PRIOR PRINTER'S NO. 260 PRINTER'S NO. 2003

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 250 Session of 2009

INTRODUCED BY HORNAMAN, SOLOBAY, BARRAR, BEAR, BEYER, BRENNAN, CARROLL, CASORIO, CAUSER, CURRY, CUTLER, DeLUCA, DePASQUALE, DONATUCCI, FABRIZIO, FLECK, GALLOWAY, GIBBONS, GOODMAN, GROVE, GRUCELA, HARHAI, HARPER, HESS, KORTZ, KULA, LEVDANSKY, LONGIETTI, MAHONEY, MARKOSEK, MARSHALL, McILVAINE SMITH, MICOZZIE, MILLER, MUSTIO, O'NEILL, PASHINSKI, PERZEL, READSHAW, REED, SAINATO, SCAVELLO, SIPTROTH, K. SMITH, STABACK, STEVENSON, STURLA, SWANGER, TALLMAN, VULAKOVICH, WALKO, WHITE, MOUL, SANTARSIERO, MURT, ROHRER, FREEMAN, ROCK, HOUGHTON, FARRY, DENLINGER AND LENTZ, FEBRUARY 4, 2009

AS REPORTED FROM COMMITTEE ON VETERANS AFFAIRS AND EMERGENCY PREPAREDNESS, HOUSE OF REPRESENTATIVES, AS AMENDED, JUNE 3, 2009

AN ACT

1 Providing for municipal volunteer fire service incentives.

2 TABLE OF CONTENTS

3 Chapter 1. Preliminary Provisions

4 Section 101. Short title.

5 Section 102. Purpose.

6 Section 103. Definitions.

7 Chapter 3. Municipal Tax Credit

8 Section 301. Program authorization.

9 Section 302. Claim.

10 Section 303. Limitations.

11 Chapter 5. Volunteer Fire Service Credit

12 Section 501. Volunteer fire service credit program.

Section 502. Service record.

~~Section 503. Service record report.~~

Section ~~504~~ 503. Certification.

Chapter 30. Miscellaneous Provisions

Section 3001. Penalties for false reporting.

Section 3002. Effective date.

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

CHAPTER 1

PRELIMINARY PROVISIONS

Section 101. Short title.

This act shall be known and may be cited as the Municipal Volunteer Firefighter Incentive Act.

Section 102. Purpose.

The purpose of this act is to authorize municipalities to enact a tax credit against an active volunteer firefighter's earned income tax liability as a financial incentive to:

(1) Indicate the municipality's acknowledgment of the value of and the absence of any public cost for volunteer fire protection provided by active volunteer firefighters.

(2) To encourage other individuals to newly volunteer or for former firefighters to consider rejoining as an active volunteer firefighter in a volunteer fire company.

Section 103. Definitions.

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

"Active volunteer firefighter." A volunteer firefighter who has complied with the requirements of the volunteer fire service credit program and who is certified ~~by the State Fire~~

~~Commissioner~~ under section ~~504~~ 503.

"Commissioner." The State Fire Commissioner of the Commonwealth.

"Department." The Department of Revenue of the Commonwealth.

"Earned income tax." A tax on earned income and net profits levied under chapter 3 of the act of December 31, 1965 (P.L. 1257, No.511), known as The Local Tax Enabling Act.

"Governing body." A city council, borough council, incorporated town council, board of township commissioners, board of township supervisors, governing council of a home rule municipality or optional plan municipality or a governing council of any similar purpose government which may be created by statute after the effective date of this section.

"Local Tax Enabling Act." The act of December 31, 1965 (P.L. 1257, No.511), known as The Local Tax Enabling Act.

"Municipality." A city, borough, incorporated town or township located in this Commonwealth.

"Tax credit." The tax credit granted under section 301.

"Volunteer fire company." A nonprofit chartered corporation, association or organization located in this Commonwealth that provides fire protection services and may offer other voluntary emergency services within this Commonwealth.

"Volunteer fire service credit program." The program established under section 501 to determine the active status of a volunteer firefighter.

"Volunteer firefighter." A member of a volunteer fire company.

CHAPTER 3

MUNICIPAL TAX CREDIT

Section 301. Program authorization.

(a) Establishment.--A municipality that levies an earned income tax may establish by resolution or ordinance a tax credit against an individual's liability imposed under chapter 3 of the Local Tax Enabling Act for active service as a volunteer firefighter.

(b) Amount.--A municipality must set forth in the resolution or ordinance the amount of the tax credit. If the total earned income tax liability is less than the amount established by the municipality, the tax credit shall equal the remaining tax liability.

(c) Public notice.--At least 30 days prior to adoption of the resolution or ordinance, the governing body of a municipality shall give public notice of its intent to adopt a resolution or ordinance to establish a tax credit and conduct at least one public hearing on the issue.

(d) Specific notice.--A municipality that establishes a tax credit under subsection (a) shall notify the commissioner in the manner and pursuant to any schedule prescribed by the commissioner.

