

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1557 Session of  
1989

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MICOZZIE, OLASZ, NOYE, NAHILL, MELIO, FREIND, FLICK AND  
FLEAGLE, MAY 23, 1989

REFERRED TO COMMITTEE ON LOCAL GOVERNMENT, MAY 23, 1989

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

1 establishing criteria and standards for the orderly  
2 administration and conduct of the affairs of firemen's relief  
3 associations, so as to ensure, as far as circumstances will  
4 reasonably permit, that funds shall be available for the  
5 protection of volunteer firemen and their heirs:

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

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

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

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

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

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

29 (6.1) To provide retirement benefits to current and future  
30 active volunteer firemen upon their separation from active

participation in the fire service on account of attainment of a  
designated age or acquisition of credit for a designated period  
of service through the establishment and maintenance of a  
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 are the amounts of the  
retirement benefits 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 allocated to the accounts of participants and upon investment income, administrative or realized expenses, gains and losses which may be allocated to those accounts.

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

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

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

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

(9) Prior volunteer fire service is the service rendered by

a volunteer fireman to the applicable volunteer fire companies associated with the volunteer firemen's relief association which established and maintained the retirement benefit plan prior to the establishment of that retirement benefit plan.

(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.

1       Section 3.2. Establishment of Volunteer Firemen's Retirement

2 Benefit Plan.--A volunteer firemen's relief association which  
3 has met the requirements of section 6 may establish and maintain  
4 a retirement benefit plan for the volunteer firemen who are  
5 members of the relief association under this act. No volunteer  
6 firemen's relief association shall be required, under this act,  
7 to establish a retirement benefit plan. No more than one  
8 retirement benefit plan may be established or maintained by a  
9 single volunteer firemen's relief association.

10       Section 3.3. Minimum Participating and Benefit Standards for

11 Volunteer Firemen's Retirement Benefit Plans.--(a) A retirement  
12 benefit plan established and maintained under this act by a  
13 volunteer firemen's relief association for volunteer firemen who  
14 are members of the relief association and disbursements made by  
15 a retirement benefit plan shall be governed by the applicable  
16 provisions of this act.

17       (b) Eligibility to participate shall be as follows:

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

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

30       (3) A volunteer fireman, at the time of the establishment of

1 the plan or at the time of the commencement of volunteer fire  
2 services, whichever occurs later, may elect not to participate  
3 in the retirement benefit plan. The election not to participate  
4 must be irrevocable.

5 (c) A volunteer fireman shall have a nonforfeitable right to  
6 a retirement benefit that is not less than a percentage  
7 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>

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

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

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

29 (1) A volunteer firemen's retirement benefit plan shall be  
30 subject to maximum retirement benefit requirements as specified

in subclause (i) or (ii), whichever is applicable. In determining whether the maximum benefit requirements have been satisfied, all benefits provided under all retirement benefit plans sponsored by a volunteer firemen's relief association which allocates funds to the company under 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," shall be considered as one plan.

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

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

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

(3) Unless otherwise specified by the volunteer firemen's relief association, all years of volunteer fire service for retirement benefit amount purposes shall be years of volunteer



1 fire service completed after the establishment of the retirement  
2 benefit plan and after completion of minimum eligibility  
3 requirements to participate in the retirement benefit plan. If  
4 the volunteer firemen's relief association so specifies, years  
5 of volunteer fire service for retirement benefit amount purposes  
6 may include up to ten years of volunteer fire service prior to  
7 the establishment of the retirement benefit plan. If the  
8 volunteer firemen's relief association so specifies, the  
9 retirement benefit accrual rate with respect to years of  
10 volunteer fire service rendered prior to establishment of a  
11 retirement benefit plan may be less than the retirement benefit  
12 accrual rate with respect to years of volunteer fire service  
13 rendered after the establishment of a retirement benefit plan. A  
14 retirement benefit plan may be amended after its establishment  
15 to increase or decrease the retirement benefit accrual rate  
16 applicable to volunteer firemen with respect to years of  
17 volunteer fire service completed after the date of that  
18 amendment. An amendment which decreases the retirement benefit  
19 accrual rate may not affect benefits accrued prior to the  
20 amendment; the amendment may only decrease prospectively the  
21 retirement benefit accrual rate applicable to a volunteer  
22 fireman under the retirement benefit plan prospectively.

