

## THE GENERAL ASSEMBLY OF PENNSYLVANIA

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**HOUSE BILL****No. 1363** Session of  
2001

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INTRODUCED BY S. H. SMITH, STABACK, NICKOL, SCHULER, McILHATTAN,  
FICHTER, GEORGE, CAPPELLI, ARMSTRONG, PERZEL, LAUGHLIN, WILT,  
CREIGHTON, SOLOBAY, DALEY, GEIST, CALTAGIRONE, YOUNGBLOOD,  
BASTIAN, WOJNAROSKI, C. WILLIAMS, THOMAS, LEWIS, PETRARCA,  
GRUCELA, BUNT, CURRY, JAMES, TRELLO, HUTCHINSON, GABIG,  
COLAFELLA AND STEELMAN, APRIL 25, 2001

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AS REPORTED FROM COMMITTEE ON URBAN AFFAIRS, HOUSE OF  
REPRESENTATIVES, AS AMENDED, JUNE 12, 2001

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## AN ACT

1 Amending the act of June 23, 1931 (P.L.932, No.317), entitled  
2 "An act relating to cities of the third class; and amending,  
3 revising, and consolidating the law relating thereto,"  
4 further providing for service increments to pensions of  
5 police and firefighters.

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

8 ~~Section 1. Section 4303(b)(1) and (2) of the act of June 23, <—~~  
9 ~~1931 (P.L.932, No.317), known as The Third Class City Code,~~  
10 ~~reenacted and amended June 28, 1951 (P.L.662, No.164) and~~  
11 ~~amended or added January 18, 1952 (1951 P.L.2105, No.596) and~~  
12 ~~November 25, 1970 (P.L.754, No.246), are amended to read:~~

13 SECTION 1. SECTIONS 4303(B) AND 4322(B) OF THE ACT OF JUNE <—  
14 23, 1931 (P.L.932, NO.317), KNOWN AS THE THIRD CLASS CITY CODE,  
15 REENACTED AND AMENDED JUNE 28, 1951 (P.L.662, NO.164), ARE  
16 AMENDED BY ADDING CLAUSES TO READ:

1 Section 4303. Allowances and Service Increments.--\* \* \*

2 (b) In addition to the retirement allowance which is  
3 authorized to be paid from the police pension fund by this act,  
4 and notwithstanding the limitations therein placed upon such  
5 retirement allowances and upon contributions, every contributor  
6 who shall become entitled to the retirement allowance shall also  
7 be entitled to the payment of a "service increment" in  
8 accordance with and subject to the conditions hereinafter set  
9 forth.

10 ~~(1) Service increment shall be the sum obtained by computing~~ <—  
11 ~~the number of whole years after having served the minimum~~  
12 ~~required by this act during which a contributor has been~~  
13 ~~employed by such city and paid out of the city treasury,~~  
14 ~~including credit for military service as provided in section~~  
15 ~~4302, and multiplying the said number of years so computed by an~~  
16 ~~amount equal to one fortieth of the retirement allowance which~~  
17 ~~has become payable to such contributor in accordance with the~~  
18 ~~provisions of this act. In computing the service increment, no~~  
19 ~~employment after the contributor has reached the age of sixty-~~  
20 ~~five years shall be included, and no service increment shall be~~  
21 ~~paid in excess of [one hundred dollars (\$100.00)] five hundred~~  
22 ~~dollars (\$500.00) per month.~~

23 ~~(2) Each contributor, from and after the effective date of~~  
24 ~~this amendment, shall pay into the retirement fund a monthly sum~~  
25 ~~in addition to his or her retirement contribution, which shall~~  
26 ~~be equal to one half of one per centum of his or her salary:~~  
27 ~~Provided, That such payment shall not exceed the sum of [one~~  
28 ~~dollar (\$1.00)] five dollars (\$5.00) per month: And provided,~~  
29 ~~That such service increment contribution shall not be paid after~~  
30 ~~a contributor has reached the age of sixty five years.~~

1 \* \* \*

2 Section 2. ~~Section 4322(b)(1) and (2) of the act, amended~~  
3 ~~October 4, 1978 (P.L. 950, No. 188), are amended to read:~~

