
THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 916 Session of 2021

INTRODUCED BY L. WILLIAMS, COLLETT, MUTH, HUGHES, KANE, FONTANA,
CAPPELLETTI, STREET, COSTA, PITTMAN, SANTARSIERO, COMITTA AND
SCHWANK, NOVEMBER 1, 2021

REFERRED TO LOCAL GOVERNMENT, NOVEMBER 1, 2021

AN ACT

1 Amending the act of April 9, 1929 (P.L.343, No.176), entitled
2 "An act relating to the finances of the State government;
3 providing for cancer control, prevention and research, for
4 ambulatory surgical center data collection, for the Joint
5 Underwriting Association, for entertainment business
6 financial management firms, for private dam financial
7 assurance and for reinstatement of item vetoes; providing for
8 the settlement, assessment, collection, and lien of taxes,
9 bonus, and all other accounts due the Commonwealth, the
10 collection and recovery of fees and other money or property
11 due or belonging to the Commonwealth, or any agency thereof,
12 including escheated property and the proceeds of its sale,
13 the custody and disbursement or other disposition of funds
14 and securities belonging to or in the possession of the
15 Commonwealth, and the settlement of claims against the
16 Commonwealth, the resettlement of accounts and appeals to the
17 courts, refunds of moneys erroneously paid to the
18 Commonwealth, auditing the accounts of the Commonwealth and
19 all agencies thereof, of all public officers collecting
20 moneys payable to the Commonwealth, or any agency thereof,
21 and all receipts of appropriations from the Commonwealth,
22 authorizing the Commonwealth to issue tax anticipation notes
23 to defray current expenses, implementing the provisions of
24 section 7(a) of Article VIII of the Constitution of
25 Pennsylvania authorizing and restricting the incurring of
26 certain debt and imposing penalties; affecting every
27 department, board, commission, and officer of the State
28 government, every political subdivision of the State, and
29 certain officers of such subdivisions, every person,
30 association, and corporation required to pay, assess, or
31 collect taxes, or to make returns or reports under the laws
32 imposing taxes for State purposes, or to pay license fees or
33 other moneys to the Commonwealth, or any agency thereof,

1 every State depository and every debtor or creditor of the
2 Commonwealth," providing for American Rescue Plan water,
3 sewer and storm water assistance grants; and making an
4 appropriation.

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

7 Section 1. The act of April 9, 1929 (P.L.343, No.176), known
8 as The Fiscal Code, is amended by adding an article to read:

9 ARTICLE I-I

10 AMERICAN RESCUE PLAN WATER, SEWER AND

11 STORM WATER ASSISTANCE GRANTS.

12 Section 101-I. Definitions.

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

16 "Account." The COVID-19 Response Restricted Account
17 established under section 110-C.

18 "Agency." The Commonwealth Financing Authority established
19 under 64 Pa.C.S. Ch. 15 (relating to Commonwealth Financing
20 Authority).

21 "American Rescue Plan." American Rescue Plan Act of 2021
22 (Public Law 117-2, 135 Stat. 4).

23 "Authority." The Pennsylvania Infrastructure Investment
24 Authority established under the act of March 1, 1988 (P.L.82,
25 No.16), known as the Pennsylvania Infrastructure Investment
26 Authority Act.

27 "Current fiscal year." The fiscal year beginning July 1,
28 2021, and ending June 30, 2022.

29 "Eligible cost." The cost of all labor, materials, machinery
30 and equipment, lands, property, rights and easements, plans and
31 specifications, surveys or estimates of costs and revenues,
32 prefeasibility studies, engineering and legal services and all

1 other expenses necessary or incident to the acquisition,
2 construction, improvement, expansion, extension, repair or
3 rehabilitation of all or part of a project.

4 "Municipal authority." A body politic and corporate created
5 under any of the following:

6 (1) The former act of June 28, 1935 (P.L.463, No.191),
7 known as the Municipality Authorities Act of one thousand
8 nine hundred and thirty-five.

9 (2) The former act of May 2, 1945 (P.L.382, No.164),
10 known as the Municipality Authorities Act of 1945.

11 (3) 53 Pa.C.S. Ch. 56 (relating to municipal
12 authorities).

13 "Municipality." Either of the following:

14 (1) As defined in 1 Pa.C.S. § 1991 (relating to
15 definitions).

16 (2) A municipal authority or municipality authority.

17 "Program." The American Rescue Plan Water, Sewer and Storm
18 Water Infrastructure Assistance Grant Program established under
19 section 105-I(a).

20 "Project." The eligible costs associated with the
21 acquisition, construction, improvement, expansion, extension,
22 repair, rehabilitation or security measures of all or part of
23 any publicly owned facility or system for any of the following:

24 (1) The collection, treatment or disposal of wastewater,
25 including industrial waste.

26 (2) The supply, treatment, storage or distribution of
27 drinking water.

28 (3) The control of pollution associated with storm
29 water, including the transport, storage and the infiltration
30 of storm water.

1 (4) The best management practices to address pollution,
2 including innovative techniques developed to comply with the
3 act of June 22, 1937 (P.L.1987, No.394), known as The Clean
4 Streams Law, or identified in the county-prepared watershed
5 plans under the act of October 4, 1978 (P.L.864, No.167),
6 known as the Storm Water Management Act, or as identified in
7 Pennsylvania's Nonpoint Source Management Program Update, as
8 required under section 319(b) of the Federal Water Pollution
9 Control Act (62 Stat. 1155, 33 U.S.C. § 1329(b)).

10 "Small water system." As defined in the act of March 16,
11 1992 (P.L.10, No.5), known as the Small Water Systems Assistance
12 Act.

13 "Storm water." Drainage runoff from the surface of the land
14 resulting from precipitation, snow or ice melt.

