

SB 375

AN ACT

Amending Title 53 (Municipalities Generally) of the Pennsylvania Consolidated Statutes, in municipal authorities, further providing for administration and for money.

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

Section 1. Section 5610(a) introductory paragraph of Title 53 of the Pennsylvania Consolidated Statutes is amended and the section is amended by adding subsections to read:

§ 5610. Governing body.

(a) Board.--[The] **Except as set forth in subsection (a.1), the** powers of each authority shall be exercised by a board composed as follows:

\* \* \*

**(a.1) Water authorities and sewer authorities.--If a water or sewer authority incorporated by one municipality provides water or sewer services to residents in at least two counties and has water or sewer projects in more than two counties where the combined population of the served municipalities, excluding the incorporating municipality, is at least five times the population of the incorporating municipality, all of the following apply:**

(1) Ninety days after the effective date of this subsection, the governing body in existence on the effective date of this subsection shall be replaced by a governing body comprised of the following:

(i) Three members appointed by the governing body from each county in which the services to residents are provided. A member under this subparagraph must reside in a town, township or borough, which receives services from the authority.

(ii) Three members appointed by the governing body of the incorporating municipality.

(2) A member serving under paragraph (1) shall serve for a term of five years.

\* \* \*

(g) Definitions.--As used in this section, the following words and phrases shall have the meanings given to them in this subsection unless the context clearly indicates otherwise:

"Water or sewer authority." An authority incorporated by a city of the third class, a borough, a town or a township to provide water or sewer services.

"Water or sewer project." Any pumping station, filtering plant, impoundment facility, dam, spillway or reservoir.

Section 1.1. Section 5612 of Title 53 is amended by adding a subsection to read:

§ 5612. Money of authority.

\* \* \*

**(a.1) Prohibition.--**

(1) Money of the authority may not be used for any grant, loan or other expenditure for any purpose other than a service or project directly related to the mission or purpose of the authority as set forth in the articles of incorporation or in the resolution or ordinance establishing

the authority under section 5603 (relating to method of incorporation).

(2) A ratepayer to an authority shall have a cause of action in the court of common pleas where the authority is located to seek the return of money expended in violation of paragraph (1) from the recipient.

(3) Paragraph (1) shall not apply to the following:

(i) A monetary contribution to a nonprofit community organization or activity that does not exceed \$1,000.

(ii) An in-kind service, including the provision of water or other resources to a nonprofit community organization or activity, the value of which does not exceed \$1,000.

(iii) An agreement for the joint purchase and use of equipment.

(iv) An agreement for the sharing of equipment during emergency situations.

\* \* \*

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

APPROVED--The 27th day of June, A.D. 2012.

TOM CORBETT