
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL
No. 1854 Session of
1987

INTRODUCED BY HUTCHINSON, LETTERMAN, PETRARCA, DOMBROWSKI AND
FEE, OCTOBER 19, 1987

REFERRED TO COMMITTEE ON LOCAL GOVERNMENT, OCTOBER 19, 1987

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," further
8 providing for volunteer firefighters' retirement plans.

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

11 Section 1. Section 3 of the act of June 11, 1968 (P.L.149,
12 No.84), known as the Volunteer Firemen's Relief Association Act,
13 is amended to read:

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

1 protection of volunteer firemen and their heirs:

2 (1) To provide financial assistance to volunteer firemen who
3 may suffer injury or misfortune by reason of their participation
4 in the fire service;

5 (2) To provide financial assistance to the widow, children,
6 and/or other dependents of volunteer firemen who lose their
7 lives as a result of their participation in the fire service;

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

14 (4) To provide safeguards for preserving life, health and
15 safety of volunteer firemen, so as to ensure their availability
16 to participate in the fire service;

17 (5) To provide financial assistance to volunteer firemen
18 who, after having actively participated in the fire service for
19 a specified minimum term, are no longer physically able to
20 continue such participation and are in need of financial
21 assistance;

22 (6) To provide funds to aid the rehabilitation of volunteer
23 firemen who have suffered an impairment of their physical
24 capacity to continue to perform their normal occupations; [and]

25 (6.1) To provide retirement benefits to current and future
26 active volunteer firemen upon their separation from active
27 participation in the fire service on account of attainment of a
28 designated age or acquisition of credit for a designated period
29 of service through the establishment and maintenance of a
30 volunteer firemen's retirement benefit plan; and

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

Section 2. The act is amended by adding sections to read:

Section 3.1 Volunteer Firemen's Retirement Benefit Plan
Definitions and Minimum Standards.--As used in section 3(6.1),
this section and sections 3.2 through 3.6, unless the context
clearly indicates otherwise:

(1) Accrued retirement benefits is the amount of the
retirement benefit which would be payable to a volunteer fireman
if the fireman discontinued volunteer fire service based on the
defined benefit formula in effect or the individual account
balance, whichever is applicable, without reference to a minimum
vesting requirement or normal retirement age requirement.

(2) Chief administrator of the volunteer firemen's relief
association is the person who has primary responsibility for the
execution of the administrative, business or financial affairs
on behalf of the volunteer firemen's relief association, as
indicated by the factual situation or as designated by the
relief association.

(3) Defined benefit plan is a retirement benefit plan which
provides a retirement benefit that is definitely determinable
pursuant to the plan document without reference to the amount
contributed to the plan on the participant's behalf or to
income, expenses, gains or losses or forfeitures of other
participants covered by the plan.

(4) Defined contribution plan is a retirement benefit plan
which provides for an individual account for each participant
and for benefits which are based solely upon the amounts

1 allocated to the accounts of participants and upon investment
2 income, administrative or realized expenses, gains and losses
3 which may be allocated to those accounts.

4 (5) Fair market value is the amount or price which, in all
5 reasonable probability, on a specified date, would have been
6 realized through the disposition of an investment in the course
7 of business by a willing seller to a willing buyer as indicated
8 in the most recent closing daily results of a national market or
9 exchange for that type of investment or, if no national market
10 or exchange exists, the book value or actual purchase price,
11 whichever is applicable, of the investment.

12 (6) Fiduciary is a person who exercises discretionary
13 authority or control with respect to the administration of the
14 plan or the management or disposition of plan assets or who
15 renders investment advice for a fee to the plan.

16 (7) Nonforfeitable right is the unconditionally and legally
17 enforceable entitlement to receive benefits from a retirement
18 benefit plan attributable to service as a volunteer fireman
19 participating in the plan.

20 (8) Normal retirement age is the earliest age at which a
21 former volunteer fireman who participated in the retirement
22 benefit plan and who has an entitlement to receive a retirement
23 benefit pursuant to the terms of the plan document may receive
24 that retirement benefit.

