one  
or more public hearings and sponsor public forums and generally  
shall provide for the widest possible public information and  
discussion respecting the purposes and progress of its work.~~

~~(n) Report of findings and recommendations.~~

~~(1) A commission shall report its findings and  
recommendations to the citizens of the proposed consolidated  
or merged municipalities within nine months from the date of  
its election except that it shall be permitted an additional  
nine months if it elects to prepare and submit a proposed new  
home rule charter and an additional two months if it chooses  
to provide for the election of its governing body by  
districts. It shall publish or cause to be published  
sufficient copies of its final report for public study and  
information and shall deliver to the municipal clerk or  
secretary of each municipality proposed to be consolidated or  
merged sufficient copies of the report to supply it to any  
interested citizen upon request. If the commission recommends  
the adoption of a new home rule charter, the report shall  
contain the complete plan as recommended.~~

~~(2) There shall be attached to each copy of the report  
of the commission, as a part thereof, a statement sworn to by  
the members of the commission listing in detail the funds,  
goods, materials and services, both public and private, used~~

~~by the commission in the performance of its work and the preparation and filing of the report and identifying specifically the supplier of each item thereon.~~

~~(3) A copy of the final report of the commission with its findings and recommendations shall be filed with the Department of Community and Economic Development.~~

~~(4) All the records, reports, tapes, minutes of meetings and written discussions of the commission shall, upon its discharge, be turned over to the municipal clerk or secretary of each municipality proposed to be consolidated or merged for permanent safekeeping and made available for public inspection at any time during regular business hours.~~

~~(o) Discharge of petition and amended reports.~~

~~(1) A commission shall be discharged upon the filing of its report, but, if the commission's recommendations require further procedure in the form of a referendum on the part of the electors, the commission shall not be discharged until the procedure has been concluded. At any time prior to 60 days before the date of the referendum, the commission may modify or change any recommendation set forth in the final report by publishing an amended report.~~

~~(2) Whenever a THE commission issues an amended report pursuant to paragraph (1), the amended report shall supersede the final report and the final report shall cease to have any legal effect.~~

~~(3) The procedure to be taken under the amended report shall be governed by the provisions of this subpart applicable to the final report of a THE commission submitted pursuant to subsection (n).~~

~~(p) Types of action recommended. A commission shall report~~

~~and recommend in accordance with this section:~~

~~(1) That a referendum shall be held to submit to the electors the question of consolidating or merging the specific municipalities and adopting a new home rule charter as prepared by the commission and as authorized by this subpart.~~

~~(2) That the form of government of the respective municipalities should remain unchanged and that under this section no consolidation or merger should take place.~~

~~(3) Such other action as it deems advisable consistent with its functions as set forth in this subpart.~~

~~(1) THAT A REFERENDUM SHALL BE HELD THAT SUBMITS TO THE ELECTORS THE QUESTION OF CONSOLIDATING OR MERGING THE NAMED MUNICIPALITIES UNDER A NEW HOME RULE CHARTER AS PREPARED BY THE COMMISSION.~~

~~(2) THAT NO REFERENDUM SHALL BE HELD BECAUSE CONSOLIDATION OR MERGER OF THE NAMED MUNICIPALITIES UNDER A NEW HOME RULE CHARTER IS NOT RECOMMENDED BY THE COMMISSION.~~

~~(3) THAT THE NAMED MUNICIPALITIES CONSIDER SUCH OTHER ACTION AS THE COMMISSION RECOMMENDS AND DEEMS ADVISABLE CONSISTENT WITH ITS FUNCTIONS AS SET FORTH IN THIS SECTION.~~

~~(g) Specificity of recommendations.~~

~~(1) If a commission recommends the adoption of a new home rule charter, it shall specify the number to be on the governing body, all offices to be filled by election and whether elections shall be on an at large, district or combination district and at large basis.~~

~~(2) Notwithstanding any other provisions of this subpart, if an approved new home rule charter adopted pursuant to the provisions of this subpart specifies that the~~

~~election of the governing body should be on an at large,  
district or combination district and at large basis and the  
basis recommended differs from the existing basis and  
therefore required eliminating districts or establishing  
REQUIRES THE ELIMINATION OF DISTRICTS OR THE ESTABLISHMENT OF  
revised or new districts, then election of municipal  
officials shall not take place on the new basis until the  
municipal election following the next primary election taking  
place more than 180 days after the election at which the  
referendum on the question of a consolidation or merger and  
new home rule charter has been approved by the electorate.  
The consolidation or merger and new home rule charter shall  
not go into effect until the first Monday in January  
following the election of municipal officials on the new  
basis as provided in section 738 (relating to effectuation of  
consolidation or merger). New or revised districts shall be  
established by the commission and included in the proposed  
charter.~~

~~(r) Form of question on consolidation or merger and new home  
rule charter. If the commission recommends A COMMISSION  
RECOMMENDS CONSOLIDATION OR MERGER AND the adoption of a new  
home rule charter FOR THE MUNICIPALITIES TO BE CONSOLIDATED OR  
MERGED, the question to be submitted to the voters for the  
adoption of consolidation or merger and a new home rule charter  
shall be submitted in the following form or such part as shall  
be applicable.~~

~~Shall the municipalities of (insert names of  
municipalities consolidating or merging) be (insert  
consolidated or merged) to become (insert name of new  
municipality, type and class of municipality) under a new~~

~~home rule charter contained in the report, dated (insert date), of the commission?~~

~~(s) Submission of question on consolidation or merger and new home rule charter. If a commission recommends that the question of adopting consolidation or merger and a new home rule charter authorized by this subpart should be submitted to the electors, the municipal clerk or secretary of each municipality proposed to be consolidated or merged shall, within five days thereafter, certify a copy of the commission's report to the county board of elections of the county in which the municipality, or the greater portion of its territory, is located, which shall cause the question of adoption or rejection to be placed upon the ballot or voting machines at the time as the commission specifies in its report. The commission may cause the question to be submitted to the electors at the next primary, municipal or general election occurring not less than 60 days following the filing of a copy of the commission's report with the county board of elections, at the time the commission's report directs. At the election, the question of adopting consolidation or merger and a new home rule charter recommended by the commission shall be submitted to the electors by the county board of elections in the same manner as other questions are submitted to the electors under the Pennsylvania Election Code. The commission shall frame the question to be placed upon the ballot as provided for in subsection (r) and, if it deems appropriate, an interpretative statement to accompany the question.~~

~~(t) Amendment of new home rule charter. The procedure for amending the new home rule charter of the consolidated or merged municipality created under this subpart shall be through the~~

~~initiative procedure and referendum or ordinance of the governing body as provided for in Subchapter C of Chapter 29 (relating to amendment of existing charter or optional plan).~~

~~(u) General powers and limitation of consolidated or merged municipality under new home rule charter. Nothing in this section shall be construed as authorizing a consolidated or merged municipality adopting a new home rule charter to exercise powers not granted to a municipality adopting a home rule charter pursuant to Subpart E of Part III (relating to home rule and optional plan government).~~

~~Section 4. Sections 736 and 737, 737, 738, 739(A), 740(A) AND 741 of Title 53 are amended to read:~~

~~§ 736. Conduct of referenda.~~

~~(a) Duty to place on ballot. Following initiation of proceedings for consolidation or merger by the procedures set forth either in section 734 (relating to joint agreement of governing bodies) or 735 (relating to initiative of electors[,]) seeking consolidation or merger without new home rule charter) or 735.1 (relating to initiative of electors seeking consolidation or merger with new home rule charter) the question of consolidation or merger as set forth in the joint agreement or initiative [petition] petitions shall be placed before the electors of each of the municipalities proposed to be consolidated or merged. A referendum shall be held at the first primary, municipal or general election occurring at least 13 weeks after either:~~

~~(1) the date of the general agreement entered into under the provisions of section 734; or~~

~~(2) the date of filing of the [petition] petitions filed under the provisions of [section 735.] sections 735 and~~

~~735.1. This subsection shall not prevent the provisions of  
section 735.1(g) from being implemented. SECTION 735.~~

<—

~~(A.1) REFERENDA UNDER SECTION 735.1. REFERENDA AUTHORIZED  
UNDER SECTION 735.1 (RELATING TO INITIATIVE OF ELECTORS SEEKING  
CONSOLIDATION OR MERGER WITH NEW HOME RULE CHARTER) SHALL BE  
PLACED ON THE BALLOT IN ACCORDANCE WITH SECTION 735.1(D)(3) AND  
(S).~~

~~(b) Approval. [Consolidation] Pursuant to sections 734, 735  
and 735.1 consolidation or merger shall not be effective unless  
the referendum question is approved by a majority of the  
electors voting in each of the municipalities in which the  
referendum is held. If in any one of the municipalities in which  
the referendum is held a majority vote in favor of consolidation  
or merger does not result, the referendum shall fail and  
consolidation or merger shall not take place. The same question  
IN ACCORDANCE WITH SECTIONS 734 OR 735, OR THE SAME QUESTION  
DESCRIBED IN THE PROPOSAL FOR CONSOLIDATION OR MERGER WITH A NEW  
HOME RULE CHARTER IN ACCORDANCE WITH SECTION 735.1 described in  
the consolidation or merger proposal shall not be voted on again  
for a period of five years.~~

<—

~~(c) Subsequent referenda. The five year moratorium on  
voting the same consolidation or merger question as provided in  
subsection (b) shall be deemed not to apply to any subsequent  
referendum question involving a consolidation or merger of any  
combination of two or more contiguous municipalities if the  
referendum question differs or is dissimilar in any way from a  
previous referendum question which was not approved as provided  
for in subsection (b).~~

