

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1987 Session of
1989

INTRODUCED BY PISTELLA, NOYE, NAHILL, HESS, BILLOW, PESCI,
MRKONIC, MORRIS, DeWEESE, KUKOVICH, FOX, TIGUE, FREEMAN,
KOSINSKI, PRESTON, CORRIGAN, COLAFELLA, OLASZ, COLAIZZO,
GRUPPO, TRELLO, MELIO, J. L. WRIGHT, O'BRIEN, DEMPSEY, BUNT,
LASHINGER, JOHNSON, RAYMOND, E. Z. TAYLOR, GODSHALL, ITKIN,
LAUGHLIN, MAINE, TANGRETTI, HALUSKA, J. TAYLOR, MICOZZIE,
SERAFINI, JAMES AND PETRARCA, OCTOBER 11, 1989

REFERRED TO COMMITTEE ON LOCAL GOVERNMENT, OCTOBER 11, 1989

AN ACT

1 Amending the act of December 13, 1988 (P.L.1192, No.147),
2 entitled "An act requiring municipal retirement systems to
3 pay special ad hoc postretirement adjustments to certain
4 retired police officers and firefighters; providing for the
5 financing of these adjustments; providing for the
6 administration of the Commonwealth's reimbursements for these
7 adjustments; and making repeals," extending the provisions of
8 the act to include survivors of police officers and
9 firefighters.

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

12 Section 1. Section 102 of the act of December 13, 1988
13 (P.L.1192, No.147), known as the Special Ad Hoc Municipal Police
14 and Firefighter Postretirement Adjustment Act, is amended by
15 adding a definition to read:

16 Section 102. Definitions.

17 The following words and phrases when used in this act shall
18 have the meanings given to them in this section unless the
19 context clearly indicates otherwise:

1 * * *

2 "Survivor." A person who, on the effective date of this act,
3 is a survivor of a police officer or firefighter and who is
4 receiving survivor benefits from a public employee retirement
5 system.

6 Section 2. Sections 301, 302 and 702 of the act are amended
7 to read:

8 Section 301. Entitlement to special ad hoc adjustment.

9 A municipal retirement system shall pay a retired police
10 officer or firefighter or the survivor of a retired police
11 officer or firefighter a special ad hoc municipal police and
12 firefighter postretirement adjustment under this chapter if all
13 of the following apply:

14 (1) The retiree has terminated active employment with
15 the municipality as a police officer or firefighter.

16 (2) The retiree is receiving a retirement annuity,
17 retirement benefit, service pension or disability pension
18 benefit from a municipal retirement system on the basis of
19 active employment with a municipality as a police officer or
20 firefighter.

21 (3) The retiree began receiving the retirement annuity,
22 retirement benefit, service pension or disability pension
23 benefit before January 1, 1985.

24 Section 302. Amount of special ad hoc adjustment.

25 (a) General rule.--Except as provided in subsections (b) and
26 (c), a municipal retirement system shall pay a retired police
27 officer or firefighter a special ad hoc municipal police and
28 firefighter postretirement adjustment under section 301, as
29 follows:

30 (1) The sum of \$25 a month, if on January 1, 1989, the

1 retiree has been retired at least five years but less than
2 ten years.

3 (2) The sum of \$50 a month, if on January 1, 1989, the
4 retiree is totally disabled and has been retired less than
5 ten years.

6 (3) The sum of \$75 a month, if on January 1, 1989, the
7 retiree has been retired at least ten years but less than 20
8 years.

9 (4) The sum of \$150 a month, if on January 1, 1989, the
10 retiree has been retired at least 20 years.

11 (b) Retirement date.--In the case of a special ad hoc
12 postretirement adjustment payable to a survivor, the benefit
13 amounts shall be based on the retirement date of the retiree.