15 Section 102-I. Construction with General Appropriation Act of
16 2021.

17 Any appropriations under this article shall be in addition to
18 any appropriation under the act of June 30, 2021 (P.L. , No.1A),
19 known as the General Appropriation Act of 2021.

20 Section 103-I. Appropriations from account.

21 (a) Coronavirus State Fiscal Recovery Fund.--Notwithstanding
22 section 111-C(g) (1), \$350,000,000 of the Federal money from the
23 Coronavirus State Fiscal Recovery Fund in the account is
24 appropriated for the purpose of the award of grants to
25 municipalities for projects as provided in this article.

26 (b) Amounts.--From the appropriation under subsection (a):

27 (1) \$250,000,000 is allocated to the authority for the
28 purpose of awarding grants under the program.

29 (2) \$100,000,000 is allocated to the agency for the
30 purpose of awarding grants under the program.

1 Section 104-I. Continuing appropriations.

2 The appropriations under this article are continuing
3 appropriations and do not automatically lapse as of the close of
4 the current fiscal year.

5 Section 105-I. American Rescue Plan Water, Sewer and Storm
6 Water Infrastructure Assistance Grant Program.

7 (a) Establishment.--The American Rescue Plan Water, Sewer
8 and Storm Water Infrastructure Assistance Grant Program is
9 established. The program shall provide funding for grants as
10 follows:

11 (1) The authority shall award grants to municipalities
12 for projects under the act of March 1, 1988 (P.L.82, No.16),
13 known as the Pennsylvania Infrastructure Investment Authority
14 Act.

15 (2) The agency shall award grants to municipalities for
16 projects that are small water systems under the act of March
17 16, 1992 (P.L.10, No.5), known as the Small Water Systems
18 Assistance Act.

19 (b) Funds.--The following shall apply:

20 (1) The amount of grant funds awarded by the authority
21 or agency to a municipality under this article shall be
22 matched by Federal or local money at a ratio of 3.50 grant
23 dollars to one Federal or local dollar. The authority or
24 agency shall verify the Federal or local match for a project
25 at the time.

26 (2) Grant funds received by a municipality under this
27 article shall be used for projects. To the extent permitted
28 by Federal law or guidance, associated administrative costs
29 may not exceed 10% of the total amount of grant funds.

30 (c) Other requirements.--Each project shall align with the

1 requirements of the Clean Water State Revolving Fund and the
2 Drinking Water State Revolving Fund as outlined in guidance from
3 the United States Department of the Treasury.

4 Section 106-I. Authority and agency duties.

5 The authority and the agency shall have the following powers
6 and duties:

7 (1) Implement and administer the program in accordance
8 with Federal law or guidance. The agency shall compile and
9 transmit any information necessary to implement the program
10 and comply with programmatic and eligibility requirements
11 under Federal law or guidance.

12 (2) Monitor municipal authorities' administration of the
13 grant to ensure compliance with Federal and State
14 requirements.

15 (3) Allocate and disburse grant funds to municipalities.

16 (4) Require municipalities to submit reports containing
17 information required by the authority or agency and as
18 necessary for compliance with the American Rescue Plan in the
19 form and by the deadline prescribed by the authority or
20 agency.

21 (5) Monitor, inspect or audit the financial, operating
22 and accounting records of a municipal authority or contracted
23 entity that receives grant funds, if deemed necessary by the
24 authority or agency.

25 (6) Withhold, recover or reduce grant funds of a
26 municipality, municipal authority or contracted entity
27 determined to have administered the program in violation of
28 Federal or State requirements.

29 (7) Recoup and reallocate unobligated grant funds as
30 identified by the municipality, municipal authority or

1 contracted entity.

2 (8) No later than 90 days after December 31, 2023, or
3 any updated Federal deadline for the use of funds under the
4 American Rescue Plan, whichever is later, issue a report to
5 the chairperson and minority chairperson of the
6 Appropriations Committee of the Senate and the chairperson
7 and minority chairperson of the Appropriations Committee of
8 the House of Representatives and shall post the report to the
9 authority's or agency's publicly accessible Internet website.
10 The report shall include the following information:

11 (i) The total amount of grant funds received by a
12 municipality.

13 (ii) The total amount of grant funds spent by a
14 municipality for infrastructure improvements under
15 section 105-I(a) and a brief description of the
16 improvements.

17 (iii) The total number of small water systems that
18 received improvements and a brief description of the
19 types of improvements.

20 (iv) The total number of sewer systems that received
21 improvements and a brief description of the types of
22 improvements.

23 (v) The total number of wastewater systems that
24 received improvements and a brief description of the
25 types of improvements.

26 (vi) The total amount of infrastructure assistance
27 provided under section 105-I(a).

28 (vii) An itemization of all expenditures for
29 administrative costs.

30 Section 107-I. Municipalities.

1 The local county officials of each municipal authority that
2 receives a grant under this article shall have the power and
3 duty to:

4 (1) Utilize grant funds for the improvement of water,
5 sewer and wastewater infrastructure in accordance with this
6 article, information from the authority or agency and Federal
7 law or guidance.

8 (2) Establish or maintain, in agreement with another
9 municipality, local collaborative arrangements for the
10 improvement of water, sewer and wastewater infrastructure
11 under this article.

12 (3) Submit monthly reports, which shall include
13 identified excess or insufficient funding and an itemization
14 of expenditures for administrative costs to the authority or
15 agency. The reports shall be subject to audit as determined
16 by the authority or agency.

17 Section 108-I. Expiration.

18 This article shall expire on the later of:

19 (1) June 30, 2024.

20 (2) Any updated Federal deadline for the use of funds
21 under the American Rescue Plan.

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