~~§ 737. Consolidation or merger agreement.~~

~~(a) Form. Upon favorable action by the electorate on~~

1 ~~consolidation or merger, in cases where consolidation or merger~~  
2 ~~was initiated by petition of electors under section 735~~  
3 ~~(relating to initiative of electors[])] seeking consolidation or~~  
4 ~~merger without new home rule charter) or section 735.1 (relating~~ <—  
5 ~~to initiative of electors seeking consolidation or merger with~~  
6 ~~new home rule charter, the governing bodies of the~~  
7 ~~municipalities to be consolidated or merged shall meet within 60~~  
8 ~~days after the certification of the favorable vote and shall~~  
9 ~~within a reasonable time after certification make a~~  
10 ~~consolidation or merger agreement as follows:~~  
11       ~~(1) [If] Under section 735 if the governing body, or~~ <—  
12       ~~part of the governing body, of the consolidated or merged~~  
13       ~~municipality is to be elected on a district or ward basis,~~  
14       ~~the agreement shall set forth the district or ward boundaries~~  
15       ~~and the district or ward designation, by number, and the~~  
16       ~~number of members of the municipal governing body to be~~  
17       ~~elected from each district or ward. The boundaries of the~~  
18       ~~districts or wards shall be established to achieve~~  
19       ~~substantially equal representation.~~  
20       ~~(2) The agreement shall set forth terms for:~~  
21             ~~(i) The disposition of the existing assets of each~~  
22             ~~municipality.~~  
23             ~~(ii) The liquidation of the existing indebtedness of~~  
24             ~~each municipality.~~  
25             ~~(iii) The assumption, assignment and disposition of~~  
26             ~~the existing liabilities of each municipality, either~~  
27             ~~jointly, separately or in certain defined proportions, by~~  
28             ~~separate rates of taxation within each of the constituent~~  
29             ~~municipalities until consolidation or merger becomes~~  
30             ~~effective pursuant to section 738 (relating to~~



1           ~~effectuation of consolidation or merger).~~

2           ~~(3) The agreement shall set forth the governmental~~  
3           ~~organization of the consolidated or merged municipality~~  
4           ~~insofar as it concerns elected officers and shall contain a~~  
5           ~~transitional plan and schedule applicable to elected~~  
6           ~~officers.~~

7           ~~(4) The agreement shall provide for common~~  
8           ~~administration and uniform enforcement of ordinances within~~  
9           ~~the consolidated or merged municipality.~~

10          ~~(5) The agreement shall also provide, consistent with~~  
11          ~~existing law, for the implementation of a uniform tax system~~  
12          ~~throughout the consolidated or merged municipality which~~  
13          ~~shall provide the revenue necessary to fund required~~  
14          ~~municipal services.~~

15          ~~(b) Filing. A copy of the consolidation or merger agreement~~  
16          ~~under this section or the joint agreement under section 734~~  
17          ~~(relating to joint agreement of governing bodies) after approval~~  
18          ~~by the electorate shall be filed with the Department of~~  
19          ~~Community [Affairs] and Economic Development, the Department of~~  
20          ~~Transportation, the Governor's Office of Policy Development or~~  
21          ~~its successor, the Department of Education, the State Tax~~  
22          ~~Equalization Board and the Legislative Data Processing~~  
23          ~~Committee. A copy shall also be filed with the court of common~~  
24          ~~pleas and the board of county commissioners of the county or~~  
25          ~~counties in which municipalities affected are located.~~

26          ~~§ 738. EFFECTUATION OF CONSOLIDATION OR MERGER.~~

<—

27          ~~MUNICIPALITIES CONSOLIDATED OR MERGED SHALL CONTINUE TO BE~~  
28          ~~GOVERNED AS BEFORE CONSOLIDATION OR MERGER UNTIL THE DATE~~  
29          ~~STIPULATED IN THE TRANSITIONAL PLAN AND SCHEDULE PROVIDED FOR IN~~  
30          ~~SECTIONS 734 (RELATING TO JOINT AGREEMENT OF GOVERNING BODIES)~~

1 ~~AND 737 (RELATING TO CONSOLIDATION OR MERGER AGREEMENT)[. NEW]~~  
2 ~~OR THE TRANSITIONAL PLAN PROVIDED FOR BY A STUDY COMMISSION~~  
3 ~~PURSUANT TO SECTION 735.1 (RELATING TO INITIATIVE OF ELECTORS~~  
4 ~~SEEKING CONSOLIDATION OR MERGER WITH NEW HOME RULE CHARTER).~~  
5 ~~SUBJECT TO THE PROVISIONS OF SECTION 735.1(Q), NEW OFFICIALS~~  
6 ~~REQUIRED TO BE ELECTED SHALL TAKE OFFICE ON THE FIRST MONDAY OF~~  
7 ~~JANUARY FOLLOWING THE MUNICIPAL ELECTION DESIGNATED IN THE~~  
8 ~~TRANSITIONAL PLAN AND SCHEDULE. AT THAT MUNICIPAL ELECTION, THE~~  
9 ~~NECESSARY OFFICERS OF THE CONSOLIDATED OR MERGED MUNICIPALITY~~  
10 ~~SHALL BE ELECTED IN ACCORDANCE WITH THE TERMS OF THE GENERAL LAW~~  
11 ~~AFFECTING MUNICIPALITIES OF THE KIND OR CLASS OF THE~~  
12 ~~CONSOLIDATED OR MERGED MUNICIPALITY OR, IN CASE OF A~~  
13 ~~CONSOLIDATED OR MERGED MUNICIPALITY OPERATING UNDER A HOME RULE~~  
14 ~~CHARTER OR OPTIONAL PLAN OF GOVERNMENT, IN ACCORDANCE WITH THE~~  
15 ~~CHARTER OR OPTIONAL PLAN OR WITH GENERAL LAW AFFECTING HOME RULE~~  
16 ~~OR OPTIONAL PLAN MUNICIPALITIES, AS APPLICABLE. THE OFFICERS~~  
17 ~~ELECTED AT THAT MUNICIPAL ELECTION SHALL BE ELECTED FOR TERMS OF~~  
18 ~~OFFICE UNDER THE PLAN AND SCHEDULE SET FORTH IN THE~~  
19 ~~CONSOLIDATION OR MERGER AGREEMENT AUTHORIZED BY SECTION 734 OR~~  
20 ~~737, OR THE TRANSITIONAL PLAN PROVIDED FOR BY A COMMISSION~~  
21 ~~PURSUANT TO SECTION 735.1, AS THE CASE MAY BE. THEY SHALL TAKE~~  
22 ~~OFFICE AS OFFICERS OF THE CONSOLIDATED OR MERGED MUNICIPALITY ON~~  
23 ~~THE FIRST MONDAY OF JANUARY FOLLOWING THE MUNICIPAL ELECTION AT~~  
24 ~~WHICH THEY WERE ELECTED, AND UPON ASSUMPTION OF OFFICE, THE~~  
25 ~~CONSOLIDATED OR MERGED MUNICIPALITY SHALL BEGIN TO FUNCTION AND~~  
26 ~~THE FORMER MUNICIPALITIES CONSOLIDATED OR MERGED INTO IT SHALL~~  
27 ~~BE ABOLISHED.~~

28 ~~§ 739. EFFECT OF TRANSITION ON EMPLOYEES OF CONSOLIDATED OR~~  
29 ~~MERGED MUNICIPALITY.~~

30 ~~(A) TRANSITION. AS OF THE DATE WHEN A CONSOLIDATED OR~~

1 ~~MERGED MUNICIPALITY SHALL BEGIN TO FUNCTION, EXCEPT FOR THOSE~~  
2 ~~OFFICERS AND EMPLOYEES WHICH ARE PROTECTED BY ANY TENURE OF~~  
3 ~~OFFICE, CIVIL SERVICE PROVISIONS OR COLLECTIVE BARGAINING~~  
4 ~~AGREEMENT, ALL APPOINTIVE OFFICES AND POSITIONS THEN EXISTING IN~~  
5 ~~ALL FORMER MUNICIPALITIES INVOLVED IN THE CONSOLIDATION OR~~  
6 ~~MERGER SHALL BE SUBJECT TO THE TERMS OF THE CONSOLIDATION OR~~  
7 ~~MERGER AGREEMENT OR TRANSITIONAL PLAN AS PROVIDED FOR IN SECTION~~  
8 ~~735.1 (RELATING TO INITIATIVE OF ELECTORS SEEKING CONSOLIDATION~~  
9 ~~OR MERGER WITH NEW HOME RULE CHARTER). PROVISIONS SHALL BE MADE~~  
10 ~~FOR INSTANCES IN WHICH THERE IS DUPLICATION OF POSITIONS,~~  
11 ~~INCLUDING, BUT NOT LIMITED TO, CHIEF OF POLICE OR MANAGER, AND~~  
12 ~~FOR OTHER MATTERS SUCH AS VARYING LENGTH OF EMPLOYEE CONTRACTS,~~  
13 ~~DIFFERENT CIVIL SERVICE REGULATIONS IN THE CONSTITUENT~~  
14 ~~MUNICIPALITIES AND DIFFERING RANKS AND POSITION CLASSIFICATIONS~~  
15 ~~FOR SIMILAR POSITIONS.~~

16       \* \* \*

17 ~~§ 740. PROCEDURES.~~

18       ~~(A) ORDINANCE BOOK. AFTER CONSOLIDATION BECOMES EFFECTIVE,~~  
19 ~~A NEW ORDINANCE BOOK SHALL BE USED BY THE MUNICIPALITY, AND,~~  
20 ~~EXCEPT FOR A MUNICIPALITY CONSOLIDATED OR MERGED UNDER SECTION~~  
21 ~~735.1 (RELATING TO INITIATIVE OF ELECTORS SEEKING CONSOLIDATION~~  
22 ~~OR MERGER WITH NEW HOME RULE CHARTER), THE FIRST DOCUMENT TO BE~~  
23 ~~RECORDED IN IT SHALL BE THE CONSOLIDATION AGREEMENT.~~

24       \* \* \*

25 ~~§ 741. COURT REVIEW OF TRANSITIONAL PLAN.~~

26       ~~[AFTER] (A) GENERAL RULE. EXCEPT AS PROVIDED IN SUBSECTION~~  
27 ~~(B), AFTER THE APPROVAL OF A REFERENDUM PURSUANT TO SECTION 736~~  
28 ~~(RELATING TO CONDUCT OF REFERENDA), ANY PERSON WHO IS A RESIDENT~~  
29 ~~OF A MUNICIPALITY TO BE CONSOLIDATED OR MERGED MAY PETITION THE~~  
30 ~~COURT OF COMMON PLEAS TO ORDER THE APPROPRIATE MUNICIPAL~~

GOVERNING BODIES TO:

(1) IMPLEMENT THE TERMS OF A TRANSITIONAL PLAN AND SCHEDULE ADOPTED PURSUANT TO SECTION 734 (RELATING TO JOINT AGREEMENT OF GOVERNING BODIES) OR 737 (RELATING TO CONSOLIDATION OR MERGER AGREEMENT); OR

(2) ADOPT OR AMEND A TRANSITIONAL PLAN OR SCHEDULE IF THE COURT FINDS THAT THE FAILURE TO DO SO WILL RESULT IN THE UNREASONABLE PERPETUATION OF THE SEPARATE FORMS AND CLASSIFICATIONS OF GOVERNMENT EXISTING IN THE AFFECTED MUNICIPALITIES PRIOR TO THE APPROVAL OF THE REFERENDUM.

