
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2343 Session of
2014

INTRODUCED BY MOUL, SWANGER, WHITE, GROVE AND GINGRICH,
JUNE 27, 2014

REFERRED TO COMMITTEE ON LOCAL GOVERNMENT, JUNE 27, 2014

AN ACT

1 Amending Title 53 (Municipalities Generally) of the Pennsylvania
2 Consolidated Statutes, in municipal authorities, further
3 providing for definitions and for purposes and powers.

4 The General Assembly of the Commonwealth of Pennsylvania
5 hereby enacts as follows:

6 Section 1. Section 5602 of Title 53 of the Pennsylvania
7 Consolidated Statutes is amended by adding definitions to read:
8 § 5602. Definitions.

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

12 * * *

13 "Commercial property." A property which is predominantly
14 utilized for the sale of goods or services or is otherwise an
15 income producing property, including, but not limited to, an
16 office building, apartment complex or manufactured or industrial
17 housing community. To be considered a commercial property, an
18 apartment complex or a manufactured or industrial housing

1 community must contain multiple dwelling units or spaces which
2 are made available for lease and, if the service is metered, is
3 serviced by a single meter for which payment for services is the
4 responsibility of the property owner.

5 * * *

6 "Industrial property." A property which is predominantly
7 utilized for the manufacture or assembly of goods.

8 * * *

9 "Residential property." A property upon which is located a
10 housing unit predominantly utilized as a principal residence,
11 secondary residence, summer residence, vacation residence or
12 some other dwelling place and for which services are
13 individually metered or billed.

14 * * *

15 Section 2. Section 5607(d)(9) of Title 53 is amended and the
16 subsection is amended by adding a paragraph to read:

17 § 5607. Purposes and powers.

18 * * *

19 (d) Powers.--Every authority may exercise all powers
20 necessary or convenient for the carrying out of the purposes set
21 forth in this section, including, but without limiting the
22 generality of the foregoing, the following rights and powers:

23 * * *

24 (9) To fix, alter, charge and collect rates and other
25 charges in the area served by its facilities at reasonable
26 and uniform rates [to be] which are reasonably related to the
27 costs associated with the service being provided and
28 determined exclusively by it for the purpose of providing for
29 the payment of the expenses of the authority, the
30 construction, improvement, repair, maintenance and operation

1 of its facilities and properties and, in the case of an
2 authority created for the purpose of making business
3 improvements or providing administrative services, a charge
4 for such services which is to be based on actual benefits and
5 which may be measured on, among other things, gross sales or
6 gross or net profits, the payment of the principal of and
7 interest on its obligations and to fulfill the terms and
8 provisions of any agreements made with the purchasers or
9 holders of any such obligations, or with a municipality and
10 to determine by itself exclusively the services and
11 improvements required to provide adequate, safe and
12 reasonable service, including extensions thereof, in the
13 areas served. In determining rates and charges for water and
14 sewer authorities, the authority shall allocate rates and
15 charges based on residential property, commercial property
16 and industrial property classes. Authorities shall establish
17 subclasses for each property class based on meter size if
18 meters are used in the provision of service. Such rates and
19 charges, and the calculations made to determine that such
20 rates and charges are reasonable, uniform and reasonably
21 related to the costs associated with the services provided,
22 shall be made available to the public and rate payers at
23 least 30 days prior to the date that such rates become
24 effective. If the service area includes more than one
25 municipality, the revenues from any project shall not be
26 expended directly or indirectly on any other project unless
27 such expenditures are made for the benefit of the entire
28 service area. Any person questioning the reasonableness or
29 uniformity of a rate fixed by an authority or the adequacy,
30 safety and reasonableness of the authority's services,

1 including extensions thereof, may bring suit against the
2 authority in the court of common pleas of the county where
3 the project is located or, if the project is located in more
4 than one county, in the court of common pleas of the county
5 where the principal office of the project is located. The
6 court of common pleas shall have exclusive jurisdiction to
7 determine questions involving rates or service. Except in
8 municipal corporations having a population density of 300
9 persons or more per square mile, all owners of real property
10 in eighth class counties may decline in writing the services
11 of a solid waste authority.

12 (9.1) In the case of an authority which assesses a
13 minimum periodic usage charge for water service to its
14 customers, such usage charge may be no greater than the
15 average actual usage for such periods plus 15%. In
16 determining the average actual usage, the authority shall
17 examine the actual usage for the previous three years of
18 service. For new service to a property, the minimum periodic
19 usage charge for water service shall be no more than the
20 average charge for properties of the same classification and
21 meter size as the property for which new service is provided.

22 * * *

23 Section 3. This act shall take effect in 90 days.