

No. 1980-20

AN ACT

HB 1256

Amending the act of June 1, 1956 (1955 P.L.1944, No.655), entitled "An act providing a permanent allocation of a part of the fuels and liquids fuels tax proceeds to cities, boroughs, incorporated towns and townships, for their road, street and bridge purposes; conferring powers and imposing duties on local officers and the Department of Highways; and making an appropriation out of the Motor License Fund; and repealing existing legislation," further providing for the use of the tax for drainage purposes.

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

Section 1. Section 4, act of June 1, 1956 (1955 P.L.1944, No.655), entitled "An act providing a permanent allocation of a part of the fuels and liquids fuels tax proceeds to cities, boroughs, incorporated towns and townships, for their road, street and bridge purposes; conferring powers and imposing duties on local officers and the Department of Highways; and making an appropriation out of the Motor License Fund; and repealing existing legislation," amended August 11, 1959 (P.L.663, No.215), August 10, 1965 (P.L.325, No.174), October 13, 1965 (P.L.588, No.305) and August 6, 1971 (P.L.277, No.70), is amended to read:

Section 4. The money hereby appropriated to municipalities shall be paid to the municipalities in accordance with the following formula and subject to the provisions of this act:

(1) The money hereby allocated shall be paid to the cities, boroughs, towns and townships in accordance with the following formula:

Five-tenths of this allocation divided by the total miles of public roads and streets which are maintained by municipalities.	Multiplied By	The number of miles in the particular municipality.
Plus		
Five-tenths of this allocation divided by the total official population of the municipalities as of January first of the year in which the money is to be paid to the municipalities	Multiplied By	The official population of the particular municipality as of January first of said year.

(Amount due the particular municipality)

To be expended by the authorities of the respective municipalities (i) for the maintenance, repair, construction or reconstruction of such public roads or streets, including bridges, culverts and drainage structures for which they are legally responsible *and including the lining of streams incidental to the drainage of highways*; and (ii) for the acquisition, maintenance, repair and operation of street signs, traffic signs and traffic signal control systems. Where road or bridge work is performed by the political subdivision the moneys herein allocated may be used only for labor, hiring of equipment, payrolls, purchase of material, including repair parts necessary for the maintenance of equipment, small tools, road drags and snow fences and, in addition, an amount not to exceed twenty per centum of the total annual allocation received by each municipality, may be used for the purchase of road machinery and road equipment.

No municipality shall receive less than the amount allocated to such municipality during the fiscal year ending June 30, 1969. So much as is necessary of the taxes collected on each gallon of liquid fuel under "The Liquid Fuel Tax Act" and on each gallon of fuel under the "Fuel Use Tax Act" is hereby appropriated out of the Motor License Fund to municipalities of the Commonwealth for the purpose of making any additional payments required under the provisions hereof. Funds hereby appropriated shall be in addition to funds appropriated under the provisions of section 3 of this act.

(2) Twenty-five per centum of all money allocated to each municipality shall be used for construction, reconstruction or widening of roads and streets, bridges and drainage structures[. **Except as provided herein, when all roads and streets of a municipality are classified as improved according to the standards of the department, the twenty-five per centum required to be used for road and street improvement may be used for maintenance and repair of roads and streets. When all roads and streets of any importance as determined by the township supervisors and the department are classified as improved in any township of the second class, the twenty-five per centum may be used for maintenance of roads and bridges in the township.] unless the governing authority of the municipality shall, by unanimous vote of the members present, determine to use the twenty-five per centum of moneys required to be used for road and street improvement for the purposes of maintenance and repair of existing roads, streets, bridges, drainage structures and the lining of streams incidental to the drainage of highways. The governing authority shall give notice by advertisement in accordance with the act of July 19, 1974 (P.L.486, No.175), referred to as the Public Agency Open Meeting Law, of its intention to adopt a resolution authorizing the said twenty-five per centum of liquid fuels tax moneys set aside for new construction for purposes of maintenance and repair and shall provide opportunity for public comment at a hearing on the resolution before action is taken.**

(2.1) Notwithstanding any limitations hereinbefore set forth, any municipality which issues bonds or obligations in accordance with Article VII-A of the act of June 25, 1941 (P.L.159), known as the "Municipal Borrowing Law," exclusively for road or street improvement purposes may expend all or any portion of the allocated money for interest and principal payments and sinking fund charges becoming due on such bonds or obligations.

(3) The moneys allocated in clause (1) shall be paid over, in the manner provided by law, by the Department of Highways to the respective cities, boroughs, towns and townships, on the first days of July and December, 1956, and the first day of April of each subsequent year.

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

APPROVED—The 27th day of March, A. D. 1980.

DICK THORNBURGH