~~(B) EXCEPTION. AFTER CONSOLIDATION OR MERGER PURSUANT TO SECTION 735.1 (RELATING TO INITIATIVE OF ELECTORS SEEKING CONSOLIDATION OR MERGER WITH NEW HOME RULE CHARTER), ANY PERSON WHO IS A RESIDENT OF THE NEWLY CONSOLIDATED OR MERGED MUNICIPALITY MAY PETITION THE COURT OF COMMON PLEAS TO ORDER THE GOVERNING BODY OF THAT MUNICIPALITY TO ACT TO ACCEPT OR PROVIDE ALTERNATIVES TO THE RECOMMENDATIONS OF THE COMMISSION IN ACCORDANCE WITH SECTION 735.1(K)(3)(III).~~

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

SECTION 1. SECTION 5607(D)(24), (30), (32) AND (33) TITLE 53 OF THE PENNSYLVANIA CONSOLIDATED STATUTES ARE AMENDED TO READ:

§ 5607. PURPOSES AND POWERS.

\* \* \*

(D) POWERS.--EVERY AUTHORITY MAY EXERCISE ALL POWERS NECESSARY OR CONVENIENT FOR THE CARRYING OUT OF THE PURPOSES SET FORTH IN THIS SECTION, INCLUDING, BUT WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, THE FOLLOWING RIGHTS AND POWERS:

\* \* \*

(24) TO CHARGE ENUMERATED FEES TO PROPERTY OWNERS WHO DESIRE TO OR ARE REQUIRED TO CONNECT TO THE AUTHORITY'S SEWER

1 OR WATER SYSTEM. FEES SHALL BE BASED UPON THE DULY ADOPTED  
2 FEE SCHEDULE WHICH IS IN EFFECT AT THE TIME OF PAYMENT AND  
3 SHALL BE PAYABLE AT THE TIME OF APPLICATION FOR CONNECTION OR  
4 AT A TIME TO WHICH THE PROPERTY OWNER AND THE AUTHORITY  
5 AGREE. IN THE CASE OF PROJECTS TO SERVE EXISTING DEVELOPMENT,  
6 FEES SHALL BE PAYABLE AT A TIME TO BE DETERMINED BY THE  
7 AUTHORITY. AN AUTHORITY MAY REQUIRE THAT NO CAPACITY BE  
8 GUARANTEED FOR A PROPERTY OWNER UNTIL THE TAPPING FEES HAVE  
9 BEEN PAID OR SECURED BY OTHER FINANCIAL SECURITY. THE FEES  
10 SHALL BE IN ADDITION TO ANY CHARGES ASSESSED AGAINST THE  
11 PROPERTY IN THE CONSTRUCTION OF A SEWER OR WATER MAIN BY THE  
12 AUTHORITY UNDER PARAGRAPHS (21) AND (22) AS WELL AS ANY OTHER  
13 USER CHARGES IMPOSED BY THE AUTHORITY UNDER PARAGRAPH (9) BUT  
14 SHALL NOT INCLUDE COSTS INCLUDED IN THE CALCULATION OF [SUCH]  
15 ANY OTHER FEES[.], ASSESSMENTS, RATES OR OTHER CHARGES  
16 IMPOSED UNDER THIS ACT.

17 (I) THE FEES MAY INCLUDE ANY OF THE FOLLOWING [FEE  
18 COMPONENTS] IF THEY ARE SEPARATELY SET FORTH IN A  
19 RESOLUTION ADOPTED BY THE AUTHORITY [TO ESTABLISH THESE  
20 FEES]:

21 (A) CONNECTION FEE. [IT MAY] A CONNECTION FEE  
22 SHALL NOT EXCEED AN AMOUNT BASED UPON THE ACTUAL COST  
23 OF THE CONNECTION OF THE PROPERTY EXTENDING FROM THE  
24 AUTHORITY'S MAIN TO THE PROPERTY LINE OR CURB STOP OF  
25 THE PROPERTY CONNECTED. THE AUTHORITY MAY ALSO BASE  
26 THE CONNECTION FEE UPON AN AVERAGE COST FOR  
27 PREVIOUSLY INSTALLED CONNECTIONS OF SIMILAR TYPE AND  
28 SIZE. SUCH AVERAGE COST MAY BE TRENDED TO CURRENT  
29 COST USING PUBLISHED COST INDEXES. IN LIEU OF PAYMENT  
30 OF THE [FEES] FEE, AN AUTHORITY MAY REQUIRE THE

1 CONSTRUCTION [AND DEDICATION] OF THOSE FACILITIES BY  
2 THE PROPERTY OWNER WHO REQUESTED THE CONNECTION.

3 (B) CUSTOMER FACILITIES FEE. [IT MAY] A CUSTOMER  
4 FACILITIES FEE SHALL NOT EXCEED AN AMOUNT BASED UPON  
5 THE ACTUAL COST OF FACILITIES SERVING THE CONNECTED  
6 PROPERTY FROM THE PROPERTY LINE OR CURB STOP TO THE  
7 PROPOSED DWELLING OR BUILDING TO BE SERVED. THE FEE  
8 SHALL BE CHARGEABLE ONLY IF THE AUTHORITY INSTALLS  
9 THE CUSTOMER FACILITIES. IN LIEU OF PAYMENT OF THE  
10 CUSTOMER FACILITIES FEE, AN AUTHORITY MAY REQUIRE THE  
11 CONSTRUCTION OF THOSE FACILITIES BY THE PROPERTY  
12 OWNER WHO REQUESTS CUSTOMER FACILITIES. IN THE CASE  
13 OF WATER SERVICE, THE FEE MAY INCLUDE THE COST OF A  
14 WATER METER AND INSTALLATION IF THE AUTHORITY  
15 PROVIDES OR INSTALLS THE WATER METER. IF THE PROPERTY  
16 CONNECTED OR TO BE CONNECTED WITH THE SEWER SYSTEM OF  
17 THE AUTHORITY IS NOT EQUIPPED WITH A WATER METER, THE  
18 AUTHORITY MAY INSTALL A METER AT ITS OWN COST AND  
19 EXPENSE. IF THE PROPERTY IS SUPPLIED WITH WATER FROM  
20 THE FACILITIES OF A PUBLIC WATER SUPPLY AGENCY, THE  
21 AUTHORITY SHALL NOT INSTALL A METER WITHOUT THE  
22 CONSENT AND APPROVAL OF THE PUBLIC WATER SUPPLY  
23 AGENCY.

24 (C) TAPPING FEE. [IT MAY] A TAPPING FEE SHALL  
25 NOT EXCEED AN AMOUNT BASED UPON SOME OR ALL OF THE  
26 FOLLOWING [FEE COMPONENTS IF THEY ARE] PARTS WHICH  
27 SHALL BE SEPARATELY SET FORTH IN THE RESOLUTION  
28 ADOPTED BY THE AUTHORITY TO ESTABLISH THESE FEES. IN  
29 LIEU OF PAYMENT OF THIS FEE, AN AUTHORITY MAY REQUIRE  
30 THE CONSTRUCTION AND DEDICATION OF ONLY SUCH

1 CAPACITY, DISTRIBUTION-COLLECTION OR SPECIAL PURPOSE  
2 FACILITIES NECESSARY TO SUPPLY SERVICE TO THE  
3 PROPERTY OWNER OR OWNERS.

4 (I) CAPACITY PART. THE [FEE MAY] CAPACITY  
5 PART SHALL NOT EXCEED AN AMOUNT THAT IS BASED  
6 UPON THE COST OF CAPACITY-RELATED FACILITIES,  
7 INCLUDING, BUT NOT LIMITED TO, SOURCE OF SUPPLY,  
8 TREATMENT, PUMPING, TRANSMISSION, TRUNK,  
9 INTERCEPTOR AND OUTFALL MAINS, STORAGE, SLUDGE  
10 TREATMENT OR DISPOSAL, INTERCONNECTION OR OTHER  
11 GENERAL SYSTEM FACILITIES. [FACILITIES] EXCEPT AS  
12 SPECIFICALLY PROVIDED IN THIS PARAGRAPH, SUCH  
13 FACILITIES MAY INCLUDE ONLY THOSE THAT PROVIDE  
14 EXISTING SERVICE [OR WILL PROVIDE FUTURE  
15 SERVICE]. THE COST OF [EXISTING] CAPACITY-RELATED  
16 FACILITIES, EXCLUDING FACILITIES CONTRIBUTED TO  
17 THE AUTHORITY BY ANY PERSON, GOVERNMENT OR  
18 AGENCY, OR PORTIONS OF FACILITIES PAID FOR WITH  
19 CONTRIBUTIONS OR GRANTS OTHER THAN TAPPING FEES,  
20 SHALL BE BASED UPON THEIR [REPLACEMENT COST OR  
21 UPON] HISTORICAL COST TRENDED TO CURRENT COST  
22 USING PUBLISHED COST INDEXES OR UPON THE  
23 HISTORICAL COST PLUS INTEREST AND OTHER FINANCING  
24 FEES PAID ON [BONDS] DEBT FINANCING SUCH  
25 FACILITIES. [IN THE CASE OF EXISTING FACILITIES,  
26 OUTSTANDING] TO THE EXTENT THAT HISTORICAL COST  
27 IS NOT ASCERTAINABLE, TAPPING FEES MAY BE BASED  
28 UPON AN ENGINEER'S REASONABLE WRITTEN ESTIMATE OF  
29 CURRENT REPLACEMENT COST. SUCH WRITTEN ESTIMATE  
30 SHALL BE BASED UPON AND INCLUDE AN ITEMIZED

