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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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**HOUSE BILL**  
**No. 1184** Session of  
1983

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INTRODUCED BY PITTS AND VROON, JUNE 8, 1983

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REFERRED TO COMMITTEE ON LOCAL GOVERNMENT, JUNE 8, 1983

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AN ACT

1 Amending the act of June 11, 1968 (P.L.149, No.84), entitled "An  
2 act relating to volunteer firemen's relief associations,  
3 clarifying their purposes and objectives, establishing  
4 criteria and standards for the conduct of their affairs,  
5 providing for their formation, recognition, continuing  
6 operation, and for their dissolution in appropriate  
7 circumstances and the distribution of their funds," changing  
8 definitions; further providing for the purpose and  
9 construction of the act; further providing for the use of  
10 funds; and making editorial changes.

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

13 Section 1. The title and sections 1, 2, 3, 4 and 5 of the  
14 act of June 11, 1968 (P.L.149, No.84), known as the Volunteer  
15 Firemen's Relief Association Act, are amended to read:

AN ACT

16  
17 Relating to volunteer [firemen's] relief associations,  
18 clarifying their purposes and objectives, establishing  
19 criteria and standards for the conduct of their affairs,  
20 providing for their formation, recognition, continuing  
21 operation, and for their dissolution in appropriate

1 circumstances and the distribution of their funds.

2 Section 1. Short Title.--This act shall be known and may be  
3 cited as the "Volunteer [Firemen's] Relief Association Act."

4 Section 2. Definitions.--As used in this act:

5 (1) A volunteer [firemen's] relief association is an  
6 organization formed primarily for the purpose of affording  
7 financial protection to volunteer firemen, volunteer rescue  
8 squad members or volunteer ambulance corps members against the  
9 consequences of misfortune suffered as a result of their  
10 participation in the fire, rescue or ambulance service. Such an  
11 association may also serve other purposes, as hereinafter set  
12 forth, provided only that adequate provisions be first made to  
13 serve its primary purpose. It may comprehend within its  
14 membership the members of one or more fire companies, rescue  
15 squads or ambulance corps.

16 (2) [The fire] Volunteer fire, rescue and ambulance service  
17 comprehends the service of organized groups of individuals, not  
18 only in training for and in active duty in the protection of the  
19 public against fire, provision of rescue services and provision  
20 of ambulance service but also in the training for and the  
21 performance of such other activities as are commonly undertaken  
22 by [fire companies] such groups and their affiliated  
23 organizations, including, inter alia, fire prevention, first  
24 aid, rescue and salvage, ambulance service, fire police work,  
25 radio communications, assistance at accidents, control of crowds  
26 both on the fire grounds and at occasions of public or general  
27 assembly, animal rescue, abatement of conditions due to storm,  
28 flood, or general peril, abatement or removal of hazards to  
29 safety, and participation in public celebrations, parades,  
30 demonstrations, and fund-raising campaigns.

1       (3) [Volunteer fireman] Volunteer relief association member  
2 comprehends any member of a fire company, volunteer rescue  
3 squads or volunteer ambulance corps, organized and existing  
4 under the laws of the Commonwealth of Pennsylvania, and also any  
5 member of any [fire police unit, rescue squad, ambulance corps,  
6 or] other like organization [affiliated with one or more fire  
7 companies], and refers to any individual who is a member of such  
8 a volunteer fire company, [or affiliated organization] volunteer  
9 rescue squad or volunteer ambulance corps and who participates  
10 in the fire, rescue or ambulance service, but does not look to  
11 [that] such service as his primary means of livelihood.