25 (9) Prior volunteer fire service is the service rendered by
26 a volunteer fireman to the applicable volunteer fire companies
27 associated with the volunteer firemen's relief association which
28 established and maintained the retirement benefit plan prior to
29 the establishment of that retirement benefit plan.

30 (10) Retirement benefit is the amount, at the time of

retirement, payable or potentially payable to a former volunteer fireman at or after normal retirement age, which (amount) is computed pursuant to the applicable formula if the retirement benefit plan is a defined benefit plan or which (amount) is the balance of the account of the former volunteer fireman if the retirement benefit plan is a defined contribution plan.

(11) Retirement benefit plan is the plan or program established and maintained by a volunteer firemen's relief association pursuant to this act to provide retirement benefit coverage for volunteer firemen of the associated volunteer fire companies, irrespective of the manner in which the plan is administered.

(12) Survivor of a volunteer fireman is the surviving spouse of the volunteer fireman at the time of the death of the volunteer fireman, or if none, the natural or adopted children, including posthumous children, of the volunteer fireman.

(13) Year of volunteer fire service is the twelve-month period, which need not be twelve consecutive months, during which a volunteer fireman who is eligible to participate in the retirement benefit plan meets the minimum volunteer fire service requirements established under section 3.6 and meets additional minimum requirements established by the volunteer firemen's relief association and during which the minimum obligation of the volunteer firemen's relief association with respect to the retirement benefit plan under section 3.5 has been met.

Section 3.2. Establishment of Volunteer Firemen's Retirement Benefit Plan.--A volunteer firemen's relief association which has met the requirements of section 6 may establish and maintain a retirement benefit plan for the volunteer firemen who are members of the relief association under this act. No volunteer

firemen's relief association shall be required, under this act,
to establish a retirement benefit plan. No more than one
retirement benefit plan may be established or maintained by a
single volunteer firemen's relief association.

Section 3.3. Minimum Participating and Benefit Standards for
Volunteer Firemen's Retirement Benefit Plans.--(a) A retirement
benefit plan established and maintained under this act by a
volunteer firemen's relief association for volunteer firemen who
are members of the relief association and disbursements made by
a retirement benefit plan shall be governed by the applicable
provisions of this act.

(b) Eligibility to participate shall be as follows:

(1) A volunteer firemen's retirement benefit plan must
provide that each volunteer fireman who is a member of the
relief association and who has attained at least twenty-one
years of age and has completed at least one year of fire service
is eligible to participate in the retirement benefit plan.

(2) If the retirement benefit plan is a defined benefit
plan, the volunteer firemen's relief association may provide for
the exclusion from participation of a volunteer fireman who
initially begins to provide volunteer fire services for the
respective volunteer fire company at an age which is less than
five years prior to the normal retirement age of the retirement
benefit plan.

(3) A volunteer fireman, at the time of the establishment of
the plan or at the time of the commencement of volunteer fire
services, whichever occurs later, may elect not to participate
in the retirement benefit plan. The election not to participate
must be irrevocable.

(c) A volunteer fireman shall have a nonforfeitable right to

1 a retirement benefit that is not less than a percentage
2 determined under the following table:

<u>Years of Volunteer</u>	<u>Nonforfeitable</u>
<u>Fire Service</u>	<u>Percentage</u>
<u>Less than five</u>	<u>Zero</u>
<u>Five or more</u>	<u>One hundred</u>

7 Notwithstanding the preceding table, a participant shall have a
8 one hundred percent nonforfeitable right to a retirement benefit
9 upon attainment of normal retirement age under the retirement
10 benefit plan. A volunteer firemen's relief association may
11 establish a percentage table that provides for a faster rate of
12 becoming nonforfeitable in the event of the death or disability
13 of a volunteer fireman.

14 (d) A retirement benefit plan shall provide that a volunteer
15 fireman who has acquired credit for a sufficient number of years
16 of volunteer fire service to obtain a nonforfeitable right to
17 all or a portion of the accrued retirement benefit and who has
18 terminated volunteer fire service with the applicable volunteer
19 fire company prior to attaining the applicable normal retirement
20 age is entitled to a deferred retirement benefit payable upon
21 application when the former volunteer fireman attains at least
22 the normal retirement age.