1           LISTING OF THOSE COMPONENTS OF THE ACTUAL  
2           FACILITIES FOR WHICH HISTORICAL COST IS NOT  
3           ASCERTAINABLE. OUTSTANDING DEBT RELATED TO THE  
4           FACILITIES SHALL BE SUBTRACTED FROM THE COST,  
5           [BUT DEBT MAY NOT BE SUBTRACTED WHICH IS  
6           ATTRIBUTABLE] EXCEPT WHEN CALCULATING THE INITIAL  
7           TAPPING FEE IMPOSED FOR CONNECTION TO FACILITIES  
8           EXCLUSIVELY SERVING NEW CUSTOMERS. [UNDER ALL  
9           COST APPROACHES, THE COST OF CAPACITY-RELATED  
10          FACILITIES SHALL BE REDUCED BY THE AMOUNT OF  
11          GRANTS OR CAPITAL CONTRIBUTIONS WHICH HAVE  
12          FINANCED THEM. THE CAPACITY PART OF THE TAPPING  
13          FEE PER UNIT OF CAPACITY REQUIRED BY THE NEW  
14          CUSTOMER MAY NOT EXCEED THE COST OF THE  
15          FACILITIES DIVIDED BY THE DESIGN CAPACITY.] THE  
16          OUTSTANDING DEBT SHALL BE SUBTRACTED FOR ALL  
17          SUBSEQUENT REVISIONS OF THE TAPPING FEE, EXCEPT  
18          AS SPECIFICALLY PROVIDED HEREIN. FOR TAPPING FEES  
19          IMPOSED FOR CONNECTION TO FACILITIES EXCLUSIVELY  
20          SERVING NEW CUSTOMERS, AN AUTHORITY MAY, NO MORE  
21          FREQUENTLY THAN ANNUALLY AND WITHOUT UPDATING THE  
22          HISTORICAL COST OF OR SUBTRACTING THE OUTSTANDING  
23          DEBT RELATED TO SUCH FACILITIES, INCREASE THE  
24          TAPPING FEE BY AN AMOUNT CALCULATED BY  
25          MULTIPLYING SUCH TAPPING FEE BY THE WEIGHTED  
26          AVERAGE INTEREST RATE ON THE DEBT RELATED TO SUCH  
27          FACILITIES APPLICABLE SINCE THE LAST INCREASE OF  
28          THE TAPPING FEE FOR SUCH FACILITIES. THE CAPACITY  
29          PART OF THE TAPPING FEE PER UNIT OF DESIGN  
30          CAPACITY OF SAID FACILITIES REQUIRED BY THE NEW



1 CUSTOMER SHALL NOT EXCEED THE TOTAL COST OF THE  
2 FACILITIES AS DESCRIBED HEREIN DIVIDED BY THE  
3 SYSTEM DESIGN CAPACITY OF ALL SUCH FACILITIES.  
4 WHERE THE COST OF FACILITIES TO BE CONSTRUCTED OR  
5 ACQUIRED IN THE FUTURE ARE INCLUDED IN THE  
6 CALCULATION OF THE CAPACITY PART AS PERMITTED  
7 HEREIN, THE TOTAL COST OF THE FACILITIES SHALL BE  
8 DIVIDED BY THE SYSTEM DESIGN CAPACITY PLUS THE  
9 ADDITIONAL CAPACITY TO BE PROVIDED BY THE  
10 FACILITIES TO BE CONSTRUCTED OR ACQUIRED IN THE  
11 FUTURE. AN AUTHORITY MAY ALLOCATE ITS CAPACITY-  
12 RELATED FACILITIES TO DIFFERENT SECTIONS OR  
13 DISTRICTS OF ITS SYSTEM AND MAY IMPOSE ADDITIONAL  
14 CAPACITY-RELATED TAPPING FEES ON SPECIFIC GROUPS  
15 OF EXISTING CUSTOMERS SUCH AS COMMERCIAL AND  
16 INDUSTRIAL CUSTOMERS IN CONJUNCTION WITH  
17 ADDITIONAL CAPACITY REQUIREMENTS OF THOSE  
18 CUSTOMERS. [IN THE CASE OF] THE COST OF  
19 FACILITIES TO BE CONSTRUCTED OR ACQUIRED[, THE]  
20 IN THE FUTURE THAT WILL INCREASE THE SYSTEM  
21 DESIGN CAPACITY MAY BE INCLUDED IN THE  
22 CALCULATION OF THE CAPACITY PART, SUBJECT TO THE  
23 PROVISIONS OF CLAUSE (VI). THE COST OF SUCH  
24 FACILITIES SHALL NOT EXCEED THEIR REASONABLE  
25 ESTIMATED COST SET FORTH IN A DULY ADOPTED ANNUAL  
26 BUDGET OR A FIVE-YEAR CAPITAL IMPROVEMENT PLAN[,   
27 AND THE AUTHORITY IN FURTHERANCE OF THE  
28 FACILITIES MUST TAKE ANY ACTION AS FOLLOWS: ]. THE  
29 AUTHORITY SHALL HAVE TAKEN AT LEAST TWO OF THE  
30 FOLLOWING ACTIONS TOWARD CONSTRUCTION OF THE

1                    FACILITIES:

2                    (A)    [OBTAIN] OBTAINED FINANCING FOR THE  
3                    FACILITIES;

4                    (B)    [ENTER] ENTERED INTO A CONTRACT  
5                    OBLIGATING THE AUTHORITY TO CONSTRUCT OR PAY  
6                    FOR THE COST OF CONSTRUCTION OF THE  
7                    FACILITIES OR ITS PORTION THEREOF IN THE  
8                    EVENT THAT MULTIPLE PARTIES ARE CONSTRUCTING  
9                    THE FACILITIES;

10                   (C)    [OBTAIN] OBTAINED A PERMIT FOR THE  
11                   FACILITIES;

12                   (D)    [SPEND SUBSTANTIAL SUMS OR RESOURCES  
13                   IN FURTHERANCE OF THE FACILITIES;] OBTAINED  
14                   TITLE TO OR CONDEMNED ADDITIONAL REAL ESTATE  
15                   UPON WHICH THE FACILITIES WILL BE  
16                   CONSTRUCTED;

17                   (E)    [ENTER] ENTERED INTO A CONTRACT  
18                   OBLIGATING THE AUTHORITY TO PURCHASE OR  
19                   ACQUIRE FACILITIES OWNED BY ANOTHER;

20                   (F)    [PREPARE] PREPARED AN ENGINEERING  
21                   FEASIBILITY STUDY SPECIFICALLY RELATED TO THE  
22                   FACILITIES, WHICH STUDY RECOMMENDS THE  
23                   CONSTRUCTION OF THE FACILITIES WITHIN A FIVE-  
24                   YEAR PERIOD; [OR]

25                   (G)    [ENTER] ENTERED INTO A CONTRACT FOR  
26                   THE DESIGN OR CONSTRUCTION OF THE  
27                   FACILITIES[.] OR ADOPTED A BUDGET WHICH  
28                   INCLUDES THE USE OF IN-HOUSE RESOURCES FOR  
29                   THE DESIGN OR CONSTRUCTION OF THE FACILITIES.

30                   (II)    DISTRIBUTION OR COLLECTION PART. THE

[FEE] DISTRIBUTION OR COLLECTION PART MAY NOT  
EXCEED AN AMOUNT BASED UPON THE COST OF  
DISTRIBUTION OR COLLECTION FACILITIES REQUIRED TO  
PROVIDE SERVICE, SUCH AS MAINS, HYDRANTS AND  
PUMPING STATIONS. FACILITIES MAY ONLY INCLUDE  
THOSE THAT PROVIDE EXISTING SERVICE [OR THOSE  
THAT WILL PROVIDE FUTURE SERVICE]. THE COST OF  
[EXISTING] DISTRIBUTION OR COLLECTIONS  
FACILITIES, EXCLUDING FACILITIES CONTRIBUTED TO  
THE AUTHORITY BY ANY PERSON, GOVERNMENT OR  
AGENCY, OR PORTIONS OF FACILITIES PAID FOR WITH  
CONTRIBUTIONS OR GRANTS OTHER THAN TAPPING FEES,  
SHALL BE BASED UPON [THEIR REPLACEMENT COST OR  
UPON] HISTORICAL COST TRENDED TO CURRENT COST  
USING PUBLISHED COST INDEXES OR UPON THE  
HISTORICAL COST PLUS INTEREST AND OTHER FINANCING  
FEES PAID ON [BONDS] DEBT FINANCING SUCH  
FACILITIES. TO THE EXTENT THAT HISTORICAL COST IS  
NOT ASCERTAINABLE, TAPPING FEES MAY BE BASED UPON  
AN ENGINEER'S REASONABLE WRITTEN ESTIMATE OF  
REPLACEMENT COST. SUCH WRITTEN ESTIMATE SHALL BE  
BASED UPON AND INCLUDE AN ITEMIZED LISTING OF  
THOSE COMPONENTS OF THE ACTUAL FACILITIES FOR  
WHICH HISTORICAL COST IS NOT ASCERTAINABLE. [IN  
THE CASE OF EXISTING FACILITIES, OUTSTANDING]  
OUTSTANDING DEBT RELATED TO THE FACILITIES SHALL  
BE SUBTRACTED FROM THE COST, [BUT DEBT MAY NOT BE  
SUBTRACTED WHICH IS ATTRIBUTABLE] EXCEPT WHEN  
CALCULATING THE INITIAL TAPPING FEE IMPOSED FOR  
CONNECTION TO FACILITIES EXCLUSIVELY SERVING NEW