12       Section 3. Statement of Purpose.--The purpose of the  
13 Legislature in enacting this statute is to encourage individuals  
14 to take part in the fire, rescue and ambulance service [as  
15 volunteer firemen,] by establishing criteria and standards for  
16 the orderly administration and conduct of the affairs of  
17 [firemen's] volunteer relief associations, so as to ensure, as  
18 far as circumstances will reasonably permit, that funds shall be  
19 available for the protection of volunteer firemen, members of  
20 volunteer rescue squads and volunteer ambulance corps and their  
21 heirs:

22       (1) To provide financial assistance to volunteer firemen,  
23 rescue squad members and ambulance corps members who may suffer  
24 injury or misfortune by reason of their participation in the  
25 fire, rescue or ambulance service;

26       (2) To provide financial assistance to the widow, children,  
27 and/or other dependents of volunteer firemen, rescue squad  
28 members and ambulance corps members who lose their lives as a  
29 result of their participation in the fire, rescue or ambulance  
30 service;

1 (3) To provide, either by insurance or by the operation of a  
2 beneficial fund, for the payment of a sum certain to the  
3 designated beneficiaries of a participating member in such fund  
4 following the death of such member for any cause, and to  
5 establish criteria which members must meet in order to qualify  
6 as participants in such death benefit fund;

7 (4) To provide safeguards for preserving life, health and  
8 safety of volunteer firemen, rescue squad members and ambulance  
9 corps members so as to ensure their availability to participate  
10 in the fire, rescue and ambulance service;

11 (5) To provide financial assistance to volunteer firemen,  
12 members of volunteer rescue squads and members of volunteer  
13 ambulance corps who, after having actively participated in the  
14 fire, rescue or ambulance service for a specified minimum term,  
15 are no longer physically able to continue such participation and  
16 are in need of financial assistance;

17 (6) To provide funds to aid the rehabilitation of volunteer  
18 firemen, members of volunteer rescue squads and members of  
19 volunteer ambulance corps who have suffered an impairment of  
20 their physical capacity to continue to perform their normal  
21 occupations; and

22 (7) In any event, to provide sufficient funds to ensure the  
23 efficient and economical handling of the business of the  
24 association in accomplishing the objectives hereinabove set  
25 forth.

26 Section 4. Construction.--This act shall be construed,  
27 applied, and interpreted, so far as circumstances permit, as  
28 justifying the actions of the officers and members of volunteer  
29 [firemen's] relief associations affected by it, when such  
30 actions appear to have been taken in good faith and in a bona

1 fide belief that they were in furtherance of the purposes of  
2 this act, but shall be strictly construed and applied against  
3 those responsible for actions taken in wilful disregard of the  
4 purposes of this act, or with reckless indifference to such  
5 purposes, and in particular, where any action called into  
6 question results or has resulted or was likely to result in an  
7 unmerited personal benefit to one or more of those responsible  
8 for the taking of such action.

9 Section 5. Structure.--(a) A volunteer [firemen's] relief  
10 association may be a body corporate, governed by a charter and  
11 bylaws, or it may be an unincorporated association of  
12 individuals, governed by a constitution and bylaws. In either  
13 case, it must provide for the taking and preserving of minutes  
14 of all meetings, and the maintenance of such books of account as  
15 may be necessary and appropriate to afford a permanent record of  
16 its fiscal affairs.

17 (b) The constitution or charter shall state the name, the  
18 purposes and the form of the organization, shall designate the  
19 class or classes of persons eligible for membership, and the  
20 procedures to be followed in making amendments.

21 (c) The bylaws shall specify the requirements for securing  
22 membership, the voting rights of different classes of members,  
23 if there be different classes, and the conditions under which  
24 membership may be terminated. They shall state the notice  
25 requirements and the procedure to be followed in calling  
26 meetings, as well as the quorum requirements for regular and  
27 special meetings of the membership and for regular and special  
28 meetings of the body which governs the operations of the  
29 association between membership meetings, and shall designate  
30 that body, whether it be a board of directors, the trustees, or

