

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 929 Session of
1989

INTRODUCED BY HESS, LOEPER, JUBELIRER, WILT, HOLL, SHUMAKER,
ROCKS, PETERSON, STAPLETON, HELFRICK, MADIGAN, SHAFFER,
PORTERFIELD, MUSTO, BELL, BELAN, BRIGHTBILL, LEMMOND, PUNT
AND RHOADES, MAY 10, 1989

REFERRED TO FINANCE, MAY 10, 1989

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," further providing for distribution of the
8 foreign fire insurance premium tax.

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

11 Section 1. Section 706(b) 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 706. Use of foreign fire insurance tax moneys.

15 * * *

16 (b) Distribution of foreign fire insurance tax moneys.--

17 (1) The foreign fire insurance premium tax amount
18 applicable to a municipality served solely by paid
19 firefighters shall be allocated no later than September 30 to
20 the General Municipal Pension System State Aid Program

1 established pursuant to Chapter 4 for ultimate distribution
2 pursuant to section 402.

3 (2) The foreign fire insurance premium tax amount
4 applicable to a municipality served solely by volunteer
5 firefighters shall be paid to the municipality, which shall
6 within 60 days of the date of the receipt of the moneys from
7 the State Treasurer pay the amount received to the relief
8 association fund of the fire department or departments, or
9 fire company or companies, now existing or hereafter
10 organized, inside or outside of the municipality, which is or
11 are actively engaged in the service of the municipality and
12 duly recognized by the governing body of the municipality.

13 (3) The foreign fire insurance premium tax amount
14 applicable to a municipality served by both paid firefighters
15 and volunteer firefighters shall be divided into the portion
16 applicable to paid firefighters and the portion applicable to
17 volunteer firefighters. The division of the amount shall be
18 based on the proportion of the actual fire protection service
19 in the municipality provided by each type of firefighter as
20 certified by the municipality, except that in no event shall
21 the portion applicable to paid firefighters be less than the
22 smaller of the amount of foreign fire insurance premium tax
23 applicable to the municipality or [the revised amount of
24 general municipal pension system State aid per unit for the
25 previous year determined pursuant to section 402, per paid
26 firefighter, which for 1985 shall be deemed to be] \$1,100 per
27 paid firefighter. The ultimate distribution of the portion
28 applicable to paid firefighters shall be governed by
29 paragraph (1). The distribution of the portion applicable to
30 volunteer firefighters shall be governed by paragraph (2).

1 Section 2. This act shall apply to distributions of the
2 foreign fire insurance premium tax made after January 1, 1989.
3 Section 3. This act shall take effect immediately.