23 (e) Retirement benefit amount requirements are as follows:

24 (1) A volunteer firemen's retirement benefit plan shall be
25 subject to maximum retirement benefit requirements as specified
26 in subclause (i) or (ii), whichever is applicable. In
27 determining whether the maximum benefit requirements have been
28 satisfied, all benefits provided under all retirement benefit
29 plans sponsored by a volunteer fire company, and by a volunteer
30 firemen's relief association which allocates funds to the

1 company under Chapter 7 of the act of December 18, 1984
2 (P.L.1005, No.205), known as the "Municipal Pension Plan Funding
3 Standard and Recovery Act," shall be considered as one plan.

4 (i) If the volunteer firemen's retirement benefit plan is a
5 defined benefit plan, the maximum benefit amount payable to a
6 participating volunteer fireman entitled to a benefit shall be
7 determined on the basis of an actuarial valuation which takes
8 into account the age, and other factors as the actuary deems
9 appropriate, of the eligible participating firemen and the
10 amount of financing available per active covered fireman. The
11 maximum retirement benefit under a retirement benefit plan that
12 is a defined benefit plan shall not exceed twenty dollars per
13 month for each year of fire service credited under the terms of
14 the plan.

15 (ii) If the volunteer firemen's retirement benefit plan is a
16 defined contribution plan, the maximum retirement income
17 contribution, exclusive of any investment earnings, for a
18 participating fireman shall not exceed two thousand dollars for
19 each year of fire service.

20 (2) A retirement benefit plan shall be funded in accordance
21 with the provisions of section 3.5 by the volunteer fire company
22 or the volunteer firemen's relief association.

23 (3) Unless otherwise specified by the volunteer firemen's
24 relief association, all years of volunteer fire service for
25 retirement benefit amount purposes shall be years of volunteer
26 fire service completed after the establishment of the retirement
27 benefit plan and after completion of minimum eligibility
28 requirements to participate in the retirement benefit plan. If
29 the volunteer firemen's relief association so specifies, years
30 of volunteer fire service for retirement benefit amount purposes

1 may include up to ten years of volunteer fire service prior to
2 the establishment of the retirement benefit plan. If the
3 volunteer firemen's relief association so specifies, the
4 retirement benefit accrual rate with respect to years of
5 volunteer fire service rendered prior to establishment of a
6 retirement benefit plan may be less than the retirement benefit
7 accrual rate with respect to years of volunteer fire service
8 rendered after the establishment of a retirement benefit plan. A
9 retirement benefit plan may be amended after its establishment
10 to increase or decrease the retirement benefit accrual rate
11 applicable to volunteer firemen with respect to years of
12 volunteer fire service completed after the date of that
13 amendment.

14 (4) No volunteer fireman may receive credit for a year of
15 volunteer fire service in a retirement benefit plan which is a
16 defined benefit plan if the minimum funding requirements as set
17 forth in section 3.5 have not been met by the volunteer
18 firemen's relief association in a timely fashion.

19 (f) The volunteer firemen's relief association shall specify
20 the normal retirement age applicable to a retirement benefit
21 plan. The normal retirement age shall not be earlier than age
22 fifty-five. No retirement benefit plan may provide for the
23 payment of benefits prior to the date on which the person
24 attains age fifty-five, whether or not the benefits are reduced
25 to take into account payment before the normal retirement age,
26 except in the case of the death or disability of the volunteer
27 fireman. A retirement benefit plan may provide for the payment
28 of retirement benefits to an actively serving volunteer fireman
29 who has attained at least the normal retirement age specified in
30 the retirement benefit plan, but no additional years of

1 volunteer fire service may be credited to the volunteer fireman
2 who is receiving retirement benefits.

