
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 550 Session of
2017

INTRODUCED BY READSHAW, McNEILL, LONGIETTI, KORTZ, D. COSTA,
DeLUCA, DEASY AND THOMAS, FEBRUARY 17, 2017

REFERRED TO COMMITTEE ON ENVIRONMENTAL RESOURCES AND ENERGY,
FEBRUARY 17, 2017

AN ACT

1 Amending the act of April 8, 1949 (P.L.418, No.58), entitled,
2 "An act to provide for and regulate the accumulation,
3 investment, and expenditure of funds by cities, boroughs,
4 incorporated towns and townships for preparing plans for
5 sewage disposal systems, and for the construction,
6 improvement or replacement of sewage disposal systems for
7 which plans have been approved by the Sanitary Water Board of
8 the Commonwealth," further providing for definitions, for
9 creation of a Sewage Disposal System Fund, for investment of
10 fund and for expenditure of fund; and making editorial
11 changes.

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

14 Section 1. Sections 1, 2, 3, 4 and 6 of the act of April 8,
15 1949 (P.L.418, No.58), entitled, "An act to provide for and
16 regulate the accumulation, investment, and expenditure of funds
17 by cities, boroughs, incorporated towns and townships for
18 preparing plans for sewage disposal systems, and for the
19 construction, improvement or replacement of sewage disposal
20 systems for which plans have been approved by the Sanitary Water
21 Board of the Commonwealth," are amended to read:

22 Section 1. Definitions.--[As used in this act, the word or

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

4 "Department" means the Department of Environmental Protection
5 of the Commonwealth.

6 "Municipality" means any city, borough, incorporated town, or
7 township.

8 "[Municipality] Municipal Authority" means a body politic and
9 corporate created pursuant to the provisions of the former
10 Municipality Authorities Act of 1945 [or], the former
11 Municipality Authorities Act of 1935[.] or 53 Pa.C.S. Ch. 56
12 (relating to municipal authorities).

13 "Private Lateral Sewer Line" means a private sewer line
14 serving a structure or dwelling, carrying sewage wastes from the
15 structure or dwelling to a public sewer line.

16 "Public Fund" means a sewage disposal system fund created,
17 invested and expended in accordance with this act.

18 "Sewage Disposal System" means a system for the disposal of
19 sewage, including all pipes carrying the sewage and all sewage
20 treatment works.

21 ["Special Fund" means a sewage disposal system fund created,
22 invested and expended in accordance with this act.]

23 "Sanitary Water Board" means the Sanitary Water Board of the
24 Commonwealth.

25 Section 2. Creation of a Sewage Disposal System Fund.--Any
26 municipality shall have power to create a [special] public fund
27 and to accumulate therein moneys for expenditure in accordance
28 with the provisions of this act. Such [special] public fund may
29 consist of, (1) moneys transferred during any fiscal year from
30 appropriations made for any particular purpose, which may not be

1 needed, (2) surplus moneys in the general fund of the treasury
2 of the municipality at the end of any fiscal year, and (3)
3 moneys appropriated to the fund in the annual budget. All moneys
4 appropriated or transferred to this [special] public fund shall
5 be used only for the planning, construction, improvement or
6 replacement of a sewage disposal system: Provided, That no
7 moneys shall be used for any construction, improvement or
8 replacement unless the plans therefor have been approved by the
9 [Sanitary Water Board] department.

10 Section 3. Investment of Fund.--The moneys in the fund shall
11 be kept separate and apart from any other fund, by the treasurer
12 of the municipality, and the moneys in the [special] public fund
13 may be invested by the corporate authorities of the municipality
14 in obligations issued by the United States of America and
15 general obligation bonds of the Commonwealth of Pennsylvania or
16 and political subdivision thereof. All income derived from any
17 investment of the said fund shall be paid into the [special]
18 public fund. The corporate authorities may sell any such
19 securities and reinvest the moneys in other securities, or
20 convert such securities into cash when the same may be needed
21 for expenditure under the provisions of this act.

22 Section 4. Expenditure of Fund.--

23 (1) The moneys in any such special fund may be expended by
24 the municipality singly, or jointly with the Federal Government,
25 the Commonwealth or any department or agency thereof, or with
26 one or more other municipalities or [municipality] municipal
27 authorities, only for preparing plans for a sewage disposal
28 system and for the construction, improvement or replacement of a
29 sewage disposal system for which plans have been approved by the
30 [Sanitary Water Board] department.

1 (2) Municipalities and municipal authorities shall have the
2 right, but not the duty, in their sole discretion, to use public
3 funds for the improvement, extension, repair or rehabilitation
4 of private lateral sewer lines connected to public sewer
5 systems, where the municipality or municipal authority
6 determines that such activities will benefit the public sewer
7 system. No municipality or municipal authority which has
8 completed such activities shall be deemed to be the owner of
9 such private lateral sewer lines, or to have any further
10 responsibility to conduct such activities, unless a municipality
11 or municipal authority makes an affirmative determination to
12 accept such obligations.

13 Section 6. Funds Heretofore Created.--Where any municipality
14 has, prior to the effective date of this act, created a
15 [special] public fund, or set moneys aside, for construction of
16 a sewage disposal system, such action of the municipality is
17 hereby ratified, confirmed and validated, and the moneys in such
18 fund, or so set aside, shall be placed in a [special] public
19 fund, shall be invested and shall be expended only in accordance
20 with the provisions of this act.

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