

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1893 Session of
1985

INTRODUCED BY DALEY, MORRIS, FATTAH AND TRELLO, NOVEMBER 19,
1985

REFERRED TO COMMITTEE ON FINANCE, NOVEMBER 19, 1985

AN ACT

1 Amending the act of December 18, 1984 (P.L.1005, No.205),
2 entitled "An act mandating actuarial funding standards for
3 all municipal pension systems; establishing a recovery
4 program for municipal pension systems determined to be
5 financially distressed; providing for the distribution of the
6 tax on the premiums of foreign fire insurance companies; and
7 making repeals," providing for the payment of administrative
8 expenses.

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

11 Section 1. Section 402(g) of the act of December 18, 1984
12 (P.L.1005, No.205), known as the Municipal Pension Plan Funding
13 Standard and Recovery Act, is amended to read:

14 Section 402. Revision of financing from State revenue sources;
15 General Municipal Pension System State Aid
16 Program.

17 * * *

18 (g) Authorized expenditures of general municipal pension
19 system State aid.--Any general municipal pension system State
20 aid received by a municipality shall only be used to defray the

1 cost of the pension plan or pension plans maintained by the
2 municipality. If only one pension plan is maintained by the
3 municipality, then the total amount of the general municipal
4 pension system State aid received by the municipality shall,
5 within 30 days of receipt by the treasurer of the municipality,
6 be deposited in the pension fund or the alternate funding
7 mechanism applicable to the pension plan. If more than one
8 pension plan is maintained by the municipality, then the
9 governing body of the municipality shall annually determine the
10 proportion of the total amount of the general municipal pension
11 system State aid received by the municipality which shall be
12 credited to each pension plan and the total amount of the
13 general municipal pension system State aid received by the
14 municipality shall, within 30 days of receipt by the treasurer
15 of the municipality, be deposited in the pension funds or
16 alternate funding mechanisms applicable to the respective
17 pension plans in accordance with that determination. Any
18 administrative expenses incurred by the municipality resulting
19 from compliance with this act, including, but not limited to,
20 actuarial costs, investment or financial advisors, or trustees
21 expenses, may be paid from the general municipal pension system
22 State aid payments.

23 * * *

24 Section 2. This act shall take effect immediately.