

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,
RHOADES, LYNCH AND O'PAKE, MAY 10, 1989

AS REPORTED FROM COMMITTEE ON FINANCE, HOUSE OF REPRESENTATIVES,
AS AMENDED, MARCH 12, 1990

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 THE ALLOCATION OF <—
8 GENERAL MUNICIPAL PENSION SYSTEM STATE AID AND FOR THE
9 distribution of the foreign fire insurance premium tax.

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

12 Section 1. ~~Section 706(b)~~ SECTIONS 402(E)(5) AND 706(B) of <—
13 the act of December 18, 1984 (P.L.1005, No.205), known as the
14 Municipal Pension Plan Funding Standard and Recovery Act, ~~is~~ ARE <—
15 amended to read:

16 SECTION 402. REVISION OF FINANCING FROM STATE REVENUE SOURCES; <—
17 GENERAL MUNICIPAL PENSION SYSTEM STATE AID
18 PROGRAM.

19 * * *

(E) ALLOCATION OF GENERAL MUNICIPAL PENSION SYSTEM STATE
AID.--

* * *

(5) FOR THE PERIOD COMMENCING WITH THE DISTRIBUTION MADE
DURING CALENDAR YEAR 1996, EACH ELIGIBLE MUNICIPALITY SHALL
BE ENTITLED TO RECEIVE AS GENERAL MUNICIPAL PENSION SYSTEM
STATE AID THE [LESSER] GREATER OF THE FOLLOWING AMOUNTS:

(I) THE ADJUSTED AMOUNT OF GENERAL MUNICIPAL PENSION
SYSTEM STATE AID PER UNIT MULTIPLIED BY THE NUMBER OF
UNITS CERTIFIED BY THAT MUNICIPALITY LESS ANY AMOUNT BY
WHICH THE ADJUSTED AMOUNT EXCEEDS THE MAXIMUM AID AMOUNT
APPLICABLE TO THE MUNICIPALITY PURSUANT TO SUBSECTION
(F)(2); OR

(II) THE REVISED AMOUNT OF GENERAL MUNICIPAL PENSION
SYSTEM STATE AID PER UNIT MULTIPLIED BY THE NUMBER OF
UNITS CERTIFIED BY THAT MUNICIPALITY, WHICH REVISED
AMOUNT SHALL BE DETERMINED PURSUANT TO PARAGRAPH (6).

* * *

Section 706. Use of foreign fire insurance tax moneys.

* * *

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

(1) The foreign fire insurance premium tax amount
applicable to a municipality served solely by paid
firefighters shall be allocated no later than September 30 to
the General Municipal Pension System State Aid Program
established pursuant to Chapter 4 for ultimate distribution
pursuant to section 402.

(2) The foreign fire insurance premium tax amount
applicable to a municipality served solely by volunteer
firefighters shall be paid to the municipality, which shall

1 within 60 days of the date of the receipt of the moneys from
2 the State Treasurer pay the amount received to the relief
3 association fund of the fire department or departments, or
4 fire company or companies, now existing or hereafter
5 organized, inside or outside of the municipality, which is or
6 are actively engaged in the service of the municipality and
7 duly recognized by the governing body of the municipality.

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

26 Section 2. This act shall apply to distributions of the
27 foreign fire insurance premium tax made after January 1, ~~1989~~ <—
28 1990.

29 Section 3. This act shall take effect immediately.