CUSTOMERS. [IN THE CASE OF FACILITIES TO BE  
CONSTRUCTED OR ACQUIRED, THE COST SHALL NOT  
EXCEED THEIR REASONABLE ESTIMATED COST. UNDER ALL  
COST APPROACHES, THE COST OF DISTRIBUTION OR  
COLLECTION FACILITIES SHALL BE REDUCED BY THE  
AMOUNT OF GRANTS OR CAPITAL CONTRIBUTIONS WHICH  
HAVE FINANCED THEM.] THE OUTSTANDING DEBT SHALL  
BE SUBTRACTED FOR ALL SUBSEQUENT REVISIONS OF THE  
TAPPING FEE EXCEPT AS SPECIFICALLY PROVIDED  
HEREIN. FOR TAPPING FEE IMPOSED FOR CONNECTION TO  
FACILITIES EXCLUSIVELY SERVING NEW CUSTOMERS, AN  
AUTHORITY MAY, NO MORE FREQUENTLY THAN ANNUALLY,  
AND WITHOUT UPDATING THE HISTORICAL COST OF OR  
SUBTRACTING THE OUTSTANDING DEBT RELATED TO SUCH  
FACILITIES, INCREASE SUCH TAPPING FEE BY AN  
AMOUNT CALCULATED BY MULTIPLYING THE TAPPING FEE  
BY THE WEIGHTED AVERAGE INTEREST RATE ON THE DEBT  
RELATED TO SUCH FACILITIES APPLICABLE SINCE THE  
LAST INCREASE OF THE TAPPING FEE FOR SUCH  
FACILITIES. THE DISTRIBUTION OR COLLECTION PART  
OF THE TAPPING FEE PER UNIT OF DESIGN CAPACITY OF  
SAID FACILITIES REQUIRED BY THE NEW CUSTOMER  
[MAY] SHALL NOT EXCEED THE COST OF THE FACILITIES  
DIVIDED BY THE DESIGN CAPACITY. AN AUTHORITY MAY  
ALLOCATE ITS DISTRIBUTION-RELATED OR COLLECTION-  
RELATED FACILITIES TO DIFFERENT SECTIONS OR  
DISTRICTS OF ITS SYSTEM AND MAY IMPOSE ADDITIONAL  
DISTRIBUTION-RELATED OR COLLECTION-RELATED  
TAPPING FEES ON SPECIFIC GROUPS OF EXISTING  
CUSTOMERS SUCH AS COMMERCIAL AND INDUSTRIAL

CUSTOMERS IN CONJUNCTION WITH ADDITIONAL CAPACITY  
REQUIREMENTS OF THOSE CUSTOMERS.

(III) SPECIAL PURPOSE PART. [FEES] A PART  
FOR SPECIAL PURPOSE FACILITIES SHALL BE  
APPLICABLE ONLY TO A PARTICULAR GROUP OF  
CUSTOMERS OR FOR SERVING A PARTICULAR PURPOSE OR  
A SPECIFIC AREA BASED UPON THE COST OF THE  
FACILITIES, INCLUDING, BUT NOT LIMITED TO,  
BOOSTER PUMP STATIONS, FIRE SERVICE FACILITIES  
AND INDUSTRIAL WASTEWATER TREATMENT FACILITIES.  
[FACILITIES] SUCH FACILITIES MAY INCLUDE ONLY  
THOSE THAT PROVIDE EXISTING SERVICE [OR THOSE  
THAT WILL PROVIDE FUTURE SERVICE]. THE COST OF  
[EXISTING] SPECIAL PURPOSE FACILITIES, EXCLUDING  
FACILITIES CONTRIBUTED TO THE AUTHORITY BY ANY  
PERSON, GOVERNMENT OR AGENCY, OR PORTIONS OF  
FACILITIES PAID FOR WITH CONTRIBUTIONS OR GRANTS  
OTHER THAN TAPPING FEES, SHALL BE BASED UPON  
[THEIR REPLACEMENT COST OR UPON] HISTORICAL COST  
TRENDED TO CURRENT COST USING PUBLISHED COST  
INDEXES OR UPON THE HISTORICAL COST PLUS INTEREST  
AND OTHER FINANCING FEES PAID ON [BONDS] DEBT  
FINANCING SUCH FACILITIES. [IN THE CASE OF  
EXISTING FACILITIES, OUTSTANDING] TO THE EXTENT  
THAT HISTORICAL COST IS NOT ASCERTAINABLE,  
TAPPING FEES MAY BE BASED UPON AN ENGINEER'S  
REASONABLE WRITTEN ESTIMATE OF CURRENT  
REPLACEMENT COST. SUCH WRITTEN ESTIMATE SHALL BE  
BASED UPON AND INCLUDE AN ITEMIZED LISTING OF  
THOSE COMPONENTS OF THE ACTUAL FACILITIES FOR

1           WHICH HISTORICAL COST IS NOT ASCERTAINABLE.  
2           OUTSTANDING DEBT RELATED TO THE FACILITIES SHALL  
3           BE SUBTRACTED FROM THE COST, [BUT DEBT MAY NOT BE  
4           SUBTRACTED WHICH IS ATTRIBUTABLE] EXCEPT WHEN  
5           CALCULATING THE INITIAL TAPPING FEE IMPOSED FOR  
6           CONNECTION TO FACILITIES EXCLUSIVELY SERVING NEW  
7           CUSTOMERS. [IN THE CASE OF FACILITIES TO BE  
8           CONSTRUCTED OR ACQUIRED, THE COST SHALL NOT  
9           EXCEED THEIR REASONABLE ESTIMATED COST. UNDER ALL  
10          COST APPROACHES, THE COST OF SPECIAL PURPOSE  
11          FACILITIES SHALL BE REDUCED BY THE AMOUNT OF  
12          GRANTS OR CAPITAL CONTRIBUTIONS WHICH HAVE  
13          FINANCED SUCH FACILITIES.] THE OUTSTANDING DEBT  
14          SHALL BE SUBTRACTED FOR ALL SUBSEQUENT REVISIONS  
15          OF THE TAPPING FEE EXCEPT AS SPECIFICALLY  
16          PROVIDED HEREIN. FOR TAPPING FEES IMPOSED FOR  
17          CONNECTION TO FACILITIES EXCLUSIVELY SERVING NEW  
18          CUSTOMERS, AN AUTHORITY MAY, NO MORE FREQUENTLY  
19          THAN ANNUALLY, AND WITHOUT UPDATING THE  
20          HISTORICAL COST OF OR SUBTRACTING THE OUTSTANDING  
21          DEBT RELATED TO SUCH FACILITIES, INCREASE THE  
22          TAPPING FEE BY AN AMOUNT CALCULATED BY  
23          MULTIPLYING SUCH TAPPING FEE BY THE WEIGHTED  
24          AVERAGE INTEREST RATE ON THE DEBT RELATED TO SUCH  
25          FACILITIES APPLICABLE SINCE THE LAST INCREASE OF  
26          THE TAPPING FEE FOR SUCH FACILITIES. THE SPECIAL  
27          PURPOSE PART OF THE TAPPING FEE PER UNIT OF  
28          DESIGN CAPACITY OF SUCH SPECIAL PURPOSE  
29          FACILITIES REQUIRED BY THE NEW CUSTOMER [MAY]  
30          SHALL NOT EXCEED THE COST OF THE FACILITIES AS

DESCRIBED HEREIN DIVIDED BY THE DESIGN CAPACITY  
OF THE FACILITIES. AN AUTHORITY MAY ALLOCATE ITS  
SPECIAL PURPOSE FACILITIES TO DIFFERENT SECTIONS  
OR DISTRICTS OF ITS SYSTEM AND MAY IMPOSE  
ADDITIONAL SPECIAL PURPOSE TAPPING FEES ON  
SPECIFIC GROUPS OF EXISTING CUSTOMERS SUCH AS  
COMMERCIAL AND INDUSTRIAL CUSTOMERS IN  
CONJUNCTION WITH ADDITIONAL CAPACITY REQUIREMENTS  
OF THOSE CUSTOMERS.

(IV) REIMBURSEMENT [COMPONENT. AN AMOUNT  
NECESSARY TO RECAPTURE THE ALLOCABLE PORTION OF  
FACILITIES IN ORDER TO REIMBURSE THE PROPERTY  
OWNER OR OWNERS] PART. THE REIMBURSEMENT PART  
SHALL ONLY BE APPLICABLE TO THE USERS OF CERTAIN  
SPECIFIC FACILITIES WHEN A FEE REQUIRED TO BE  
COLLECTED FROM SUCH USERS WILL BE REIMBURSED TO  
THE PERSON AT WHOSE EXPENSE THE FACILITIES WERE  
CONSTRUCTED AS SET FORTH IN [PARAGRAPHS (31) AND  
(32).] A WRITTEN AGREEMENT BETWEEN THE AUTHORITY  
AND SUCH PERSON AT WHOSE EXPENSE SUCH FACILITIES  
WERE CONSTRUCTED.

(V) CALCULATION OF TAPPING FEE [COMPONENTS].

(A) IN ARRIVING AT THE COST TO BE  
INCLUDED IN THE TAPPING FEE [COMPONENTS], THE  
SAME COST [MAY] SHALL NOT BE INCLUDED IN MORE  
THAN ONE PART OF THE TAPPING FEE.

(B) NO TAPPING FEE MAY BE BASED UPON OR  
INCLUDE THE COST OF EXPANDING, REPLACING,  
UPDATING OR UPGRADING FACILITIES SERVING ONLY  
EXISTING CUSTOMERS IN ORDER TO MEET STRICTER

1 EFFICIENCY, ENVIRONMENTAL, REGULATORY OR  
2 SAFETY STANDARDS OR TO PROVIDE BETTER SERVICE  
3 TO OR MEET THE NEEDS OF EXISTING CUSTOMERS.

4 (C) THE COST USED IN CALCULATING TAPPING  
5 FEES SHALL NOT INCLUDE MAINTENANCE AND  
6 OPERATION EXPENSES.

