

No. 1992-157

## AN ACT

HB 1220

Amending the act of May 1, 1933 (P.L.103, No.69), entitled "An act concerning townships of the second class; and amending, revising, consolidating, and changing the law relating thereto," further providing for compensation of supervisors and police pension funds.

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

Section 1. Section 515(c)(1) of the act of May 1, 1933 (P.L.103, No.69), known as The Second Class Township Code, reenacted and amended July 10, 1947 (P.L.1481, No.567) and amended March 30, 1988 (P.L.312, No.41), is amended and the section is amended by adding a clause to read:

Section 515. Compensation of Supervisors.—\* \* \*

(c) In addition to the compensation authorized under this section, supervisors while in office or while in the employ of the township may be eligible for inclusion in township-paid insurance plans, as follows:

(1) **[Supervisor-employees] Supervisors** and their dependents shall be eligible for inclusion in group life, health, hospitalization, medical service and accident insurance plans paid in whole or in part by the township. No policy of group life insurance shall contain any provision for the accrual or deferral of a cash surrender value, loan value or any other nonforfeitable benefit, in addition to or beyond the face amount of insurance, that shall inure to the benefit of the supervisor, any beneficiary or any other individual having an insurable interest in the life of a supervisor. Such insurance, however, may contain a provision that when the insurance, or any portion of it, on a person covered under the policy ceases because of termination of employment or the termination of the insured's term of office, such person shall be entitled to have issued to him by the insurer, without evidence of insurability, an individual policy of insurance on any form customarily issued by the insurer at the age and for the amount applied for if: (i) such amount is not in excess of the amount of life insurance which ceases because of such termination; and (ii) the application for the individual policy is made and first premium is paid to the insurer within thirty-one days after such termination. Participation by **[supervisor-employees] supervisors** shall not require auditor approval. **[Supervisor-employees eligible for inclusion in such plans must meet the same requirements as other employees of the township who are eligible to participate in an insurance plan. Such plans shall not improperly discriminate in favor of a supervisor-employee.]** *Such insurance shall be uniformly applicable to those covered and shall not improperly discriminate in favor of supervisors.*

\* \* \*

**(5) *The township is hereby authorized and enabled to deduct from any compensation payable to a supervisor such part of any insurance-premium-or charge which is payable by the supervisor within the terms of the particular township's insurance plan.***

Section 2. Section 595 of the act, amended June 1, 1956 (1955 P.L.2021, No.677), is amended to read:

Section 595. Police Pension Fund.—Where a police force is being maintained, the township may, by ordinance, establish a police pension fund or pension annuity into which each member of the police force may be required to pay **a member contribution of an equal and proportionate monthly charge [not exceeding] which, except to the extent that subsection (c) of section 607 of the act of December 18, 1984 (P.L.1005, No.205), known as the "Municipal Pension Plan Funding Standard and Recovery Act," applies, shall not exceed** annually three per centum of the pay of such member. The fund shall be under the direction of the supervisors or such committee as they may, by ordinance, prescribe for the benefit of such members of the police force as shall receive honorable discharge therefrom by reason of age or disability, and the families of such as may be injured or killed in the service. Any allowances made to those who are retired by reason of disability or age shall be in conformity with a uniform scale.

Section 3. Section 598 of the act, added July 10, 1947 (P.L.1481, No.567), is amended to read:

Section 598. ***Township Appropriations; Gifts to Pension Fund.***—Townships shall make contributions to the police pension fund in an amount sufficient to meet the minimum obligation of the municipality with respect to the pension plan pursuant to the act of December 18, 1984 (P.L.1005, No.205), known as the "Municipal Pension Plan Funding Standard and Recovery Act," and may take by gift, grant, devise or bequest any money or property, real, personal or mixed, in trust for the benefit of such police pension fund. The care, management, investment and disposal of such trust funds or property shall be vested in such officers as the supervisors shall, by ordinance, direct, and shall be governed by such officers subject to any directions, not inconsistent therewith, as the donors of such funds and property may prescribe.

Section 4. This act shall take effect immediately.

APPROVED—The 16th day of December, A. D. 1992.

ROBERT P. CASEY