

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 595

Session of
1987

INTRODUCED BY VAN HORNE, TRELLO, IRVIS, MOWERY, FOSTER, NOYE,
KUKOVICH, VEON, GODSHALL, HECKLER, PRESTON, BURD, HALUSKA,
OLASZ, FARGO, SEVENTY, COLAFELLA AND WOZNIAK, MARCH 3, 1987

REFERRED TO COMMITTEE ON FINANCE, MARCH 3, 1987

AN ACT

1 Amending the act of May 12, 1943 (P.L.259, No.120), entitled, as
2 reenacted and amended, "An act providing for the payment by
3 the State Treasurer, of the amount of the tax on premiums
4 paid by foreign casualty insurance companies, to the
5 treasurers of the several cities, boroughs, towns, townships,
6 and certain counties, and for the payment thereof into police
7 pension funds, and in certain cases into the Municipal
8 Employees' Retirement System, and for Pension Annuity
9 Contracts, and in certain other cases into the State
10 Employees' Retirement Fund, for certain purposes," further
11 providing for the return of unused moneys; and repealing
12 provisions relating to payments to municipalities.

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

15 Section 1. Section 1 of the act of May 12, 1943 (P.L.259,
16 No.120), referred to as the Foreign Casualty Insurance Premium
17 Tax Allocation Law, reenacted and amended May 10, 1951 (P.L.250,
18 No.39), is repealed.

19 Section 2. Section 1.2 of the act, amended May 25, 1956
20 (1955 P.L.1742, No.582), is amended to read:

21 Section 1.2. (a) All general municipal pension system State
22 aid moneys distributed under the terms [hereof,] of Chapter 4 of

1 the act of December 18, 1984 (P.L.1005, No.205), known as the
2 "Municipal Pension Plan Funding Standard and Recovery Act," that
3 are not used for the purposes set forth [herein] in that act
4 within two years after receipt thereof by the treasurers of the
5 several counties, cities, boroughs, towns and townships, shall
6 be returned to the [General Fund] General Municipal Pension
7 System State Aid Program for subsequent distribution in
8 [accordance with the terms of Formula 3 of the act herein
9 amended] the succeeding year.

10 (b) General municipal pension system State aid moneys shall
11 be deemed to have not been used for the purposes set forth in
12 Chapter 4 of the "Municipal Pension Plan Funding Standard and
13 Recovery Act," if:

14 (1) the pension plan to which the aid amount has been
15 allocated has been dissolved, disbanded or terminated; or

16 (2) the assets of the pension plan exceed the actuarial
17 present value of all projected benefits provided by the pension
18 plan without any reduction for the actuarial present value of
19 future normal costs as indicated in the most recent actuarial
20 valuation report filed with respect to the pension plan pursuant
21 to section 202(b)(2) of the "Municipal Pension Plan Funding
22 Standard and Recovery Act."

23 Section 3. Sections 2, 3 and 3.1 of the act are repealed.

24 Section 4. This act shall take effect immediately.