Section 302. Claim.

(A) ELIGIBILITY.--An individual who satisfies all of the following criteria may claim a tax credit established under this act:

(1) The individual is subject to an earned income tax imposed by a municipality that has established a tax credit under section 301.

(2) The individual is certified ~~by the commissioner~~ under section ~~504~~ 503.

(B) RETURN.--A HUSBAND AND WIFE MAY CLAIM ANY TAX CREDIT FOR WHICH THEY ARE ELIGIBLE ON THE SAME RETURN.

Section 303. Limitations.

A tax credit established under this act may be used against only the individual's earned income tax liability for the current taxable year.

CHAPTER 5

VOLUNTEER FIRE SERVICE CREDIT

Section 501. Volunteer fire service credit program.

(a) Establishment.--Within 90 days of the effective date of this section, the commissioner shall establish a volunteer fire service credit program that establishes the annual requirements for the designation of a volunteer firefighter as in active service at a volunteer fire company.

(b) Activities.--The volunteer fire service credit system shall consider the following activities in determining credit toward a designation of active service:

(1) The number of emergency calls to which a volunteer firefighter responds.

(2) The level of training and participation in formal training and drills for a volunteer firefighter.

(3) The total amount of time expended by a volunteer firefighter on administrative and other support services, including fundraising and facility or equipment maintenance.

(4) The involvement in other events or projects that aid the financial viability, emergency response or operational readiness of a volunteer fire company.

~~(c) Regulations.--The commissioner shall promulgate regulations necessary to implement this section. The Pennsylvania Fire Information Reporting System or any other system as determined by the commissioner shall be used to submit information required in the service record report.~~

(C) GUIDELINES.--THE COMMISSIONER SHALL ADOPT GUIDELINES, INCLUDING FORMS, NECESSARY TO IMPLEMENT THIS SECTION.

Section 502. Service record.

(a) Log.--The chief of a volunteer fire company or the chief's designee shall establish and maintain a service log that documents the activities of each volunteer firefighter that qualify for credit toward active service under the volunteer fire service credit system and the calculation of the total credits earned for each volunteer firefighter in the volunteer fire company.

(b) Review.--Service logs established and maintained by volunteer fire companies shall be subject to periodic review by the Auditor General, the department, the governing body of the municipality where the volunteer fire company is located and the governing body of a municipality where the volunteer fire company provides fire protection services or volunteer emergency services.

~~Section 503. Service record report.~~

~~(a) Report.--The chief of a volunteer fire company or the chief's designee shall, within 15 days of the end of the calendar year, submit a report to the commissioner that complies with the requirements under subsection (b).~~

~~(b) Contents.--The report shall include all of the following:~~

~~(1) The name and address of each volunteer firefighter in the volunteer fire company.~~

~~(2) A calculation of the total number of credits earned by each volunteer firefighter and a determination whether each volunteer firefighter qualifies for a designation as an active volunteer firefighter.~~

~~(3) Any additional information deemed necessary by the commissioner.~~

~~Section 504. Certification.~~

~~(a) Compliance.--On or before February 1 of each year, the commissioner shall certify each volunteer firefighter reported under section 503 as having complied with the requirements for certification as an active volunteer firefighter under the volunteer fire credit service system.~~

~~(b) Documentation.--The commissioner, in cooperation with the department, shall develop a procedure and a system to document the certification of active volunteer firefighters for tax purposes under this act and to provide notification of the certification to all of the following:~~

~~(1) Each municipality that notifies the commissioner of the establishment of a tax credit under this act.~~

~~(2) Each volunteer firefighter listed on a service record report.~~

SECTION 503. CERTIFICATION.

(A) SELF-CERTIFICATION.--THE ACTIVE VOLUNTEER FIREFIGHTER SHALL SIGN AND SUBMIT THE APPLICATION TO THE CHIEF OF THE VOLUNTEER FIRE COMPANY WHERE THE FIREFIGHTER SERVES.

(B) LOCAL SIGN-OFF.--THE CHIEF AND ANOTHER OFFICER OF THE VOLUNTEER FIRE COMPANY SHALL SIGN THE APPLICATION ATTESTING TO THE INDIVIDUAL'S STATUS AS AN ACTIVE VOLUNTEER FIREFIGHTER. THE APPLICATION SHALL THEN BE FORWARDED TO THE MUNICIPALITY FOR FINAL REVIEW AND PROCESSING.

CHAPTER 30

MISCELLANEOUS PROVISIONS

Section 3001. Penalties for false reporting.

The following shall apply:

(1) Any person who knowingly makes or conspires to make a false service record report under this act to the commissioner commits a misdemeanor of the first degree.

(2) Any person who knowingly provides or conspires to provide false information that is used to compile a service record report under this act commits a misdemeanor of the first degree.

Section 3002. Effective date.

This act shall take effect in 60 days.