

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2138 Session of
1986

INTRODUCED BY MOWERY AND A. C. FOSTER, JR., FEBRUARY 11, 1986

REFERRED TO COMMITTEE ON LOCAL GOVERNMENT, FEBRUARY 11, 1986

AN ACT

1 Amending the act of May 2, 1945 (P.L.382, No.164), entitled "An
2 act providing for the incorporation as bodies corporate and
3 politic of 'Authorities' for municipalities, counties and
4 townships; prescribing the rights, powers and duties of such
5 Authorities heretofore or hereafter incorporated; authorizing
6 such Authorities to acquire, construct, improve, maintain and
7 operate projects, and to borrow money and issue bonds
8 therefor; providing for the payment of such bonds, and
9 prescribing the rights of the holders thereof; conferring the
10 right of eminent domain on such Authorities; authorizing such
11 Authorities to enter into contracts with and to accept grants
12 from the Federal Government or any agency thereof; and
13 conferring exclusive jurisdiction on certain courts over
14 rates," further providing for the power of an authority to
15 make contracts of insurance.

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

18 Section 1. Section 4 B(q) of the act of May 2, 1945
19 (P.L.382, No.164), known as the Municipality Authorities Act of
20 1945, amended August 1, 1975 (P.L.164, No.85) and repealed in
21 part November 26, 1978 (P.L.1399, No.330), is amended to read:

22 Section 4. Purposes and Powers; General.--* * *

23 B. Every Authority is hereby granted, and shall have and may
24 exercise all powers necessary or convenient for the carrying out

1 of the aforesaid purposes, including but without limiting the
2 generality of the foregoing, the following rights and powers:

3 * * *

4 (q) To make contracts of insurance with any insurance
5 company, association or exchange authorized to transact business
6 in the Commonwealth of Pennsylvania, insuring its employees and
7 appointed officers and officials under an individual policy or
8 policies of insurance covering life, accidental death and
9 dismemberment, and disability income or under a policy or
10 policies of group insurance covering life, accidental death and
11 dismemberment, and disability income provided that statutory
12 requirements for such group insurance, including but not limited
13 to requisite number of eligible employees and/or appointed
14 officers and officials, are met as provided for in section 621.2
15 of the act of May 17, 1921 (P.L.682, No.284), known as "The
16 Insurance Company Law of 1921," and sections 1, 2, 6, 7 and 9 of
17 the act of May 11, 1949 (P.L.1210, No.367).

18 To make contracts with any insurance company, association or
19 exchange or any hospital plan corporation or professional health
20 service corporation authorized to transact business in the
21 Commonwealth of Pennsylvania, insuring or covering its employees
22 and/or their dependents (but not its appointed officers and
23 officials nor their dependents) for hospital and/or medical
24 benefits; and to contract for its employees (but not its
25 appointed officers and officials) with any insurance company,
26 association or exchange authorized to transact business in the
27 Commonwealth of Pennsylvania granting annuities or to establish,
28 maintain, operate and administer its own pension plan covering
29 its employees (but not its appointed officers and officials). Any
30 pension plan established by a municipal authority or any annuity

1 contract program undertaken by a municipal authority shall meet
2 the applicable requirements of the act of December 18, 1984
3 (P.L.1005, No.205), known as the "Municipal Pension Plan Funding
4 Standard and Recovery Act."

5 For such purposes, to agree to pay part or all of the cost
6 thereof including the premiums or charges for carrying such
7 contracts, and to appropriate out of its treasury any money
8 necessary to pay such costs, premiums or charges, or portions
9 thereof. [The] If otherwise in conformance with section 607(c)
10 of the "Municipal Pension Plan Funding Standard and Recovery
11 Act," if applicable, the proper officers of the authority having
12 authority to enter into such contracts are hereby authorized,
13 enabled and permitted to deduct from the officers' or employes'
14 pay, salary or compensation such part of the premium or cost as
15 is payable by the officer or employe and as may be so authorized
16 by the officer or employe in writing.

17 * * *

18 Section 2. This act shall take effect immediately.