7 (D) AS USED IN THIS SUBCLAUSE,  
8 "MAINTENANCE AND OPERATION EXPENSES" ARE  
9 THOSE EXPENDITURES MADE DURING THE USEFUL  
10 LIFE OF A SEWER OR WATER SYSTEM FOR LABOR,  
11 MATERIALS, UTILITIES, EQUIPMENT ACCESSORIES,  
12 APPURTENANCES AND OTHER ITEMS WHICH ARE  
13 NECESSARY TO MANAGE AND MAINTAIN THE SYSTEM  
14 CAPACITY AND PERFORMANCE AND TO PROVIDE THE  
15 SERVICE FOR WHICH THE SYSTEM WAS CONSTRUCTED.  
16 COSTS OR EXPENSES TO REDUCE OR ELIMINATE  
17 GROUNDWATER INFILTRATION OR INFLOW MAY NOT BE  
18 INCLUDED IN THE COST OF FACILITIES USED TO  
19 CALCULATE TAPPING FEES UNLESS THESE COSTS OR  
20 EXPENSES RESULT IN AN INCREASE IN SYSTEM  
21 DESIGN CAPACITY.

22 (E) THE DESIGN CAPACITY REQUIRED BY A  
23 NEW RESIDENTIAL CUSTOMER USED IN CALCULATING  
24 SEWER OR WATER TAPPING FEES SHALL NOT EXCEED  
25 AN AMOUNT ESTABLISHED BY MULTIPLYING 65  
26 GALLONS PER CAPITA PER DAY TIMES THE AVERAGE  
27 NUMBER OF PERSONS PER HOUSEHOLD AS  
28 ESTABLISHED BY THE MOST RECENT CENSUS DATA  
29 PROVIDED BY THE UNITED STATES CENSUS BUREAU.  
30 IF AN AUTHORITY SERVICE AREA IS ENTIRELY



1           WITHIN A MUNICIPAL BOUNDARY FOR WHICH THERE  
2           IS CORRESPONDING CENSUS DATA SPECIFYING THE  
3           AVERAGE NUMBER OF PERSONS PER HOUSEHOLD,  
4           ISSUED BY THE UNITED STATES CENSUS BUREAU,  
5           THE AVERAGE SHALL BE USED. IF AN AUTHORITY  
6           SERVICE AREA IS NOT ENTIRELY WITHIN A  
7           MUNICIPAL BOUNDARY BUT IS ENTIRELY WITHIN A  
8           COUNTY OR OTHER GEOGRAPHIC AREA WITHIN  
9           PENNSYLVANIA FOR WHICH THE UNITED STATES  
10          CENSUS BUREAU HAS PROVIDED THE AVERAGE NUMBER  
11          OF PERSONS PER HOUSEHOLD, THEN THAT AVERAGE  
12          FOR THE COUNTY OR GEOGRAPHIC AREA SHALL BE  
13          USED. IF AN AUTHORITY SERVICE AREA IS NOT  
14          ENTIRELY WITHIN A MUNICIPAL, COUNTY OR OTHER  
15          GEOGRAPHIC AREA WITHIN PENNSYLVANIA FOR WHICH  
16          THE UNITED STATES CENSUS BUREAU HAS  
17          CALCULATED AN AVERAGE NUMBER OF PERSONS PER  
18          HOUSEHOLD, THEN THE PENNSYLVANIA AVERAGE  
19          NUMBER OF PERSONS PER HOUSEHOLD SHALL BE USED  
20          AS PUBLISHED BY THE UNITED STATES CENSUS  
21          BUREAU. ALTERNATIVELY, THE DESIGN CAPACITY  
22          REQUIRED FOR A NEW RESIDENTIAL CUSTOMER SHALL  
23          BE DETERMINED BY A STUDY, BUT SHALL NOT  
24          EXCEED:

25                   (I) FOR WATER CAPACITY, THE AVERAGE  
26                   RESIDENTIAL WATER CONSUMPTION PER  
27                   RESIDENTIAL CUSTOMER OR FOR SEWAGE  
28                   CAPACITY, THE AVERAGE RESIDENTIAL WATER  
29                   CONSUMPTION PER RESIDENTIAL CUSTOMER PLUS  
30                   TEN PERCENT. THE AVERAGE RESIDENTIAL

1 WATER CONSUMPTION SHALL BE DETERMINED BY  
2 DIVIDING THE TOTAL WATER CONSUMPTION FOR  
3 ALL METERED RESIDENTIAL CUSTOMERS IN THE  
4 AUTHORITY'S SERVICE AREA OVER AT LEAST A  
5 TWELVE-CONSECUTIVE-MONTH PERIOD WITHIN  
6 THE MOST RECENT FIVE YEARS BY THE AVERAGE  
7 NUMBER OF CUSTOMERS DURING THE PERIOD; OR

8 (II) FOR SEWER CAPACITY, THE AVERAGE  
9 SEWAGE FLOW PER RESIDENTIAL CUSTOMER  
10 DETERMINED BY A MEASURED SEWAGE FLOW  
11 STUDY. SUCH STUDY SHALL BE COMPLETED IN  
12 ACCORDANCE WITH SOUND ENGINEERING  
13 PRACTICES WITHIN THE MOST RECENT FIVE  
14 YEARS FOR THE LESSER OF THREE OR ALL  
15 RESIDENTIAL SUBDIVISIONS OF MORE THAN TEN  
16 LOTS WHICH HAVE COLLECTION SYSTEMS IN  
17 GOOD REPAIR AND WHICH CONNECTED TO THE  
18 AUTHORITY'S FACILITIES WITHIN THE MOST  
19 RECENT FIVE YEARS. THE STUDY SHALL  
20 CALCULATE THE AVERAGE SEWAGE FLOW PER  
21 RESIDENTIAL CUSTOMER IN SUCH DEVELOPMENTS  
22 BY MEASURING ACTUAL SEWAGE FLOWS OVER AT  
23 LEAST TWELVE CONSECUTIVE MONTHS AT THE  
24 POINTS WHERE SUCH DEVELOPMENTS CONNECTED  
25 TO THE AUTHORITY'S SEWER MAIN.

26 (III) ALL DATA AND OTHER INFORMATION  
27 CONSIDERED OR OBTAINED BY AN AUTHORITY IN  
28 CONNECTION WITH DETERMINING CAPACITY  
29 UNDER THIS SUBSECTION SHALL BE MADE  
30 AVAILABLE TO THE PUBLIC UPON REQUEST.

1                   (IV) IF ANY PERSON REQUIRED TO PAY A  
2                   TAPPING FEE SUBMITS TO THE AUTHORITY AN  
3                   OPINION FROM A PROFESSIONAL ENGINEER THAT  
4                   CHALLENGES THE VALIDITY OF THE RESULTS OF  
5                   THE CALCULATION OF DESIGN CAPACITY  
6                   REQUIRED TO SERVE NEW RESIDENTIAL  
7                   CUSTOMERS PREPARED UNDER SUBPARAGRAPH (I)  
8                   OR (II), THE AUTHORITY SHALL WITHIN 30  
9                   DAYS OBTAIN A WRITTEN CERTIFICATION FROM  
10                  ANOTHER PROFESSIONAL ENGINEER, WHO IS NOT  
11                  AN EMPLOYEE OF THE AUTHORITY, VERIFYING  
12                  THAT THE RESULTS AND THE CALCULATIONS,  
13                  METHODOLOGY AND MEASUREMENT WERE  
14                  PERFORMED IN ACCORDANCE WITH THIS ACT AND  
15                  GENERALLY ACCEPTED ENGINEERING PRACTICES.  
16                  IF AN AUTHORITY DOES NOT OBTAIN A  
17                  CERTIFICATION REQUIRED UNDER THIS  
18                  SUBSECTION WITHIN 30 DAYS OF RECEIVING  
19                  SUCH CHALLENGE, THE AUTHORITY MAY NOT  
20                  IMPOSE OR COLLECT TAPPING FEES BASED ON  
21                  ANY SUCH CHALLENGED CALCULATIONS OR STUDY  
22                  UNTIL SUCH ENGINEERING CERTIFICATION IS  
23                  OBTAINED.

24                  (F) AN AUTHORITY MAY USE LOWER DESIGN  
25                  CAPACITY REQUIREMENTS AND IMPOSE LOWER  
26                  TAPPING FEES FOR MULTIFAMILY RESIDENTIAL  
27                  DWELLINGS THAN IMPOSED ON OTHER TYPES OF  
28                  RESIDENTIAL CUSTOMERS.

29                  (VI) SEPARATE ACCOUNTING FOR FUTURE FACILITY  
30                  COSTS. ANY PORTION OF TAPPING FEES COLLECTED

1           WHICH, BASED ON FACILITIES TO BE CONSTRUCTED OR  
2           ACQUIRED IN THE FUTURE IN ACCORDANCE WITH THIS  
3           SECTION, SHALL BE SEPARATELY ACCOUNTED FOR AND  
4           SHALL BE EXPENDED ONLY FOR THAT PARTICULAR  
5           FACILITY, OR A SUBSTITUTE FACILITY ACCOMPLISHING  
6           THE SAME PURPOSE WHICH IS COMMENCED WITHIN THE  
7           SAME PERIOD. SUCH ACCOUNTING SHALL INCLUDE, BUT  
8           NOT BE LIMITED TO, THE TOTAL FEES COLLECTED AS A  
9           RESULT OF INCLUDING FACILITIES TO BE CONSTRUCTED  
10          IN THE FUTURE, THE SOURCE OF THE FEES COLLECTED  
11          AND THE AMOUNT OF FEES EXPENDED ON SPECIFIC  
12          FACILITIES. THE PROPORTIONATE SHARE OF TAPPING  
13          FEES BASED UPON FACILITIES TO BE CONSTRUCTED OR  
14          ACQUIRED IN THE FUTURE UNDER THIS SECTION SHALL  
15          BE REFUNDED TO THE PAYOR OF SUCH FEES WITHIN 90  
16          DAYS OF THE OCCURRENCE OF THE FOLLOWING:

17               (A) THE AUTHORITY ABANDONS ITS PLAN OR A  
18               PART THEREOF TO CONSTRUCT OR ACQUIRE A  
19               FACILITY OR FACILITIES WHICH ARE THE BASIS  
20               FOR SUCH FEE; OR

21               (B) THE FACILITIES HAVE NOT BEEN PLACED  
22               INTO SERVICE WITHIN SEVEN YEARS AFTER  
23               ADOPTION OF A RESOLUTION WHICH IMPOSES  
24               TAPPING FEES WHICH ARE BASED UPON FACILITIES  
25               TO BE CONSTRUCTED OR ACQUIRED IN THE FUTURE.