23 (4) Notwithstanding any other provision of this section, no  
24 volunteer fireman may receive credit for a year of volunteer  
25 fire service in a retirement benefit plan which is a defined  
26 benefit plan if the minimum funding requirements as set forth in  
27 section 3.5 have not been met by the volunteer firemen's relief  
28 association in a timely fashion.

29 (f) The volunteer firemen's relief association shall specify  
30 the normal retirement age applicable to a retirement benefit

1 plan. The normal retirement age shall not be earlier than age  
2 fifty-five. No retirement benefit plan may provide for the  
3 payment of benefits prior to the date on which the person  
4 attains age fifty-five, whether or not the benefits are reduced  
5 to take into account payment before the normal retirement age,  
6 except in the case of the death or disability of the volunteer  
7 fireman. A retirement benefit plan may provide for the payment  
8 of retirement benefits to an actively serving volunteer fireman  
9 who has attained at least the normal retirement age specified in  
10 the retirement benefit plan, but no additional years of  
11 volunteer fire service may be credited to the volunteer fireman  
12 who is receiving retirement benefits.

13 (g) In addition to retirement benefits, a volunteer  
14 fireman's retirement benefit plan may provide for the payment of  
15 benefits in the event of the disability or death of a volunteer  
16 fireman who has become disabled or has died prior to beginning  
17 to receive benefits under a retirement benefit plan. Death  
18 benefits may be either in the form of survivor annuity payments  
19 or lump-sum benefits.

20 (h) A retirement benefit payable from a retirement benefit  
21 plan to an individual receiving or entitled to receive a  
22 retirement benefit may not be assigned by the volunteer fireman;  
23 nor shall it be subject to garnishment, judgment, execution or  
24 other legal process other than legally obligated support of  
25 minor children or a spouse.

26 (i) Plan assets shall be held in trust by the volunteer  
27 firemen's relief association or by a qualified third party under  
28 contract with the volunteer firemen's relief association for the  
29 purpose of providing benefits to participants and their  
30 beneficiaries in conformance with this act or for the purpose of

1 defraying the necessary and reasonable expenses of the operation  
2 and administration of the plan. If the retirement benefit plan  
3 and the related trust are not tax qualified within the meaning  
4 of sections 401 and 501 of the Internal Revenue Code of 1986  
5 (Public Law 99-514, 26 U.S.C. §§ 401 and 501), the trust  
6 referred to in this subsection may provide that the assets held  
7 thereunder may be subject to the claims of general creditors, if  
8 any, of the volunteer firemen's relief association or may  
9 contain any other terms and provisions which are necessary to  
10 insure that the participation by a volunteer fireman in the  
11 retirement benefit plan does not result in taxable income under  
12 the Internal Revenue Code of 1986 (Public Law 99-514, 26 U.S.C.  
13 § 1 et seq.) prior to the payment of retirement benefits.

14 (j) A fiduciary of a retirement benefit plan shall act  
15 solely in the interest of the plan's participants and  
16 beneficiaries. Subject only to the provisions of this act and  
17 the plan document, a fiduciary may accept, hold, invest in and  
18 retain an investment as long as the fiduciary exercises the  
19 degree of judgment and care, under the circumstances then  
20 prevailing, which persons of prudence and intelligence exercise  
21 in the management of their own affairs, not in regard to  
22 speculation but in regard to permanent disposition of their  
23 funds, considering the probable income to be derived and the  
24 probable safety of the capital.