3 (g) In addition to retirement benefits, a volunteer
4 fireman's retirement benefit plan may provide for the payment of
5 benefits in the event of the disability or death of a volunteer
6 fireman who has become disabled or has died prior to beginning
7 to receive benefits under a retirement benefit plan. Death
8 benefits may be either in the form of survivor annuity payments
9 or lump-sum benefits.

10 (h) A retirement benefit payable from a retirement benefit
11 plan to an individual receiving or entitled to receive a
12 retirement benefit may not be assigned by the volunteer fireman;
13 nor shall it be subject to garnishment, judgment, execution or
14 other legal process other than legally obligated support of
15 minor children or a spouse.

16 (i) Plan assets shall be held in trust by the volunteer
17 firemen's relief association or by a qualified third party under
18 contract with the volunteer firemen's relief association for the
19 purpose of providing benefits to participants and their
20 beneficiaries in conformance with this act or for the purpose of
21 defraying the necessary and reasonable expenses of the operation
22 and administration of the plan. If the retirement benefit plan
23 and the related trust are not tax qualified within the meaning
24 of sections 401 and 501 of the Internal Revenue Code of 1986
25 (Public Law 99-514, 26 U.S.C. §§ 401 and 501), the trust
26 referred to in this subsection may provide that the assets held
27 thereunder may be subject to the claims of general creditors, if
28 any, of the volunteer firemen's relief association or may
29 contain any other terms and provisions which are necessary to
30 insure that the participation by a volunteer fireman in the

1 retirement benefit plan does not result in taxable income under
2 the Internal Revenue Code of 1986 (Public Law 99-514, 26 U.S.C.
3 § 1 et seq.) prior to the payment of retirement benefits.

4 (j) A fiduciary of a retirement benefit plan shall act
5 solely in the interest of the plan's participants and
6 beneficiaries. Subject only to the provisions of this act and
7 the plan document, a fiduciary may accept, hold, invest in and
8 retain an investment as long as the fiduciary exercises the
9 degree of judgment and care, under the circumstances then
10 prevailing, which persons of prudence and intelligence exercise
11 in the management of their own affairs, not in regard to
12 speculation but in regard to permanent disposition of their
13 funds, considering the probable income to be derived and the
14 probable safety of the capital.

15 (k) The volunteer firemen's relief association or the
16 designated plan administrator, whichever is applicable, shall
17 provide volunteer firemen who participate in a retirement
18 benefit plan maintained under this act with a summary of the
19 plan's provisions, including the plan's provisions relating to
20 the participation requirements; the rate at which a
21 nonforfeitable right in plan benefits is obtained and increases;
22 and the plans's retirement benefit or contribution formula. This
23 summary shall be provided to each retirement benefit plan
24 participant within six months from the date on which plan
25 participation commences. In addition, a material modification to
26 the plan provisions shall be provided in writing to each
27 participant within six months after the date the modification is
28 adopted or the date on which it is effective, whichever is
29 later. A copy of the plan, the summary of the plan, and relevant
30 documents related to the funding or investment of the assets of

1 the plan and of contracts or agreements with service providers
2 to the plan shall be made available for inspection or copying by
3 a plan participant, a beneficiary or a member of the public at
4 the office of the volunteer firemen's relief association.

5 Section 3.4. Volunteer Firemen's Retirement Benefit Plan
6 Actuarial Reporting.--(a) Actuarial reporting shall be as
7 follows:

8 (1) The plan administrator defined in the retirement benefit
9 plan document or the chief administrator of the volunteer
10 firemen's relief association, if no plan administrator is
11 defined in the plan document, shall, every three years, cause
12 actuarial reporting for the retirement benefit plan to be
13 prepared and to be provided to the Department of the Auditor
14 General in conjunction with the routine audits performed under
15 section 7. A copy of the report shall be submitted to the
16 governing body or chief elected official of the municipality
17 where the volunteer fire company is located at the same time the
18 report is transmitted to the Auditor General. Actuarial
19 reporting is a public record and shall be made available to
20 active members or benefit recipients of the retirement benefit
21 plan. Under a defined benefit plan, the report shall disclose
22 the actuarial assumptions and methods used in determining
23 actuarial costs and liabilities.