26               (VII) DEFINITIONS. AS USED IN THIS CLAUSE,  
27               THE FOLLOWING WORDS AND PHRASES SHALL HAVE THE  
28               MEANINGS GIVEN TO THEM IN THIS SUBCLAUSE:

29               "BOD5." THE FIVE-DAY BIOCHEMICAL-OXYGEN  
30               DEMAND.

1                   "DESIGN CAPACITY."   FOR RESIDENTIAL  
2                   CUSTOMERS, THE PERMITTED OR RATED CAPACITY OF  
3                   FACILITIES EXPRESSED IN MILLION GALLONS PER DAY.  
4                   FOR NONRESIDENTIAL CUSTOMERS, DESIGN CAPACITY MAY  
5                   ALSO BE EXPRESSED IN POUNDS OF BOD5 PER DAY,  
6                   POUNDS OF SUSPENDED SOLIDS PER DAY OR ANY OTHER  
7                   CAPACITY DEFINING PARAMETER THAT IS SEPARATELY  
8                   AND SPECIFICALLY SET FORTH IN THE PERMIT  
9                   GOVERNING THE OPERATION OF THE SYSTEM, AND BASED  
10                  UPON ITS ORIGINAL DESIGN AS MODIFIED BY THOSE  
11                  REGULATORY AGENCIES HAVING JURISDICTION OVER  
12                  THESE FACILITIES. ADDITIONALLY, FOR SEPARATE FIRE  
13                  SERVICE CUSTOMERS, THE PERMITTED OR RATED  
14                  CAPACITY OF FIRE SERVICE FACILITIES MAY BE  
15                  EXPRESSED IN PEAK FLOWS. THE UNITS OF MEASUREMENT  
16                  USED TO EXPRESS DESIGN CAPACITY SHALL BE THE SAME  
17                  UNITS OF MEASUREMENT USED TO EXPRESS THE SYSTEM  
18                  DESIGN CAPACITY. DESIGN CAPACITY MAY NOT BE  
19                  EXPRESSED IN TERMS OF EQUIVALENT DWELLING UNITS.

20                 "OUTSTANDING DEBT."   THE PRINCIPAL AMOUNT  
21                 OUTSTANDING OF ANY BONDS, NOTES, LOANS OR OTHER  
22                 FORM OF INDEBTEDNESS USED TO FINANCE OR REFINANCE  
23                 FACILITIES INCLUDED IN THE TAPPING FEE.

24                 "SERVICE LINE."   A WATER OR SEWER LINE THAT  
25                 DIRECTLY CONNECTS A SINGLE BUILDING OR STRUCTURE  
26                 TO A DISTRIBUTION OR COLLECTION FACILITY.

27                 "SYSTEM DESIGN CAPACITY."   THE DESIGN  
28                 CAPACITY OF THE SYSTEM FOR WHICH THE TAPPING FEE  
29                 IS BEING CALCULATED WHICH REPRESENTS THE TOTAL  
30                 DESIGN CAPACITY OF THE TREATMENT FACILITY OR

1                   WATER SOURCES.

2                   (II) EVERY AUTHORITY CHARGING A TAPPING, CUSTOMER  
3 FACILITIES OR CONNECTION FEE SHALL DO SO ONLY PURSUANT TO  
4 A RESOLUTION ADOPTED AT A PUBLIC MEETING OF THE  
5 AUTHORITY. THE AUTHORITY SHALL HAVE AVAILABLE FOR PUBLIC  
6 INSPECTION A DETAILED ITEMIZATION OF ALL CALCULATIONS,  
7 CLEARLY SHOWING THE MAXIMUM FEES ALLOWABLE FOR EACH PART  
8 OF THE TAPPING FEE AND THE MANNER IN WHICH THE FEES WERE  
9 DETERMINED[.], WHICH SHALL BE MADE A PART OF ANY  
10 RESOLUTION IMPOSING SUCH FEES. A [REVISED] TAPPING,  
11 CUSTOMER FACILITIES OR CONNECTION FEE MAY BE REVISED AND  
12 IMPOSED UPON THOSE WHO SUBSEQUENTLY CONNECT TO THE  
13 SYSTEM[.], SUBJECT TO THE PROVISIONS AND LIMITATIONS OF  
14 THE ACT.

15                   (III) NO AUTHORITY [MAY] SHALL HAVE THE POWER TO  
16 IMPOSE A CONNECTION FEE, CUSTOMER FACILITIES FEE, TAPPING  
17 FEE OR SIMILAR FEE EXCEPT AS PROVIDED SPECIFICALLY UNDER  
18 THIS SECTION.

19                   (IV) A MUNICIPALITY OR MUNICIPAL AUTHORITY WITH  
20 AVAILABLE EXCESS SEWAGE CAPACITY, WISHING TO SELL A  
21 PORTION OF THAT CAPACITY TO ANOTHER MUNICIPALITY OR  
22 MUNICIPAL AUTHORITY, MAY NOT CHARGE A HIGHER COST FOR THE  
23 CAPACITY PORTION OF THE TAPPING FEE AS THE SELLING ENTITY  
24 CHARGES TO ITS CUSTOMERS FOR THE CAPACITY PORTION OF THE  
25 TAPPING FEE. IN TURN, THE MUNICIPALITY OR MUNICIPAL  
26 AUTHORITY BUYING THIS EXCESS CAPACITY MAY NOT CHARGE A  
27 HIGHER COST FOR THE CAPACITY PORTION OF THE TAPPING FEE  
28 TO ITS RESIDENTIAL CUSTOMERS THAN THAT CHARGED TO THEM BY  
29 THE SELLING ENTITY.

30                   (V) AS USED IN THIS PARAGRAPH, THE TERM "RESIDENTIAL

CUSTOMER" SHALL ALSO INCLUDE THOSE DEVELOPING PROPERTY  
FOR RESIDENTIAL DWELLINGS THAT REQUIRE MULTIPLE TAPPING  
FEE PERMITS. THIS PARAGRAPH SHALL NOT BE APPLICABLE TO  
INTERMUNICIPAL OR INTERAUTHORITY AGREEMENTS RELATIVE TO  
THE PURCHASE OF EXCESS CAPACITY BY AN AUTHORITY OR  
MUNICIPALITY IN EFFECT PRIOR TO FEBRUARY 20, 2001.

\* \* \*

(30) WHERE A SEWER OR WATER SYSTEM OF AN AUTHORITY IS TO  
BE EXTENDED AT THE EXPENSE OF THE OWNER OF PROPERTIES OR  
WHERE THE AUTHORITY OTHERWISE WOULD CONSTRUCT CUSTOMER  
FACILITIES REFERRED TO IN PARAGRAPH (24), OTHER THAN WATER  
METER INSTALLATION, [TO ALLOW] A PROPERTY OWNER SHALL HAVE  
THE RIGHT TO CONSTRUCT THE EXTENSION OR INSTALL THE CUSTOMER  
FACILITIES HIMSELF OR THROUGH A SUBCONTRACTOR APPROVED BY THE  
AUTHORITY, WHICH APPROVAL SHALL NOT BE UNREASONABLY WITHHELD.  
THE AUTHORITY [MAY] SHALL HAVE THE RIGHT, AT ITS OPTION, TO  
PERFORM THE CONSTRUCTION ITSELF ONLY IF THE AUTHORITY  
PROVIDES THE EXTENSION OR CUSTOMER FACILITIES AT A LOWER COST  
AND WITHIN THE SAME TIMETABLE SPECIFIED OR PROPOSED BY THE  
PROPERTY OWNER OR HIS APPROVED SUBCONTRACTOR. CONSTRUCTION BY  
THE PROPERTY OWNER SHALL BE IN ACCORDANCE WITH AN AGREEMENT  
FOR THE EXTENSION OF THE AUTHORITY'S SYSTEM AND PLANS AND  
SPECIFICATIONS APPROVED BY THE AUTHORITY AND SHALL BE  
UNDERTAKEN ONLY PURSUANT TO THE EXISTING REGULATIONS,  
REQUIREMENTS, RULES AND STANDARDS OF THE AUTHORITY APPLICABLE  
TO SUCH CONSTRUCTION. CONSTRUCTION SHALL BE SUBJECT TO  
INSPECTION BY AN INSPECTOR AUTHORIZED TO APPROVE SIMILAR  
CONSTRUCTION AND EMPLOYED BY THE AUTHORITY DURING  
CONSTRUCTION. WHEN A MAIN IS TO BE EXTENDED AT THE EXPENSE OF  
THE OWNER OF PROPERTIES, THE PROPERTY OWNER MAY BE REQUIRED