1 any similar body, such as an executive committee. Unless  
2 otherwise provided in the bylaws, the powers and duties of the  
3 officers and directors and/or trustees, shall be such as  
4 normally pertain to such positions in nonprofit corporations.  
5 The bylaws shall require that the signatures of at least two  
6 officers, one of whom shall be the disbursing officer, shall be  
7 required in order to bind the association by formal contract or  
8 to issue any negotiable instrument. They shall require that the  
9 disbursing officer, whether designated treasurer, comptroller,  
10 financial secretary, or otherwise, shall be bonded by corporate  
11 surety for the faithful performance of his duties. The amount of  
12 such bond shall be at least as great as the maximum cash balance  
13 in current funds of the association at any time during the  
14 fiscal year, and the premium on such bond shall be a proper  
15 charge against the funds of the association. The bylaws shall  
16 state the procedure to be followed in nominating and in electing  
17 officers, trustees, directors, and members of the executive  
18 committee, according to such provisions as shall have been made  
19 for the establishment of such positions. The bylaws shall  
20 establish procedures for the approval of expenditures and the  
21 payment thereof, and for the investment of funds and the sale of  
22 investments. The bylaws shall set out the procedure to be  
23 followed in amending the bylaws, and shall specify the notice  
24 required with respect to proposed amendments, including the  
25 time, place, and the date when any proposed amendment shall be  
26 considered. The bylaws shall be faithfully preserved in  
27 permanent form and any amendments made thereto shall be entered  
28 thereon with the date when any such amendment became effective.  
29 The bylaws may contain any such other provisions as may to the  
30 membership seem to be appropriate or necessary to the orderly

1 conduct of the affairs of the association.

2 (d) In addition to the bylaws the association may adopt from  
3 time to time such matters as the membership may regard as of a  
4 routine nature under the head of standing procedures. Such  
5 procedures may be adopted, modified or repealed by motion and  
6 majority vote but they shall not be inconsistent with the bylaws  
7 and they shall be recorded as an appendix to the bylaws.

8 (e) Any volunteer [firemen's] relief association organized  
9 or conducted in accordance with the requirements of this section  
10 shall be regarded as a charitable corporation for all purposes  
11 including the right to establish exemption from the operation of  
12 certain taxes.

13 Section 2. Section 6 of the act, amended March 23, 1972  
14 (P.L.119, No.44) and March 7, 1982 (P.L.168, No.53), is amended  
15 to read:

16 Section 6. Funds.--(a) Any volunteer [firemen's] relief  
17 association shall have the right to solicit and receive gifts  
18 and contributions from any source including municipal  
19 corporations. [It] In the case of a volunteer firemen's relief  
20 association, it shall not have the right to receive any portion  
21 of the moneys distributed to the political subdivisions of the  
22 Commonwealth under the provisions of the act of June 28, 1895  
23 [(P.L.408)] (P.L.408, No.289), known as the Foreign Fire  
24 Insurance Premium Tax Allocation Law, unless and until the  
25 governing body of at least one such political subdivision shall  
26 have certified to the Auditor General that such association is  
27 in fact a bona fide volunteer firemen's relief association  
28 affiliated with a fire company which affords protection against  
29 fire to all or a portion of the political subdivision.

30 (b) The funds of any volunteer [firemen's] relief

1 association may be deposited in any bank, trust company, or  
2 other banking establishment accredited by the Commonwealth or  
3 insured by the Government of the United States.

4 (c) All, or any part of the funds of any volunteer  
5 [firemen's] relief association may be invested:

6 (1) In any form of investment named in [the Fiduciaries Act  
7 of 1949, as amended] 20 Pa.C.S. Ch. 73 (relating to fiduciaries  
8 investments), including first mortgages. Such first mortgages  
9 insuring repayment of loans by relief associations must provide  
10 for a minimum interest payment of three per cent and not exceed  
11 eighty per cent of the appraised value of the real property  
12 covered by the mortgage.

13 (2) In any obligation of a political subdivision, having the  
14 power to levy or collect taxes, or

15 (3) In any obligation of an incorporated fire company,  
16 rescue squad or ambulance corps which obligation is secured by  
17 assets of the company, squad or corps having capital value equal  
18 to at least one hundred fifty per cent of the amount of the  
19 obligation at the time it is made, and is subject to provisions  
20 which will amortize such loan at a rate ensuring that the  
21 depreciated value of the assets pledged shall continue to be at  
22 least equal to one hundred fifty per cent of the balance  
23 remaining due.

24 (d) No investment shall be acquired, encumbered or sold  
25 except pursuant to a resolution duly enacted by the governing  
26 body of the association. The income from investments however may  
27 be invested or spent in the same way as any other income.

