

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1050 Session of  
2021

INTRODUCED BY GAYDOS, ROWE AND ZIMMERMAN, MARCH 31, 2021

REFERRED TO COMMITTEE ON STATE GOVERNMENT, MARCH 31, 2021

AN ACT

1 Amending Title 68 (Real and Personal Property) of the  
2 Pennsylvania Consolidated Statutes, in real property,  
3 providing for common interest communities.

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

6 Section 1. Part II of Title 68 of the Pennsylvania  
7 Consolidated Statutes is amended by adding a subpart to read:

8 SUBPART G

9 COMMON INTEREST COMMUNITIES

10 CHAPTER 63

11 MUNICIPAL SERVICES

12 Sec.

13 6301. Short title of chapter.

14 6302. Applicability.

15 6303. Definitions.

16 6304. Municipal services to be provided.

17 6305. Reimbursement for municipal services.

18 6306. Arbitration.

19 6307. Additional services.

1 63087. Construction.

2 § 6301. Short title of chapter.

3 This chapter shall be known and may be cited as the Municipal  
4 Services Equalization and Tax Fairness Act.

5 § 6302. Applicability.

6 This chapter applies to all cities of the first class, cities  
7 of the second class, cities of the third class, boroughs,  
8 townships of the first class and townships of the second class  
9 that render municipal services.

10 § 6303. Definitions.

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

14 "Community." The following:

15 (1) A condominium as defined in section 3103 (relating  
16 to definitions).

17 (2) A cooperative as defined in section 4103 (relating  
18 to definitions).

19 (3) A planned community as defined in section 5103  
20 (relating to definitions).

21 (4) A community under paragraphs (1), (2) or (3) is a  
22 community regardless of:

23 (i) Whether the community was created under this  
24 title.

25 (ii) The number of units in the community.

26 (iii) Whether individual units are owner occupied or  
27 leased.

28 (iv) The following:

29 (A) the public has open access to its streets;

30 (B) the streets have been dedicated to the

1           municipality; or

2                   (C) the streets meet the construction standards  
3                   of the municipality.

4       "Municipality." A borough, city of the first class, city of  
5 the second class, city of the third class, township of the first  
6 class and township of the second class. The term shall include a  
7 municipal authority as defined under 53 Pa.C.S. § 5602 (relating  
8 to definitions).

9       "Municipal services." The following:

10           (1) Any of the following services to the extent they are  
11 provided to a noncommunity dwelling within a municipality or  
12 within the jurisdiction of a municipal authority that are  
13 paid for out of the general revenues of the municipality:

14                   (i) Solid waste collection and disposal, including  
15 household waste, leaves and recyclable materials.

16                   (ii) Removal of snow, ice and other obstructions  
17 from the cartway of roads and streets.

18                   (iii) Lighting of the roads and streets to the  
19 extent of payment for the electricity required, but not  
20 including the installation or maintenance of lamps,  
21 standards, wiring or other equipment.

22                   (iv) Maintenance, repair and replacement of streets,  
23 roadways and bridges.

24                   (v) Maintenance, repair and replacement of sanitary  
25 sewer lines.

26                   (vi) Maintenance, repair and replacement of water  
27 lines.

28                   (vii) Providing police, fire, ambulance and other  
29 emergency services, including fire hydrants.

30                   (viii) Any and all other services provided by a

1 municipality or municipal authority to single family  
2  dwellings.

3 (2) The term shall include services provided by a  
4  municipality regardless of whether the roads, streets or  
5  other improvements are dedicated to the municipality or owned  
6  or controlled by the community.

7 "Noncommunity dwelling." A residential dwelling which is not  
8  part of a community.

9 § 6304. Municipal services to be provided.

10 (a) General rule.--Except as provided under subsection (b),  
11  every municipality shall provide to a community the same  
12  municipal services it provides to noncommunity dwellings.

13 (b) Negotiated municipal services.--At the request of a  
14  community, the municipality in which the community is located  
15  shall negotiate the provision of municipal services. The  
16  negotiations shall result in a written agreement which:

17 (1) describes the specific municipal services to be  
18  provided;

19 (2) provides for the municipality to either supply the  
20  municipal services or to reimburse the community for the  
21  actual costs incurred by the community for the municipal  
22  services; and

23 (3) describes the timing and procedures to be followed  
24  for the reimbursement from the municipality to the community  
25  as provided under section 6305 (relating to reimbursement for  
26  municipal services).

