

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1537

 Session of
1981

INTRODUCED BY NAHILL, NOYE, MAIALE, J. L. WRIGHT, DAWIDA, TELEK
AND ITKIN, JUNE 10, 1981

AS AMENDED ON THIRD CONSIDERATION, HOUSE OF REPRESENTATIVES,
DECEMBER 7, 1981

AN ACT

1 Amending the act of June 24, 1931 (P.L.1206, No.331), entitled
2 "An act concerning townships of the first class; amending,
3 revising, consolidating, and changing the law relating
4 thereto," further providing for the removal and impositions
5 of limitations on certain deposits and further providing for
6 authorizing investments.

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

9 Section 1. Clause (iii) of subsection (d) of section 1705.1,
10 act of June 24, 1931 (P.L.1206, No.331), known as "The First
11 Class Township Code," reenacted and amended May 27, 1949
12 (P.L.1955, No.569) and amended July 3, 1980 (P.L.374, No.94), is
13 amended and clauses are added to read:

14 Section 1705.1. Investment of Township Funds.--* * *

15 (d) Authorized types of investments for township funds shall
16 be:

17 * * *

18 (iii) Deposits in savings accounts or time deposits, other
19 than certificates of deposit, or share accounts of institutions

1 ~~organized and existing under the laws of~~ HAVING THEIR PRINCIPAL <—
2 PLACE OF BUSINESS IN the Commonwealth and insured by the Federal
3 Deposit Insurance Corporation or the Federal Savings and Loan
4 Insurance Corporation or the National Credit Union Share
5 Insurance Fund or the Pennsylvania Deposit Insurance Corporation
6 or the Pennsylvania Savings Association Insurance Corporation to
7 the extent that such accounts are so insured, and, for any
8 amounts above the insured maximum, provided that approved
9 collateral as provided by law therefore shall be pledged by the
10 depository.

11 * * *

12 (vi) Certificates of deposit purchased from institutions
13 ~~organized and existing under the laws of~~ HAVING THEIR PRINCIPAL <—
14 PLACE OF BUSINESS IN the Commonwealth and insured by the Federal
15 Deposit Insurance Corporation or the Federal Savings and Loan
16 Insurance Corporation or the National Credit Union Share
17 Insurance Fund or the Pennsylvania Deposit Insurance Corporation
18 or the Pennsylvania Savings Association Insurance Corporation to
19 the extent that such accounts are so insured, however, for any
20 amounts above the insured maximum, such certificates of deposit
21 need not be collateralized. Certificates of deposit purchased
22 from commercial banks shall be limited to an amount equal to
23 twenty percent of a bank's total capital and surplus.
24 Certificates of deposit purchased from savings and loan
25 associations or savings banks shall be limited to an amount
26 equal to twenty percent of an institution's assets minus
27 liabilities.

28 (vii) Any investment authorized by 20 Pa.C.S. Ch. 73
29 (relating to fiduciaries investments) shall be an authorized
30 investment for any pension or retirement fund.

1 * * *

2 Section 2. The amendments affecting clauses (iii) and (vi)
3 of subsection (d) of section 1705.1 shall take effect in 60
4 days. The amendment affecting clause (vii) of subsection (d) of
5 section 1705.1 shall take effect immediately and be retroactive
6 to September 3, 1980.