1 TO DEPOSIT WITH THE AUTHORITY, IN ADVANCE OF CONSTRUCTION,  
2 THE AUTHORITY'S ESTIMATED REASONABLE AND NECESSARY COST OF  
3 REVIEWING PLANS, CONSTRUCTION INSPECTIONS, ADMINISTRATIVE,  
4 LEGAL AND ENGINEERING SERVICES. THE AUTHORITY MAY REQUIRE  
5 THAT CONSTRUCTION SHALL NOT COMMENCE UNTIL THE PROPERTY OWNER  
6 HAS POSTED APPROPRIATE FINANCIAL SECURITY IN ACCORDANCE WITH  
7 PARAGRAPH (23). THE AUTHORITY MAY REQUIRE THE PROPERTY OWNER  
8 TO REIMBURSE IT FOR REASONABLE AND NECESSARY EXPENSES IT  
9 INCURRED AS A RESULT OF THE EXTENSION. IF AN INDEPENDENT FIRM  
10 IS EMPLOYED FOR ENGINEERING REVIEW OF THE PLANS AND THE  
11 INSPECTION OF IMPROVEMENTS, REIMBURSEMENT FOR ITS SERVICES  
12 SHALL BE REASONABLE AND IN ACCORDANCE WITH THE ORDINARY AND  
13 CUSTOMARY FEES CHARGED BY THE INDEPENDENT FIRM FOR WORK  
14 PERFORMED FOR SIMILAR SERVICES IN THE COMMUNITY. THE FEES  
15 [MAY] SHALL NOT EXCEED THE RATE OR COST CHARGED BY THE  
16 INDEPENDENT FIRM TO THE AUTHORITY WHEN FEES ARE NOT  
17 REIMBURSED OR OTHERWISE IMPOSED ON APPLICANTS. UPON  
18 COMPLETION OF CONSTRUCTION, THE PROPERTY OWNER SHALL DEDICATE  
19 AND THE AUTHORITY SHALL ACCEPT THE EXTENSION OF THE  
20 AUTHORITY'S SYSTEM IF DEDICATION OF FACILITIES AND THE  
21 INSTALLATION COMPLIES WITH THE PLANS, SPECIFICATIONS,  
22 REGULATIONS OF THE AUTHORITY AND THE AGREEMENT. AN AUTHORITY  
23 MAY PROVIDE IN ITS REGULATIONS THOSE FACILITIES WHICH, HAVING  
24 BEEN CONSTRUCTED AT THE EXPENSE OF THE OWNER OF PROPERTIES,  
25 THE AUTHORITY WILL REQUIRE TO BE DEDICATED AND WHICH FACILITY  
26 OR FACILITIES THE AUTHORITY WILL ACCEPT AS A PART OF ITS  
27 SYSTEM.

28 (I) IN THE EVENT THE PROPERTY OWNER DISPUTES THE  
29 AMOUNT OF ANY BILLING IN CONNECTION WITH THE REVIEW OF  
30 PLANS, CONSTRUCTION INSPECTIONS, ADMINISTRATIVE, LEGAL



1 AND ENGINEERING SERVICES, THE PROPERTY OWNER SHALL,  
2 WITHIN 20 WORKING DAYS OF THE DATE OF BILLING, NOTIFY THE  
3 AUTHORITY THAT THE BILLING IS DISPUTED AS EXCESSIVE,  
4 UNREASONABLE OR UNNECESSARY, IN WHICH CASE THE AUTHORITY  
5 SHALL NOT DELAY OR DISAPPROVE ANY APPLICATION OR ANY  
6 APPROVAL OR PERMIT RELATED TO THE EXTENSION OR FACILITIES  
7 DUE TO THE PROPERTY OWNER'S DISPUTE OVER THE DISPUTED  
8 BILLINGS, UNLESS THE PROPERTY OWNER HAS FAILED TO MAKE  
9 PAYMENT IN ACCORDANCE WITH THE DECISION RENDERED UNDER  
10 CLAUSE (III) WITHIN 30 DAYS AFTER THE MAILING DATE OF  
11 SUCH DECISION.

12 (II) IF, WITHIN 30 DAYS FROM THE DATE OF BILLING,  
13 THE AUTHORITY AND THE PROPERTY OWNER CANNOT AGREE ON THE  
14 AMOUNT OF BILLINGS WHICH ARE REASONABLE AND NECESSARY,  
15 THE PROPERTY OWNER AND AUTHORITY SHALL, BY MUTUAL  
16 AGREEMENT, APPOINT A PROFESSIONAL OF THE SAME PROFESSION  
17 OR DISCIPLINE LICENSED IN PENNSYLVANIA TO REVIEW THE  
18 BILLINGS AND MAKE A DETERMINATION AS TO THE AMOUNT OF  
19 BILLINGS WHICH IS REASONABLE AND NECESSARY.

20 (III) THE PROFESSIONAL APPOINTED UNDER CLAUSE (II)  
21 SHALL HEAR EVIDENCE AND REVIEW THE DOCUMENTATION AS THE  
22 PROFESSIONAL IN HIS OR HER SOLE OPINION DEEMS NECESSARY  
23 AND SHALL RENDER A DECISION WITHIN 60 DAYS OF THE BILLING  
24 DATE. THE PROPERTY OWNER SHALL BE REQUIRED TO PAY THE  
25 ENTIRE AMOUNT DETERMINED IN THE DECISION IMMEDIATELY.

26 (IV) IN THE EVENT THAT THE AUTHORITY AND PROPERTY  
27 OWNER CANNOT AGREE UPON THE PROFESSIONAL TO BE APPOINTED  
28 WITHIN 30 DAYS OF THE BILLING DATE, THE PRESIDENT JUDGE  
29 OF THE COURT OF COMMON PLEAS OF THE JUDICIAL DISTRICT IN  
30 WHICH THE MUNICIPALITY IS LOCATED OR IF, AT THE TIME

1        THERE IS NO PRESIDENT JUDGE, THE SENIOR ACTIVE JUDGE THEN  
2        SITTING UPON APPLICATION OF EITHER PARTY SHALL APPOINT A  
3        PROFESSIONAL, WHO SHALL BE NEITHER THE AUTHORITY ENGINEER  
4        NOR ANY PROFESSIONAL WHO HAS BEEN RETAINED BY OR  
5        PERFORMED SERVICES FOR THE AUTHORITY OR THE PROPERTY  
6        OWNER WITHIN THE PRECEDING FIVE YEARS.

7        (V) THE FEE OF THE APPOINTED PROFESSIONAL FOR  
8        DETERMINING THE REASONABLE AND NECESSARY EXPENSES SHALL  
9        BE PAID BY THE APPLICANT IF THE AMOUNT OF PAYMENT  
10       REQUIRED IN THE DECISION IS EQUAL TO OR GREATER THAN THE  
11       ORIGINAL BILL. IF THE AMOUNT OF PAYMENT REQUIRED IN THE  
12       DECISION IS LESS THAN THE ORIGINAL BILL BY \$2,500 OR  
13       MORE, THE AUTHORITY SHALL PAY THE FEE OF THE  
14       PROFESSIONAL. IF THE AMOUNT OF THE PAYMENT REQUIRED IN  
15       THE DECISION IS LESS THAN THE ORIGINAL BILL BY \$2,499 OR  
16       LESS, THE AUTHORITY AND THE PROPERTY OWNER SHALL EACH PAY  
17       ONE-HALF OF THE FEE OF THE APPOINTED PROFESSIONAL.

18        \* \* \*

19        [(32) IF A SEWER SYSTEM OR WATER SYSTEM OR ANY PART OR  
20        EXTENSION OWNED BY AN AUTHORITY HAS BEEN CONSTRUCTED AT THE  
21        EXPENSE OF A PRIVATE PERSON OR CORPORATION, THE AUTHORITY MAY  
22        CHARGE A TAPPING FEE. THE AUTHORITY SHALL REFUND THE TAPPING  
23        FEE OR ANY PART OF THE FEE TO THE PERSON OR CORPORATION WHO  
24        PAID FOR THE CONSTRUCTION OF THE SEWER OR WATER SYSTEM OR ANY  
25        PART OR EXTENSION OF IT.]

26        (33) PROVISIONS OF PARAGRAPHS (30)[,] AND (31) [AND  
27        (32)] SHALL APPLY TO RESIDENTIAL CUSTOMERS IN A MUNICIPALITY  
28        WHERE THE SEWER SERVICE IS BEING PURCHASED BY THE  
29        MUNICIPALITY OR SEWER AUTHORITY FROM ANOTHER MUNICIPALITY OR  
30        SEWER AUTHORITY HAVING EXCESS SEWAGE CAPACITY.

SECTION 2. NOTWITHSTANDING SECTION 5 OF THIS ACT, THIS ACT SHALL APPLY IMMEDIATELY TO ANY CONNECTION, CUSTOMER FACILITIES, TAPPING OR SIMILAR FEES WHICH ARE INCREASED OR INITIALLY IMPOSED SUBSEQUENT TO THE DATE OF THE FINAL ENACTMENT.

SECTION 3. NOTWITHSTANDING SECTION 5 OF THIS ACT, THE MANDATORY REFUND PROVISIONS OF SECTION 5607(D)(24)(I)(C)(VI) APPLICABLE TO TAPPING FEES BASED UPON FACILITIES TO BE CONSTRUCTED OR ACQUIRED IN THE FUTURE SHALL APPLY TO TAPPING FEES COLLECTED SUBSEQUENT TO THE DATE OF FINAL ENACTMENT, REGARDLESS OF WHEN THE RESOLUTION ADOPTING SUCH TAPPING FEES WAS ADOPTED.

SECTION 4. THE PROVISIONS OF SECTION 5607(D)(24)(I)(C)(V)(E) SHALL NOT BE APPLICABLE TO A MUNICIPAL AUTHORITY WHICH ADOPTS A RESOLUTION NOT LATER THAN 90 DAYS AFTER THE EFFECTIVE DATE OF THIS ACT, DIRECTING THE PERFORMANCE OF A RESIDENTIAL SEWAGE FLOW STUDY PURSUANT TO SECTION 5607(D)(24)(I)(C)(V)(E)(II) UNTIL THE FIRST OCCURRENCE OF ONE OF THE FOLLOWING:

(1) 90 DAYS AFTER THE COMPLETION OF THE SEWAGE FLOW STUDY.

(2) 90 DAYS AFTER THE ABANDONMENT OF THE STUDY.

(3) 15 MONTHS AFTER THE EFFECTIVE DATE SPECIFIED IN SECTION 5(2) OF THIS ACT.

SECTION 5. THIS ACT SHALL TAKE EFFECT AS FOLLOWS:

(1) THE FOLLOWING PROVISIONS SHALL TAKE EFFECT IMMEDIATELY:

(I) SECTIONS 1 AND 2 OF THIS ACT.

(II) THIS SECTION.

(2) THE AMENDMENT OF 53 PA.C.S. § 5607(D)(24), (30), (32) AND (33) SHALL TAKE EFFECT IN 180 DAYS.