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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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HOUSE BILL

No. 1269 Session of  
2017

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INTRODUCED BY QUIGLEY, CORR, GODSHALL, KAMPF, ORTITAY, TOEPEL  
AND ZIMMERMAN, APRIL 24, 2017

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REFERRED TO COMMITTEE ON LOCAL GOVERNMENT, APRIL 24, 2017

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AN ACT

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

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

6 Section 1. Section 5607(d)(24)(i)(C)(VI)(b) of Title 53 of  
7 the Pennsylvania Consolidated Statutes is amended to read:  
8 § 5607. Purposes and powers.

9 \* \* \*

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

14 \* \* \*

15 (24) To charge enumerated fees to property owners who  
16 desire to or are required to connect to the authority's sewer  
17 or water system. Fees shall be based upon the duly adopted  
18 fee schedule which is in effect at the time of payment and

1 shall be payable at the time of application for connection or  
2 at a time to which the property owner and the authority  
3 agree. In the case of projects to serve existing development,  
4 fees shall be payable at a time to be determined by the  
5 authority. An authority may require that no capacity be  
6 guaranteed for a property owner until the tapping fees have  
7 been paid or secured by other financial security. The fees  
8 shall be in addition to any charges assessed against the  
9 property in the construction of a sewer or water main by the  
10 authority under paragraphs (21) and (22) as well as any other  
11 user charges imposed by the authority under paragraph (9),  
12 except that no reservation of capacity fee or other similar  
13 charge shall be imposed or collected from a property owner  
14 who has applied for service unless the charge is based on  
15 debt and fixed operating expenses. A reservation of capacity  
16 fee or other similar charge may not exceed 60% of the average  
17 sanitary sewer bill for a residential customer in the same  
18 sewer service area for the same billing period. Any authority  
19 opting to collect a reservation of capacity fee or other  
20 similar charge may not collect the tapping fee until the time  
21 as the building permit fee is due. Tapping fees shall not  
22 include costs included in the calculation of any other fees,  
23 assessments, rates or other charges imposed under this act.

24 (i) The fees may include any of the following if  
25 they are separately set forth in a resolution adopted by  
26 the authority:

27 \* \* \*

28 (C) Tapping fee. A tapping fee shall not exceed  
29 an amount based upon some or all of the following  
30 parts which shall be separately set forth in the

1 resolution adopted by the authority to establish  
2 these fees. In lieu of payment of this fee, an  
3 authority may require the construction and dedication  
4 of only such capacity, distribution-collection or  
5 special purpose facilities necessary to supply  
6 service to the property owner or owners.

7 \* \* \*

8 (VI) Separate accounting for future facility  
9 costs. Any portion of tapping fees collected  
10 which, based on facilities to be constructed or  
11 acquired in the future in accordance with this  
12 section, shall be separately accounted for and  
13 shall be expended only for that particular  
14 facility or a substitute facility accomplishing  
15 the same purpose which is commenced within the  
16 same period. Such accounting shall include, but  
17 not be limited to, the total fees collected as a  
18 result of including facilities to be constructed  
19 in the future, the source of the fees collected  
20 and the amount of fees expended on specific  
21 facilities. The proportionate share of tapping  
22 fees based upon facilities to be constructed or  
23 acquired in the future under this section shall  
24 be refunded to the payor of such fees within 90  
25 days of the occurrence of the following:

26 \* \* \*

27 (b) the facilities have not been placed  
28 into service within seven years, or, for an  
29 authority which provides service to five or  
30 more municipalities, the facilities have not

1                   been placed into service within [15] 20 years,  
2                   after adoption of a resolution which imposes  
3                   tapping fees which are based upon facilities  
4                   to be constructed or acquired in the future.  
5                   Any refund of fees held for [15] 20 years  
6                   shall include interest for the period the  
7                   money was held.

8                                   \* \* \*

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