24 (2) The actuarial reporting for retirement benefit plans
25 which are defined benefit plans shall be pursuant to subsection
26 (c). The actuarial reporting for retirement benefit plans which
27 are defined contribution plans shall be pursuant to subsection
28 (d).

29 (b) If a retirement benefit plan fails to comply with this
30 section, allocation of proceeds of the premium tax on foreign

fire insurance pursuant to chapter 7 of the act of December 18, 1984 (P.L.1005, No.205), known as the "Municipal Pension Plan Funding Standard and Recovery Act," otherwise payable with respect to the relief association or fire company shall be withheld until compliance occurs.

(c) The actuarial reporting for a retirement benefit plan, which is a defined benefit plan, shall be as follows:

(1) The actuarial reporting shall be prepared and certified by a certified actuary.

(2) The actuarial reporting shall be prepared in accordance with the frozen entry age actuarial cost method with costs allocated on the basis of future years of fire service of plan participants. The actuarial cost method shall be used to value all aspects of the retirement benefit plan. The actuarial reporting shall use actuarial assumptions which are, in the judgment of the actuary and the governing body of the plan, reasonable in the aggregate. The actuarial reporting shall measure the aspects of the retirement benefit plan in accordance with modifications in plan benefits which, as of the valuation date, are known or can reasonably be expected to be in force during the ensuing year. The actuarial reporting shall contain (i) an exhibit setting forth the normal cost accrual rate and the amount for each plan year; (ii) in the case of a retirement benefit plan that provides for credit for years of fire service prior to the effective date of the retirement benefit plan for the purpose of computing the amount of benefits under the plan or for amendments increasing benefits, a separate statement of the retirement benefit plan's actuarial accrued liability; (iii) an exhibit of the total administrative cost of the retirement benefit plan for the preceding year; (iv) an exhibit summarizing

1 the actuarial cost methods and the actuarial assumptions used in
2 preparation of the actuarial exhibits; (v) an exhibit of the
3 present value of accumulated plan benefits; (vi) an exhibit of
4 the assets of the plan at fair market value or, if the assets
5 are valued differently from fair market value, a statement of
6 the basis for determining the value of assets for purposes of
7 this section and section 3.5; (vii) a summary of the pertinent
8 participant data; and (viii) a summary of the principal
9 provisions of the benefits of the retirement benefit plan upon
10 which the actuarial exhibit is based.

11 (d) The actuarial reporting for a retirement benefit plan
12 which is a defined contribution plan shall include the total
13 balance of any member account applicable to the retirement
14 benefit plan, the procedures for establishing contribution rates
15 or requirements, the procedures for allocating amounts to member
16 accounts and additional relevant information.

17 Section 3.5. Volunteer Firemen's Retirement Income Plan
18 Minimum Funding Standard.--(a) The plan administrator or chief
19 administrator of the volunteer firemen's relief association
20 shall annually determine the financial requirements of the
21 retirement benefit plan for the following year on the basis of
22 the most recent actuarial reporting, and shall certify those
23 requirements to the governing body of the volunteer fire company
24 or volunteer firemen's relief association which maintains the
25 retirement benefit plan. The requirements shall be certified no
26 later than two months prior to the start of the next following
27 year.

28 (b) If the retirement benefit plan is a defined benefit plan
29 providing monthly benefits for the life of the recipients, the
30 financial requirement of the retirement benefit plan shall be

1 the normal cost plus, in the case of a defined benefit plan that
2 provides benefits based on years of fire service prior to the
3 effective date of the plan, the cost to amortize a liability
4 attributable to fire service over a period not to exceed ten
5 years from the plan's effective date or ten years from the date
6 of an amendment increasing benefits.

7 (c) If the retirement benefit plan is a defined benefit plan
8 allowing lump-sum benefits to recipients, the financial
9 requirements shall be the greater of the requirements
10 established in subsection (b) or an amount determined by an
11 actuary which will provide lump-sum benefits for all
12 participants retiring during the current year.