4 \* \* \*

<—

5 (6) AFTER THE EFFECTIVE DATE OF THIS CLAUSE, A CITY MAY  
6 AGREE TO MAKE SERVICE INCREMENT PAYMENTS IN EXCESS OF ONE  
7 HUNDRED DOLLARS (\$100) PER MONTH, AS LONG AS SUCH PAYMENTS DO  
8 NOT EXCEED FIVE HUNDRED DOLLARS (\$500) PER MONTH, AND IN  
9 COMPUTING SUCH SERVICE INCREMENTS NO EMPLOYMENT AFTER THE  
10 CONTRIBUTOR HAS REACHED THE AGE OF SIXTY-FIVE YEARS SHALL BE  
11 INCLUDED: PROVIDED, THAT ANY AGREEMENT TO PROVIDE AN INCREASE IN  
12 SERVICE INCREMENT PAYMENTS SHALL INCLUDE A PROPORTIONATE  
13 INCREASE IN THE AMOUNT EACH CONTRIBUTOR SHALL PAY INTO THE  
14 RETIREMENT FUND UNDER CLAUSE (2), NOT TO EXCEED FIVE DOLLARS  
15 (\$5) PER MONTH.

16 \* \* \*

17 Section 4322. Pensions and Service Increments.--\* \* \*

18 (b) In addition to the pension which is authorized to be  
19 paid from the firemen's pension fund by this act and  
20 notwithstanding the limitations therein placed upon such  
21 pensions and upon contributions, every contributor who shall  
22 become entitled to the pension shall also be entitled to the  
23 payment of a "service increment" in accordance with and subject  
24 to the conditions hereinafter set forth.

25 ~~(1) Service increment shall be the sum obtained by computing~~ <—  
26 ~~the number of whole years after having served the minimum~~  
27 ~~required by this act during which a contributor has been~~  
28 ~~employed by such city and paid out of the city treasury,~~  
29 ~~including credit for military service as provided in section~~  
30 ~~4321, and multiplying the said number of years so computed by an~~

1 ~~amount equal to one fortieth of the retirement allowance which~~  
2 ~~has become payable to such contributor in accordance with the~~  
3 ~~provisions of this act. In computing the service increment, no~~  
4 ~~employment after the contributor has reached the age of sixty-~~  
5 ~~five years shall be included, and no service increment shall be~~  
6 ~~paid in excess of [one hundred dollars (\$100)] five hundred~~  
7 ~~dollars (\$500) per month.~~

8 ~~(2) Each contributor, from and after the effective date of~~  
9 ~~this amendment, shall pay into the pension fund a monthly sum in~~  
10 ~~addition to his pension contribution, which shall not exceed the~~  
11 ~~sum of [one dollar (\$1)] five dollars (\$5) per month: And~~  
12 ~~provided, That such service increment contribution shall not be~~  
13 ~~paid after a contributor has reached the age of sixty five~~  
14 ~~years.~~

15 \* \* \*

16 \* \* \*

17 (6) AFTER THE EFFECTIVE DATE OF THIS CLAUSE, A CITY MAY  
18 AGREE TO MAKE SERVICE INCREMENT PAYMENTS IN EXCESS OF ONE  
19 HUNDRED DOLLARS (\$100) PER MONTH, AS LONG AS SUCH PAYMENTS DO  
20 NOT EXCEED FIVE HUNDRED DOLLARS (\$500) PER MONTH, AND IN  
21 COMPUTING SUCH SERVICE INCREMENTS NO EMPLOYMENT AFTER THE  
22 CONTRIBUTOR HAS REACHED THE AGE OF SIXTY-FIVE YEARS SHALL BE  
23 INCLUDED: PROVIDED, THAT ANY AGREEMENT TO PROVIDE AN INCREASE IN  
24 SERVICE INCREMENT PAYMENTS SHALL INCLUDE A PROPORTIONATE  
25 INCREASE IN THE AMOUNT EACH CONTRIBUTOR SHALL PAY INTO THE  
26 RETIREMENT FUND UNDER CLAUSE (2), NOT TO EXCEED FIVE DOLLARS  
27 (\$5) PER MONTH.

28 Section 3 2. This act shall take effect in 60 days.