25 (k) The volunteer firemen's relief association or the  
26 designated plan administrator, whichever is applicable, shall  
27 provide volunteer firemen who participate in a retirement  
28 benefit plan maintained under this act with a summary of the  
29 plan's provisions, including the plan's provisions relating to  
30 the participation requirements; the rate at which a

nonforfeitable right in plan benefits is obtained and increases;  
and the plans' retirement benefit or contribution formula. This  
summary shall be provided to each retirement benefit plan  
participant within six months from the date on which plan  
participation commences. In addition, a material modification to  
the plan provisions shall be provided in writing to each  
participant within six months after the date the modification is  
adopted or the date on which it is effective, whichever is  
later. A copy of the plan, the summary of the plan, and relevant  
documents related to the funding or investment of the assets of  
the plan and of contracts or agreements with service providers  
to the plan shall be made available for inspection or copying by  
a plan participant, a beneficiary or a member of the public at  
the office of the volunteer firemen's relief association.

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

(1) The plan administrator defined in the retirement benefit  
plan document or the chief administrator of the volunteer  
firemen's relief association, if no plan administrator is  
defined in the plan document, shall, every three years, cause  
actuarial reporting for the retirement benefit plan to be  
prepared and to be provided to the Department of the Auditor  
General in conjunction with the routine audits performed under  
section 7. A copy of the report shall be submitted to the  
governing body or chief elected official of the municipality  
where the volunteer fire company is located at the same time the  
report is transmitted to the Auditor General. Actuarial  
reporting is a public record and shall be made available to  
active members or benefit recipients of the retirement benefit

1 plan. Under a defined benefit plan, the report shall disclose  
2 the actuarial assumptions and methods used in determining  
3 actuarial costs and liabilities.

4 (2) The actuarial reporting for retirement benefit plans  
5 which are defined benefit plans shall be pursuant to subsection  
6 (c). The actuarial reporting for retirement benefit plans which  
7 are defined contribution plans shall be pursuant to subsection  
8 (d).

9 (b) If a retirement benefit plan fails to comply with this  
10 section, allocation of proceeds of the premium tax on foreign  
11 fire insurance pursuant to Chapter 7 of the act of December 18,  
12 1984 (P.L.1005, No.205), known as the "Municipal Pension Plan  
13 Funding Standard and Recovery Act," otherwise payable with  
14 respect to the relief association or fire company shall be  
15 withheld until compliance occurs.

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

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

20 (2) The actuarial reporting shall be prepared in accordance  
21 with the frozen entry age actuarial cost method with costs  
22 allocated on the basis of future years of fire service of plan  
23 participants. The actuarial cost method shall be used to value  
24 all aspects of the retirement benefit plan. The actuarial  
25 reporting shall use actuarial assumptions which are, in the  
26 judgment of the actuary and the governing body of the plan,  
27 reasonable in the aggregate. The actuarial reporting shall  
28 measure the aspects of the retirement benefit plan in accordance  
29 with modifications in plan benefits which, as of the valuation  
30 date, are known or can reasonably be expected to be in force

1 during the ensuing year. The actuarial reporting shall contain  
2 (i) an exhibit setting forth the normal cost accrual rate and  
3 the amount for each plan year; (ii) in the case of a retirement  
4 benefit plan that provides for credit for years of fire service  
5 prior to the effective date of the retirement benefit plan for  
6 the purpose of computing the amount of benefits under the plan  
7 or for amendments increasing benefits, a separate statement of  
8 the retirement benefit plan's actuarial accrued liability; (iii)  
9 an exhibit of the total administrative cost of the retirement  
10 benefit plan for the preceding year; (iv) an exhibit summarizing  
11 the actuarial cost methods and the actuarial assumptions used in  
12 preparation of the actuarial exhibits; (v) an exhibit of the  
13 present value of accumulated plan benefits; (vi) an exhibit of  
14 the assets of the plan at fair market value or, if the assets  
15 are valued differently from fair market value, a statement of  
16 the basis for determining the value of assets for purposes of  
17 this section and section 3.5; (vii) a summary of the pertinent  
18 participant data; and (viii) a summary of the principal  
19 provisions of the benefits of the retirement benefit plan upon  
20 which the actuarial exhibit is based.