27 (c) Compulsory arbitration.--In the event a community and  
28  municipality are unable to reach a negotiated written agreement  
29  for the provision of municipal services, the community and  
30  municipality shall enter into compulsory arbitration as provided

1 under section 6306 (relating to arbitration).

2 § 6305. Reimbursement for municipal services.

3 (a) General rule.--Any amount received by a community from a  
4 municipality shall be applied as reimbursement to the community  
5 for the actual costs incurred by the community in performing the  
6 municipal services.

7 (b) Actual costs.--The actual costs of providing the  
8 municipal services shall be evidenced by copies of paid invoices  
9 produced by the community to the municipality at times as may be  
10 agreed upon between the community and municipality in the  
11 written agreement.

12 (c) Timing for reimbursement.--Reimbursements for municipal  
13 services shall be paid at least annually by the municipality to  
14 the community and no later than 90 days after the date on which  
15 the community provides the municipality with copies of invoices  
16 paid for by the community or other timing requirements as may be  
17 negotiated between the community and the municipality.

18 (d) Disputes.--Any disputes pertaining to the amount of the  
19 reimbursement to be paid by the municipality to the community  
20 for the provision of municipal services shall be subject to  
21 arbitration as provided under section 6306 (relating to  
22 arbitration), unless otherwise agreed to, in writing, between  
23 the community and the municipality.

24 § 6306. Arbitration.

25 (a) General rule.--If a municipality and a community are  
26 unable to reach an understanding on the terms of an agreement  
27 within 90 days after a community has provided the municipality  
28 with a written request to negotiate the provision of municipal  
29 services, the community may request arbitration and a board of  
30 arbitrators shall be appointed as provided under subsection (b).

1     (b) Board of arbitrators.--The board of arbitration shall be  
2 composed of three individuals, one appointed by the  
3 municipality, one appointed by the community and a third member  
4 to be agreed upon by the other two arbitrators. The community  
5 arbitrator shall be named in the request for the appointment of  
6 the board of arbitration. The municipal arbitrator shall be  
7 named within 10 days from the date the request is delivered.  
8 If, after a period of 10 days from the date of the appointment  
9 of the two arbitrators, the third arbitrator has not been  
10 selected, then either arbitrator may request the American  
11 Arbitration Association to furnish a list of seven American  
12 Arbitration Association members from which a third arbitrator  
13 shall be selected. The municipal arbitrator shall eliminate a  
14 name from the list and then the two arbitrators shall  
15 alternately eliminate names until one name remains. That  
16 individual shall be the third or neutral arbitrator and shall  
17 act as chairperson of the board of arbitration. The board of  
18 arbitration established shall commence the arbitration  
19 proceedings within 30 days after the third arbitrator is  
20 selected and shall make its determination within 40 days after  
21 its hearing is concluded.

22     (c) Powers of arbitrators.--Each of the arbitrators shall  
23 have the power to administer oaths and compel the attendance of  
24 witnesses and physical evidence by subpoena.

25     (d) Determination.--The determination of the majority of the  
26 board of arbitration shall be final on the issues in dispute and  
27 shall be binding upon the municipality and the community. The  
28 determination shall be in writing and a copy the determination  
29 shall be forwarded to the municipality and the community. No  
30 appeal of the determination shall be allowed to any court. The

1 determination shall constitute a mandate to the municipality or  
2 the community to take the action necessary to carry out the  
3 determination of the board of arbitration.

4 (e) Compensation.--The compensation, if any, of the neutral  
5 arbitrator shall be shared by the municipality and the  
6 community. The municipality and the community shall each pay its  
7 respective arbitrator. The cost of any stenographic expenses  
8 shall be paid by the party requesting a stenographic record.

9 (f) Notwithstanding any other provision of this section, the  
10 municipality and the community may conduct the arbitration  
11 provided under this section before a sole arbitrator if agreed  
12 upon between the municipality and the community, in writing.

13 § 6307. Additional services.

14 Nothing in this chapter shall prevent a municipality from  
15 providing additional services that primarily serve public  
16 purposes to the residents of a community. The governing body of  
17 a municipality, which prior to the effective date of this  
18 section has enacted an ordinance providing all the municipal  
19 services or reimbursement provided by this chapter to a  
20 community, may repeal the ordinance and implement the provisions  
21 of this chapter.

22 § 6308. Construction.

23 Nothing in this chapter shall be construed as abrogating or  
24 superseding any agreement in effect under an ordinance providing  
25 all the municipal services or reimbursement provided by this  
26 chapter to a community prior to the effective date of this  
27 chapter.

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