13 (d) If the retirement benefit plan is a defined contribution
14 plan, the financial requirements of the retirement benefit plan
15 shall be determined pursuant to the terms of the retirement
16 benefit plan or instrument establishing the retirement benefit
17 plan. The Department of the Auditor General may specify
18 procedures for determining the financial requirements of
19 retirement benefit plans to which this subsection is applicable
20 as need arises if those procedures are consistent with this act.

21 (e) The minimum financial requirements of the retirement
22 benefit plan shall be the obligation of the volunteer fire
23 company or volunteer firemen's relief association. The minimum
24 financial requirements of the retirement benefit plan shall be
25 due no later than twelve months following the start of the year.
26 An amount of the minimum financial requirements of the
27 retirement benefit plan which remains unpaid by the volunteer
28 fire company or volunteer firemen's relief association which
29 maintains the retirement benefit, as of twelve months after the
30 date on which the minimum financial requirements are due, shall

1 be added to the minimum financial requirement for the current
2 year, with interest, until the payment is made at the actuarial
3 valuation rate. If the amount applicable to the prior year is
4 not paid by the close of the current year, the retirement
5 benefit plan shall be liquidated. Upon liquidation of the plan,
6 the assets shall be allocated among the participants and
7 beneficiaries of the plan in the following order:

8 (1) In the case of benefits payable as an annuity, (i) in
9 the case of the benefit of a participant or beneficiary which
10 was in pay status as of the beginning of the three-year period
11 ending on the date the plan is liquidated, the lowest benefit
12 based on the provisions of the plan as in effect during the
13 five-year period ending on the date the plan is liquidated; and
14 (ii) in the case of a benefit of a participant or beneficiary
15 other than a benefit described in subclause (i) which
16 (participant or beneficiary) would have been in pay status as of
17 the beginning of the three-year period ending on the date the
18 plan is liquidated if the participant had retired prior to the
19 beginning of that period, the lowest benefit based on the
20 provisions of the plan, as in effect during the five-year period
21 ending on the date the plan is liquidated.

22 (2) In the case of other benefits, assets remaining after
23 the liabilities of the plan to participants and their
24 beneficiaries have been satisfied may be returned to the
25 volunteer fire company or the volunteer firemen's relief
26 association.

27 (f) If a retirement benefit plan is liquidated under this
28 section, the volunteer fire company or the volunteer firemen's
29 relief association that previously sponsored the plan may not
30 sponsor a retirement benefit plan described in section 3(6.1)

1 for the period of at least ten years from the date the plan was
2 liquidated. A plan that is established after the ten-year period
3 referred to in this subsection may not credit as years of fire
4 service years during the ten-year period following the
5 liquidation of the plan.

6 (g) Except as provided in this act, a retirement benefit
7 plan established under this act shall not be subject to Chapters
8 1 through 6 or 8 of the act of December 18, 1984 (P.L.1005,
9 No.205), known as the "Municipal Pension Plan Funding Standard
10 and Recovery Act."

11 Section 3.6. Standards for Years of Fire Service.--(a) A
12 year of fire service shall be credited under a retirement
13 benefit plan for each year after the establishment of the plan
14 in which an active volunteer fireman accumulates at least fifty
15 points. Points shall be granted in accordance with a system
16 adopted by the plan sponsor. The system shall provide that
17 points shall be granted for activities designated by the plan
18 sponsor. Activities shall be selected from the following:

19 (1) Training courses, a maximum of twenty-five points shall
20 be awarded as follows: (i) courses under twenty hours' duration,
21 one point per hour, with a maximum of five points; (ii) courses
22 of twenty to forty-five hours' duration, one point per hour for
23 each hour over initial twenty hours, with a maximum of ten
24 points; and (iii) courses over forty-five hours' duration,
25 fifteen points per course.

26 (2) Drills of at least two hours, a maximum of twenty points
27 shall be awarded, one point per drill (minimum two-hour drill).

28 (3) Sleep-in or standby, a maximum of twenty points shall be
29 awarded for (i) sleep-in, one point each full night; (ii)
30 standby, which is line-of-duty activity of the volunteer fire

1 company, lasting for four hours, not falling under one of the
2 other categories in this subsection, one point for each four
3 hours.

