



Dear Friend:

**L**ocal governments provide a number of important services to our communities, and it is vital for the General Assembly to work with local municipalities to ensure the needs of our citizens are met. I have included information on several important bills concerning local governments in this legislative update. As always, please feel free to contact me with any questions or concerns you might have. Your input is always welcomed and appreciated.

Sincerely,

Senator Richard Alloway II

## General Assembly Acts to Protect Municipal Pensions

**T**o help municipal pension systems that have been hit hard during the recession, the General Assembly passed legislation during the 2009-10 legislative session to protect the pension benefits of municipal employees.

Act 44 of 2009 requires pension funds to update information on their value and liabilities. Distressed pension funds would be required to meet strict guidelines and payment agreements under state control to prevent the funds from becoming insolvent and threatening the hard-earned pensions of current and future retirees. Distressed funds are also required to have a revised benefit plan for new hires to prevent costly new obligations to pension funds that are already stretched too thin.

The municipal pension reform legislation ensures that current pension benefits pro-

vided to municipal workers are protected and fully funded. More than 200 pension funds across the state were severely underfunded, and this new law ensures that these employees would not have their financial security put at greater risk through no fault of their own.



## New Law Allows Boroughs to Reduce Energy Costs for Consumers

The General Assembly recently passed a new law to help boroughs reduce energy costs for consumers. Rising energy costs are a serious concern for many local residents, and this legislation will give some of our municipalities the tools they need to help ease this burden on consumers.

The new law, Act 87 of 2010, will allow boroughs that own or operate electric generation or distribution facilities to acquire electricity at the best value through memberships in non-

profit membership corporations. The new law gives boroughs the flexibility to enter into different types of contracts that best fit the borough's needs.

Municipalities in other states have the authority to enter into these kinds of electricity procurement agreements, and the results have been positive for consumers. This new law can help many Pennsylvania municipalities to acquire reliable electricity at a stable cost to consumers.



## Other Legislation of Interest

In addition to these measures, the following bills of interest to local governments were introduced during the 2009-10 legislative session:

- Act 31 of 2010, a new law that amends the Public Eating and Drinking Place Law to permit the sale of non-potentially hazardous food by

non-profit organizations,

- Senate Bill 101, legislation passed by the Senate to increase the penalties for violations of the Sunshine Act,
- Senate Bill 282, legislation passed by the Senate to permit agreements between local governments and municipal authorities, and

- Senate Bill 284, legislation passed by the Senate to extend the time to adopt an ordinance to conform to a cooperative implementation agreement.

## Senator Alloway's Legislative Offices

37 South Main Street, Suite 200, Chambersburg, PA 17201 • Phone: 717-264-6100 • Fax: 717-264-3652

53 East Middle Street, Gettysburg, PA 17325 • Phone: 717-334-4169 • Fax: 717-334-5911

237 East Main Street, Waynesboro, PA 17268 • Phone: 717-762-9222 • Fax: 717-749-5649

Senate Box 203033, Harrisburg, PA 17120-3033 • Phone: 717-787-4651 • Fax: 717-772-2753  
TTY: 800-364-1581

senatoralloway.com • alloway@pasen.gov