

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 1151 Session of  
2001

INTRODUCED BY KUKOVICH, LAVALLE, EARLL, MELLOW, BELL, BODACK,  
BOSCOLA, COSTA, ERICKSON, KITCHEN, LOGAN, MUSTO, O'PAKE,  
ORIE, SCHWARTZ, STACK, STOUT, TARTAGLIONE, WAGNER, WOZNIAK,  
RHOADES AND PUNT, OCTOBER 15, 2001

REFERRED TO RULES AND EXECUTIVE NOMINATIONS, OCTOBER 15, 2001

AN ACT

1 Amending Titles 24 (Education) and 71 (State Government) of the  
2 Pennsylvania Consolidated Statutes, further providing for  
3 supplemental annuities.

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

6 Section 1. Title 24 of the Pennsylvania Consolidated  
7 Statutes is amended by adding a section to read:

8 § 8348.6. Supplemental annuities commencing 2001.

9 (a) Benefits.--Commencing with the first monthly annuity  
10 payment after July 1, 2001, any eligible benefit recipient shall  
11 be entitled to receive a further additional monthly supplemental  
12 annuity from the system. This shall be in addition to the  
13 supplemental annuities provided for in sections 8348 (relating  
14 to supplemental annuities), 8348.1 (relating to additional  
15 supplemental annuities), 8348.2 (relating to further additional  
16 supplemental annuities), 8348.3 (relating to supplemental  
17 annuities commencing 1994), 8348.4 (relating to special

1 supplemental postretirement adjustment) and 8348.5 (relating to  
2 supplemental annuities commencing 1998).

3 (b) Amount of supplemental annuity.--The amount of the  
4 supplemental annuity payable pursuant to this section shall be  
5 25% of the amount of the monthly annuity payment on July 1,  
6 2001.

7 (c) Payment.--The supplemental annuity provided under this  
8 section shall be paid automatically unless the annuitant files a  
9 written notice with the board requesting that the additional  
10 monthly supplemental annuity not be paid.

11 (d) Conditions.--The supplemental annuity provided under  
12 this section shall be payable under the same terms and  
13 conditions as provided under the option plan in effect as of  
14 July 1, 2001.

15 (e) Benefits to beneficiaries or survivors.--Notwithstanding  
16 any other provision of law, the supplemental annuity provided  
17 under this section shall be payable to a beneficiary or survivor  
18 annuitant of a member who died before July 1, 2001.

19 (f) Funding.--The additional liability for the increase in  
20 benefits provided in this section shall be funded in equal  
21 dollar annual installments over a period of ten years beginning  
22 July 1, 2005. Notwithstanding the provisions of section 212 of  
23 the act of June 22, 2001 (P.L. , No.6A), known as the General  
24 Appropriation Act of 2001, regarding payment for cost-of-living  
25 increases for annuitants, payments for cost-of-living increases  
26 for annuitants shall be made under section 8535 (relating to  
27 payments to school entities by Commonwealth).

28 (g) Eligible benefit recipient.--As used in this section,  
29 the term "eligible benefit recipient" means a person who is  
30 receiving a superannuation, withdrawal or disability annuity on

1 July 1, 2001, and whose most recent effective date of retirement  
2 is prior to July 1, 2001, but the supplemental annuities  
3 provided under this section shall not be payable to an annuitant  
4 receiving a withdrawal annuity prior to the first day of July  
5 coincident with or following the annuitant's attainment of  
6 superannuation age.

7 Section 2. Title 71 is amended by adding a section to read:  
8 § 5708.6. Supplemental annuities commencing 2001.

9 (a) Benefits.--Commencing with the first monthly annuity  
10 payment after June 30, 2001, any eligible benefit recipient  
11 shall be entitled to receive a supplemental monthly annuity from  
12 the system. This shall be in addition to the supplemental  
13 annuities provided for in sections 5708 (relating to  
14 supplemental annuities), 5708.1 (relating to additional  
15 supplemental annuities), 5708.2 (relating to further additional  
16 supplemental annuities), 5708.3 (relating to supplemental  
17 annuities commencing 1994), the special supplemental  
18 postretirement adjustment provided for in section 5708.4  
19 (relating to special supplemental postretirement adjustment) and  
20 5708.5 (relating to supplemental annuities commencing 1998).

21 (b) Amount of supplemental annuity.--The amount of the  
22 supplemental annuity payable pursuant to this section shall be  
23 25% of the monthly annuity payment on July 1, 2001.

24 (c) Payment.--The supplemental annuity provided under this  
25 section shall be paid automatically unless the annuitant files a  
26 written notice with the board requesting that the additional  
27 monthly supplemental annuity not be paid.

28 (d) Conditions.--The supplemental annuity provided under  
29 this section shall be payable under the same terms and  
30 conditions as provided under the option plan in effect as of

1 July 1, 2001.

2 (e) Benefits paid to beneficiaries or survivors.--

3 Notwithstanding any other provision of law, the supplemental  
4 annuity provided under this section shall be payable to a  
5 beneficiary or survivor annuitant of a member who died before  
6 July 1, 2001.

7 (f) Funding.--The additional liability for the increase in  
8 benefits provided in this section shall be funded in equal  
9 dollar annual installments over a period of ten years beginning  
10 July 1, 2005.

11 (g) Eligible benefit recipient.--As used in this section,  
12 the term "eligible benefit recipient" means a person who is  
13 receiving a superannuation, withdrawal or disability annuity on  
14 July 1, 2001, and whose most recent effective date of retirement  
15 is prior to July 1, 2001, but the supplemental annuities  
16 provided under this section shall not be payable to an annuitant  
17 receiving a withdrawal annuity prior to the first day of July  
18 coincident with or following the annuitant's attainment of  
19 superannuation age.

20 Section 3. This act shall be retroactive to July 1, 2001.

21 Section 4. This act shall take effect immediately.