
THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE RESOLUTION

No. 141 Session of
2023

INTRODUCED BY BROOKS, SCHWANK AND CAPPELLETTI, JUNE 30, 2023

REFERRED TO CONSUMER PROTECTION AND PROFESSIONAL LICENSURE,
JUNE 30, 2023

A RESOLUTION

1 Directing the Joint State Government Commission to conduct a
2 study on the public water and wastewater system acquisitions
3 that have taken place since Act 12 of 2016 took effect and
4 the rate increases for the water and wastewater systems from
5 before and after the acquisitions took place, and to issue a
6 report of its findings and recommendations to the Senate.

7 WHEREAS, Act 12 of 2016 amended Title 66 of the Pennsylvania
8 Consolidated Statutes and provided for valuation of acquired
9 water and wastewater systems for ratemaking purposes; and

10 WHEREAS, According to the Pennsylvania Public Utility
11 Commission, since Act 12 of 2016 took effect, there have been 22
12 sales of public water or wastewater systems to private companies
13 initiated and two more under review, and no sales have been
14 rejected in this time; and

15 WHEREAS, As most water and wastewater system ratepayers do
16 not have a choice as to what system services them, the General
17 Assembly needs to ensure transparency in the outcome of Act 12
18 of 2016 and protection of the ratepayers; and

19 WHEREAS, A study released in March 2022 and published in the
20 official journal of the World Water Council concluded "among the

1 largest 500 water systems in the United States, private
2 ownership results in higher water prices and less affordability,
3 after controlling for all other factors" and that "results show
4 that the average annual water bill is \$144 higher in the
5 privately owned water systems than in the publicly owned water
6 systems"; and

7 WHEREAS, The intent of this resolution is for the Joint State
8 Government Commission to further collect data so policies can be
9 reviewed to ensure acquisitions after Act 12 of 2016 took
10 effect are transparent and fair to ratepayers; therefore be it

11 RESOLVED, That the Senate direct the Joint State Government
12 Commission to conduct research and an analysis on the public
13 water and wastewater system acquisitions that have taken place
14 since Act 12 of 2016 took effect and the rate increases for the
15 water and wastewater systems from before and after the
16 acquisitions took place, and to issue a report of its findings
17 and recommendations to the Senate; and be it further

18 RESOLVED, That the study include all of the following, using
19 the most recent data available, regarding every water or
20 wastewater system acquisition that has taken place in
21 Pennsylvania since Act 12 of 2016 took effect:

22 (1) The rate paid by ratepayers for services for the
23 five years prior to the acquisition of the system.

24 (2) The number of rate increase requests, approvals and
25 amounts, within five years prior of the acquisition of the
26 system, the amount of the request, the amount approved and
27 for what the money from the rate increase was being used.

28 (3) The rate paid by ratepayers for services for every
29 year after the acquisition of the system, to the date of this
30 study.

1 (4) The number of rate increase requests, approvals and
2 amounts, from the date of the acquisition of the system to
3 the date of this study, the amount of the request, the amount
4 approved and for what the money from the rate increase was
5 being used.

6 (5) A summary of any public comment or input to the
7 Pennsylvania Public Utility Commission as to the acquisition
8 of the system, including the person that submitted the public
9 comment, the person's geographic location and the reasons why
10 the person did or did not support the rate increase.

11 (6) The name of owner of the system prior to the
12 acquisition of the system and the name of the owner after the
13 acquisition of the system.

14 (7) The poverty level in the geographic location the
15 system serves.

16 (8) The average income, per household, in the geographic
17 location the system serves.

18 (9) Any State grant or loan approved and utilized by a
19 system within two years prior to the acquisition of the
20 system for any system acquired after the enactment of Act 12
21 of 2016 that had a rate increase approved, including the
22 amount of the grant or loan, for what the funding was used
23 and the date and amount of the rate increase after
24 acquisition of the system.

25 (10) Analysis of how other states allow water and
26 wastewater systems to be sold.

27 (11) Consideration of any other factors that enables the
28 General Assembly to evaluate the outcomes and acquisition
29 structure prior to and following Act 12 of 2016 taking effect
30 and evaluate policies and determine how to ensure

1 acquisitions after Act 12 of 2016 took effect are transparent
2 and fair to ratepayers;
3 and be it further

4 RESOLVED, That the Joint State Government Commission issue a
5 report of its findings, along with any statutory or regulatory
6 recommendations, to the General Assembly within 12 months of the
7 adoption of this resolution.