21 (d) The actuarial reporting for a retirement benefit plan  
22 which is a defined contribution plan shall include the total  
23 balance of any member account applicable to the retirement  
24 benefit plan, the procedures for establishing contribution rates  
25 or requirements, the procedures for allocating amounts to member  
26 accounts and additional relevant information.

27 Section 3.5. Volunteer Firemen's Retirement Income Plan  
28 Minimum Funding Standard.--(a) The plan administrator or chief  
29 administrator of the volunteer firemen's relief association  
30 shall annually determine the financial requirements of the

retirement benefit plan for the following year on the basis of  
the most recent actuarial reporting and shall certify those  
requirements to the governing body of the volunteer firemen's  
relief association which maintains the retirement benefit plan.  
The requirements shall be certified no later than two months  
prior to the start of the next following year.

(b) If the retirement benefit plan is a defined benefit plan  
providing monthly benefits for the life of the recipients, the  
financial requirement of the retirement benefit plan shall be  
the normal cost plus, in the case of a defined benefit plan that  
provides benefits based on years of fire service prior to the  
effective date of the plan, the cost to amortize a liability  
attributable to fire service over a period not to exceed ten  
years from the plan's effective date or, in the case of an  
amendment increasing benefits, ten years from the date of the  
amendment.

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

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

1     (e) The minimum financial requirements of the retirement  
2 benefit plan shall be the obligation of the volunteer firemen's  
3 relief association. The minimum financial requirements of the  
4 retirement benefit plan shall be due no later than twelve months  
5 following the start of the year. An amount of the minimum  
6 financial requirements of the retirement benefit plan which  
7 remains unpaid by the volunteer firemen's relief association  
8 which maintains the retirement benefit, as of twelve months  
9 after the date on which the minimum financial requirements are  
10 due, shall be added to the minimum financial requirement for the  
11 current year, with interest, until the payment is made at the  
12 actuarial valuation rate. If the amount applicable to the prior  
13 year is not paid by the close of the current year, the  
14 retirement benefit plan shall be liquidated; and no further  
15 benefits shall be earned by any volunteer fireman thereafter.  
16 Upon liquidation of the plan, the assets shall be allocated  
17 among the participants and beneficiaries of the plan in the  
18 following order:

19     (1) In the case of benefits payable as an annuity, (i) in  
20 the case of the benefit of a participant or beneficiary which  
21 was in pay status as of the beginning of the three-year period  
22 ending on the date the plan is liquidated, the lowest benefit  
23 based on the provisions of the plan as in effect during the  
24 five-year period ending on the date the plan is liquidated; and  
25 (ii) in the case of a benefit of a participant or beneficiary  
26 other than a benefit described in subclause (i) which  
27 (participant or beneficiary) would have been in pay status as of  
28 the beginning of the three-year period ending on the date the  
29 plan is liquidated if the participant had retired prior to the  
30 beginning of that period, the lowest benefit based on the



1 provisions of the plan, as in effect during the five-year period  
2 ending on the date the plan is liquidated.

3 (2) In the case of other benefits, assets remaining after  
4 the liabilities of the plan to participants and their  
5 beneficiaries have been satisfied may be returned to the  
6 volunteer firemen's relief association.

7 (f) If a retirement benefit plan is liquidated under this  
8 section, the volunteer firemen's relief association that  
9 previously sponsored the plan may not sponsor a retirement  
10 benefit plan described in section 3(6.1) for the period of at  
11 least ten years from the date the plan was liquidated. A plan  
12 that is established after the ten-year period referred to in  
13 this subsection may not credit as years of fire service years  
14 during the ten-year period following the liquidation of the  
15 plan.

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

21 Section 3.6. Standards for Years of Fire Service.--(a) A  
22 year of fire service shall be credited under a retirement  
23 benefit plan for each year after the establishment of the plan  
24 in which an active volunteer fireman accumulates at least fifty  
25 points. Points shall be granted in accordance with a system  
26 adopted by each volunteer company covered by a plan established  
27 by the volunteer firemen's relief association. The system shall  
28 provide that points shall be granted for activities designated  
29 by each volunteer company covered by a plan established by the  
30 volunteer firemen's relief association. Activities shall be

1 selected from the following:

2 (1) Training courses, a maximum of twenty-five points shall  
3 be awarded as follows: (i) courses under twenty hours' duration,  
4 one point per hour, with a maximum of five points; (ii) courses  
5 of twenty to forty-five hours' duration, one point per hour for  
6 each hour over initial twenty hours, with a maximum of ten  
7 points; and (iii) courses over forty-five hours' duration,  
8 fifteen points per course.