28 (e) The funds of any volunteer [firemen's] relief  
29 association may be spent:

30 (1) To pay for such normal and reasonable running expenses



1 as may be appropriate to the businesslike conduct of its affairs  
2 including legal fees and including but not by way of limitation  
3 the rental or purchase of offices, the payment of reasonable  
4 compensation of any needed employes, and the purchase of office  
5 equipment and supplies.

6 (2) To purchase contracts of insurance which shall at the  
7 least afford financial assistance to active members of the fire,  
8 rescue or ambulance service represented by the association  
9 against losses due to injury suffered in the fire, rescue or  
10 ambulance service and which may also provide in the order named,  
11 (i) for payments to the widow or other dependents of a member in  
12 the event of his death, (ii) for protection of active [firemen]  
13 members against disease, (iii) for the replacement or purchase  
14 of prosthetic devices such as visual aids, hearing aids,  
15 dentures, braces, crutches, and the like, where such devices  
16 have been lost or damaged while the owner was engaged in the  
17 fire, rescue or ambulance service or where the need for such  
18 devices arises because of functional impairment attributable to  
19 participation in the fire, rescue or ambulance service, (iv) for  
20 the repair or replacement if necessary of articles of clothing  
21 damaged in the course of participation in the fire, rescue or  
22 ambulance service, and (v) for disability incurred after service  
23 for a minimum of twenty years as a volunteer fireman, member of  
24 a volunteer rescue squad or member of a volunteer ambulance  
25 corps.

26 (3) To maintain a beneficiary or death benefit fund and to  
27 pay a sum certain from that fund to the beneficiary of any  
28 participant in that fund upon his death. In the event a  
29 beneficiary is not designated or a designated one has  
30 predeceased the participant, the sum certain shall be paid to

1 the estate of the participant.

2 (4) To pay in full or in part for damage or loss in any of  
3 the categories mentioned in clause (2) above in any specific  
4 case in which (i) no policy of insurance is in force which  
5 covers the risk, or (ii) the amount payable under insurance  
6 policies in force is inadequate to cover the loss.

7 (5) To pay the costs of procuring and forwarding tokens of  
8 sympathy and goodwill[. To] to a volunteer [fireman] who may be  
9 ill or hospitalized as a result of participation in the fire,  
10 rescue or ambulance service or who may die or who may be  
11 seriously ill for any reason.

12 (6) To make cash payments to families in distressed  
13 circumstances by reason of age, infirmities or other  
14 disabilities suffered by one of the family in the course of his  
15 participation in the fire, rescue or ambulance service as a  
16 volunteer [fireman].

17 (7) To acquire and maintain membership in any Statewide  
18 association or corporation which extends advice and assistance  
19 to [firemen's] volunteer relief associations in the conduct of  
20 their affairs and to pay reasonable expenses of travel and  
21 maintenance to a duly elected delegate for attendance at such  
22 meetings of such Statewide association or corporation.

23 (8) To contribute or to purchase contracts of insurance  
24 which will contribute towards the costs of rehabilitating and  
25 retraining [volunteer firemen] volunteers who by reason of their  
26 participation in the fire, rescue or ambulance service have  
27 suffered a major impairment of their ability to continue their  
28 vocation.

29 (9) To pay for medical and surgical bills arising from  
30 injuries sustained by [volunteer firemen] volunteers while

1 engaged in activities of the fire company, rescue squad or  
2 ambulance corps to the extent that said bills are not covered by  
3 insurance provided by the relief association.

4 (10) To pay reasonable expenses actually and necessarily  
5 incurred for attending bona fide [firemen's] training schools.

6 (11) To purchase safeguards for preserving life, health, and  
7 safety of [volunteer firemen] volunteers, so as to ensure their  
8 availability to participate in the volunteer fire, rescue and  
9 ambulance service.

10 (12) To secure insurance against the legal liability of the  
11 [volunteer firemen] volunteers for loss and expense from claims  
12 arising out of the performance of their official, authorized  
13 duties while going to, returning from or attending fires, or  
14 performing rescue operations or providing ambulance service or  
15 while performing [their] duties as special fire police.

16 Section 3. This act shall take effect in 60 days.