4 (4) Elected or appointed position, a maximum of twenty-five
5 points shall be awarded for (i) completion of one-year term in
6 an elected or appointed position, and (ii) being elected, as an
7 active volunteer fireman, to serve as a delegate to a firemen's
8 convention, at the rate of one point per meeting.

9 (5) Attendance at meetings, a maximum of twenty points shall
10 be awarded for attendance at an official meeting of the
11 volunteer fire company, at the rate of one point per meeting.

12 (6) Participation in department responses, fifteen points
13 for responding on the minimum number of calls shall be awarded
14 as outlined below:

<u>Total number of calls</u>	<u>Minimum number of calls</u>
<u>volunteer fire company</u>	<u>volunteer fireman must</u>
<u>responds to annually</u>	<u>run annually in order</u>
<u>other than emergency</u>	<u>to receive fifteen</u>
<u>rescue and first aid</u>	<u>points credit</u>
<u>squad calls (ambulance</u>	
<u>calls)</u>	

<u>0 to 500</u>	<u>10%</u>
<u>500 to 1000</u>	<u>7.5%</u>
<u>1000 to 1500</u>	<u>5%</u>
<u>1500 and up</u>	<u>2.5%</u>

<u>Total number of calls</u>	<u>Minimum number of calls</u>
<u>emergency rescue and</u>	<u>volunteer fireman must</u>
<u>first aid squad</u>	<u>run annually in order</u>
<u>(ambulance) responds</u>	<u>receive fifteen</u>
<u>to annually</u>	<u>points credit</u>

1	<u>0</u> <u>to</u> <u>500</u>	<u>10%</u>
2	<u>500</u> <u>to</u> <u>1000</u>	<u>7.5%</u>
3	<u>1000</u> <u>to</u> <u>1500</u>	<u>5%</u>
4	<u>1500</u> <u>and up</u>	<u>2.5%</u>

5 (7) Miscellaneous activities, a maximum of fifteen points
6 shall be awarded for participation in inspections and other
7 activities covered by the act of July 15, 1976 (P.L.1036,
8 No.208), known as the "Volunteer Fire Company, Ambulance Service
9 and Rescue Squad Assistance Act," and not otherwise listed at
10 the rate of one point per activity.

11 (b) The plan sponsor may designate less than all the
12 activities specified in subsection (a) as activities for which
13 points may be earned.

14 Section 3. Section 6(e) of the act is amended by adding a
15 clause to read:

16 Section 6. * * *

17 (e) The funds of any volunteer firemen's relief association
18 may be spent:

19 * * *

20 (13) To establish and maintain a retirement benefit plan as
21 defined in section 3.1. Prior to the establishment of a
22 retirement benefit plan under this clause, the volunteer
23 firemen's relief association shall provide the following minimum
24 benefits: an accidental death benefit of thirty thousand dollars
25 and a weekly disability income benefit of one hundred dollars
26 for accidental deaths and disabilities suffered by member
27 volunteer firemen and resulting from the performance of their
28 duties with a volunteer fire company.

29 Section 4. Section 7(a) of the act is amended to read:

30 Section 7. Audits.--(a) The Department of the Auditor

1 General shall have the power, and its duty shall be, to audit
2 the accounts and records of every volunteer firemen's relief
3 association receiving any money under [the act of June 28, 1895
4 (P.L.408), as amended,] Chapter 7 of the act of December 18,
5 1984 (P.L.1005, No.205), known as the "Municipal Pension Plan
6 Funding Standard and Recovery Act," as far as may be necessary
7 to satisfy the department that the money received was expended
8 or is being expended for no purpose other than that authorized
9 by this act. Copies of all such audits shall be furnished to the
10 Governor. Audits shall include expenditures relating to
11 retirement benefit plans either solely or partially funded by
12 funds obtained under the "Municipal Pension Plan Funding
13 Standard and Recovery Act."

14 * * *

15 Section 5. This act shall take effect immediately.