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

11 (3) Sleep-in or standby, a maximum of twenty points shall be  
12 awarded for (i) sleep-in, one point each full night; (ii)  
13 standby, which is line-of-duty activity of the volunteer fire  
14 company, lasting for four hours, not falling under one of the  
15 other categories in this subsection, one point for each four  
16 hours.

17 (4) Elected or appointed position, a maximum of twenty-five  
18 points shall be awarded for (i) completion of one-year term in  
19 an elected or appointed position, and (ii) being elected, as an  
20 active volunteer fireman, to serve as a delegate to a firemen's  
21 convention.

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

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

28 <u>Total number of calls</u>	<u>Minimum number of calls</u>
29 <u>volunteer fire company</u>	<u>volunteer fireman must</u>
30 <u>responds to annually</u>	<u>run annually in order</u>

1	<u>other than emergency</u>	<u>to receive fifteen</u>
2	<u>rescue and first aid</u>	<u>points credit</u>
3	<u>squad calls (ambulance</u>	
4	<u>calls)</u>	
5	<u>    0    to    500</u>	<u>10%</u>
6	<u>  500  to  1000</u>	<u>  7.5%</u>
7	<u> 1000  to  1500</u>	<u>   5%</u>
8	<u> 1500 and up</u>	<u>  2.5%</u>
9	<u>Total number of calls</u>	<u>Minimum number of calls</u>
10	<u>emergency rescue and</u>	<u>volunteer fireman must</u>
11	<u>first aid squad</u>	<u>run annually in order</u>
12	<u>(ambulance) responds</u>	<u>receive fifteen</u>
13	<u>to annually</u>	<u>points credit</u>
14	<u>    0    to    500</u>	<u>10%</u>
15	<u>  500  to  1000</u>	<u>  7.5%</u>
16	<u> 1000  to  1500</u>	<u>   5%</u>
17	<u> 1500 and up</u>	<u>  2.5%</u>

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

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

27     (c) Notwithstanding any other provision of this section, a  
28     volunteer fireman may not accumulate points with respect to  
29     activities described in subsection (a)(2), (4) or (5) with  
30     respect to more than one volunteer fire company in one year.

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

3       Section 6.   \* \* \*

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

6       \* \* \*

7       (13) To establish and maintain a retirement benefit plan as  
8 defined in section 3.1. Prior to the establishment of a  
9 retirement benefit plan under this clause, the volunteer  
10 firemen's relief association shall provide the following minimum  
11 benefits: an accidental death benefit of thirty thousand dollars  
12 and a weekly disability income benefit of one hundred dollars  
13 for accidental deaths and disabilities suffered by member  
14 volunteer firemen and resulting from the performance of their  
15 duties with a volunteer fire company.

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

17       Section 7.   Audits.--(a)   The Department of the Auditor  
18 General shall have the power, and its duty shall be, to audit  
19 the accounts and records of every volunteer firemen's relief  
20 association receiving any money under [the act of June 28, 1895  
21 (P.L.408), as amended,] Chapter 7 of the act of December 18,  
22 1984 (P.L.1005, No.205), known as the "Municipal Pension Plan  
23 Funding Standard and Recovery Act," as far as may be necessary  
24 to satisfy the department that the money received was expended  
25 or is being expended for no purpose other than that authorized  
26 by this act. Copies of all such audits shall be furnished to the  
27 Governor. Audits shall include expenditures relating to  
28 retirement benefit plans either solely or partially funded by  
29 funds obtained under the "Municipal Pension Plan Funding  
30 Standard and Recovery Act."

1       \* \* \*

2       Section 5. This act shall take effect immediately.