

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1265 Session of
2001

INTRODUCED BY MARKOSEK, READSHAW, WALKO, T. STEVENSON, ORIE,
CRUZ, HENNESSEY, GEORGE, BARRAR, HERMAN, TIGUE, HORSEY,
CAPPELLI, BELARDI, ALLEN, YOUNGBLOOD, DALEY, McCALL, DeWEESE,
WOGAN, STEELMAN, STERN, CALTAGIRONE, HARHAI, SHANER, SOLOBAY,
SCHRODER, CORRIGAN, BELFANTI, GRUCELA AND THOMAS,
APRIL 3, 2001

REFERRED TO COMMITTEE ON ENVIRONMENTAL RESOURCES AND ENERGY,
APRIL 3, 2001

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," further providing for
12 legislative intent, for definitions and for financial
13 assistance.

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

16 Section 1. Sections 2, 3 and 10(a) of the act of March 1,
17 1988 (P.L.82, No.16), known as the Pennsylvania Infrastructure
18 Investment Authority Act, amended December 16, 1992 (P.L.1137,
19 No.149), are amended to read:

20 Section 2. Legislative intent.

21 The General Assembly finds and declares that:

1 (1) The health of millions of citizens of this
2 Commonwealth is at risk due to substandard and deteriorated
3 water supply and sewage disposal systems.

4 (2) Many water and sewage systems in this Commonwealth
5 are aging, outmoded, inadequate, deteriorating and operating
6 above capacity, and many areas have to limit their growth
7 solely due to lack of proper water supply and sewage
8 disposal.

9 (3) The economic revitalization of this Commonwealth is
10 being stifled by a lack of clean water and adequate sewage
11 facilities.

12 (4) Many Pennsylvania communities have antiquated or
13 inadequate storm water systems thereby resulting in storm
14 water flows which threaten the public health and safety due
15 to flooding, overloaded sewer lines, soil erosion, sinkhole
16 development and expansion and reduction in surface water and
17 groundwater quality.

18 (5) Financing of water and sewage projects and storm
19 water projects at affordable cost is not currently available
20 in many areas of this Commonwealth.

21 (5.1) Repair and replacement of private residential
22 lateral sewer connections of primary residences is necessary
23 to protect the public health and safety of many communities
24 in this Commonwealth but is beyond the financial abilities of
25 many residents of this Commonwealth.

26 (6) The lack of affordable financing to implement storm
27 water management plan recommendations has resulted in
28 compliance by only 17 counties with the requirements of the
29 act of October 4, 1978 (P.L.864, No.167), known as the Storm
30 Water Management Act.

(7) In order to assist in financing projects to protect the health and safety of the citizens of this Commonwealth and to promote the economic development of Pennsylvania, the General Assembly has determined that it is necessary to establish the Pennsylvania Infrastructure Investment Authority and to provide funding of the authority programs.

Section 3. Definitions.

The following words and phrases when used in this act shall have the meanings given to them in this section unless the context clearly indicates otherwise:

"Authority." The Pennsylvania Infrastructure Investment Authority.

"Board." The board of directors of the authority.

"Bonds." Bonds, notes or other evidences of indebtedness issued by the authority pursuant to this act.

"Department." The Department of Environmental Resources of the Commonwealth.

"Eligible cost." The cost of all labor, materials, machinery and equipment, lands, property, rights and easements, plans and specifications, surveys or estimates of costs and revenues, pre-feasibility studies, engineering and legal services, and all other expenses necessary or incident to the acquisition, construction, improvement, expansion, extension, repair or rehabilitation of all or part of a project.

"Governmental unit." Any agency of the Commonwealth or any county, municipality or school district, or any agency, instrumentality, authority or corporation thereof, or any public body having local or regional jurisdiction or power.

"Primary residence." A place which a citizen of this Commonwealth utilizes as a domicile.

1 "Project." The eligible costs associated with the
2 acquisition, construction, improvement, expansion, extension,
3 repair or rehabilitation of all or part of any facility or
4 system, whether publicly or, in the case of paragraph (1) or
5 (2), privately owned, which is for any of the following:

6 (1) [for the collection] Collection, treatment or
7 disposal of wastewater, including industrial waste[;]. At the
8 discretion of the board, a project may include assistance to
9 property owners for the construction, rehabilitation,
10 improvement, repair or replacement of individual sewage
11 systems or for tap-in fees and the rehabilitation, repair or
12 replacement of lateral lines associated with community sewage
13 projects.

14 (2) [for the supply] Supply, treatment, storage or
15 distribution of drinking water[;]. At the discretion of the
16 board, a project may include assistance to an individual for
17 the sealing or replacement of a water well on privately owned
18 property.

19 (2.1) Transport of sewage through lateral sewer lines of
20 primary residences.

21 (3) [for the control] Control of storm water, which may
22 include, but need not be limited to, the transport, storage
23 and the infiltration of storm water[; or].

24 (4) [for the best] Best management practices to address
25 point or nonpoint source pollution associated with storm
26 water runoff or any other innovative techniques identified in
27 the county-prepared watershed plans pursuant to the act of
28 October 4, 1978 (P.L.864, No.167), known as the Storm Water
29 Management Act.

30 "Secretary." The Secretary of Environmental Resources of the

1 Commonwealth.

2 "Storm water." Drainage runoff from the surface of the land
3 resulting from precipitation or snow or ice melt.

4 "Water Facilities Loan Board." The board established under
5 32 Pa.C.S. § 7504 (relating to Water Facilities Loan Board).
6 Section 10. Financial assistance.

7 (a) Criteria for obtaining assistance.--In reviewing
8 applications for financial assistance, the authority shall
9 consider:

10 (1) Whether the project will improve the health, safety,
11 welfare or economic well-being of the people of this
12 Commonwealth.

13 (2) Whether the proposed project will lead to an
14 effective or complete solution to the problems experienced
15 with the water management and control supply, sewage
16 treatment [or], with the storm water system to be aided or
17 with deteriorating lateral sewer lines of primary residences,
18 including compliance with State and Federal laws, regulations
19 or standards.

20 (3) The cost-effectiveness of the proposed project in
21 comparison with other alternatives, including other
22 institutional, financial and physical alternatives.

23 (4) The consistency of the proposed project with other
24 State and regional resource management and economic
25 development plans.

26 (5) Whether the applicant has demonstrated its ability
27 to operate and maintain the project in a proper manner.

28 (6) Whether the project encourages consolidation of
29 water or sewer systems, where such consolidation would enable
30 the customers of the systems to be more effectively and

efficiently served.

(7) The availability of other sources of funds at reasonable rates to finance all or a portion of the project and the need for authority assistance to finance the project or to attract the other sources of funding.

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Section 2. This act shall take effect in 60 days.