14 ~~[(b)]~~ (c) Limitation.--If, under section 301, a retiree is
15 entitled to be paid a special ad hoc municipal police and
16 firefighter postretirement adjustment by more than one municipal
17 retirement system, the amount of the special ad hoc adjustment
18 under subsection (a) shall be reduced so that the total of all
19 these adjustments paid to the retiree does not exceed the amount
20 specified in subsection (a).

21 ~~[(c)]~~ (d) Modification in amount of postretirement
22 adjustment.--If a retiree entitled to receive a special ad hoc
23 municipal police and firefighters postretirement adjustment will
24 receive a postretirement adjustment from the applicable
25 municipal police or paid firefighters pension plan after the
26 effective date of this act, the amount of the special ad hoc
27 postretirement adjustment under subsection (a) shall be reduced
28 by the total amount of any municipal postretirement adjustment.

29 ~~[(d)]~~ (e) Construction.--Subsections ~~[(b) and (c)]~~ (c) and
30 (d) shall not be construed to reduce the amount of any

1 retirement annuity, retirement benefit, service pension or
2 disability pension benefit payable to a retiree immediately
3 prior to the effective date of this act.

4 Section 702. Deposits into special account.

5 Notwithstanding any applicable provision of the act of May
6 12, 1943 (P.L.259, No.120), referred to as the Foreign Casualty
7 Insurance Premium Tax Allocation Law, or any applicable
8 provisions of the act of March 4, 1971 (P.L.6, No.2), known as
9 the Tax Reform Code of 1971, or the provisions of sections
10 402(b) and 803(c) of the act of December 18, 1984 (P.L.1005,
11 No.205), known as the Municipal Pension Plan Funding Standard
12 and Recovery Act, beginning on January 1, 1990, prior to the
13 deposit of the proceeds of the insurance premium tax on foreign
14 casualty insurance premiums into the General Municipal Pension
15 System State Aid Program revenue account, an amount sufficient
16 to provide for the Commonwealth's reimbursement payments to
17 municipalities for special ad hoc adjustments [under this act]
18 provided to retirees under section 302(a) shall be deposited in
19 the separate account created under section 701.

20 Section 3. The act is amended by adding a section to read:

21 Section 703. Supplement from General Fund.

22 (a) Reimbursement amount.--An amount sufficient to reimburse
23 municipalities for special ad hoc adjustments provided to
24 survivors under section 302(b) in the first year shall be paid
25 from the General Fund.

26 (b) Supplemental amounts.--Should the amount required to
27 reimburse municipalities for special ad hoc adjustments to
28 retirees under section 302(a) decrease after the first year, an
29 amount equal to the decrease shall be deposited in the separate
30 account created under section 701 and shall be used to reimburse

1 municipalities for special ad hoc adjustments provided to
2 survivors under section 302(b). If the amount of this deposit is
3 not sufficient to reimburse municipalities for provision of
4 adjustments to survivors under section 302(b), the difference
5 between the amount of this deposit and the amount required shall
6 be paid from the General Fund.

7 Section 4. Sections 901(a) and 902(a) of the act are amended
8 to read:

9 Section 901. Municipal retirement system certification of
10 adjustments paid.

11 (a) Certification.--Beginning January 1, 1989, the chief
12 administrative officer of a municipal retirement system that
13 pays a special ad hoc adjustment in that year shall certify the
14 total of all adjustments paid during that year to the Auditor
15 General not later than April 1 of the following year. The
16 adjustments paid to retirees under section 302(a) and to
17 survivors under section 302(b) shall be certified separately.

18 * * *

19 Section 902. Commonwealth disbursement of reimbursement
20 payment.

21 (a) Payment to account.--Not later than June 1 of the year
22 in which the form is due, the Auditor General shall certify to
23 the State Treasurer the amount to be deposited into the special
24 account created in section 701 and the amount to be paid from
25 the General Fund and shall draw a warrant, payable to the
26 treasurer of the municipality, on the State Treasurer from the
27 special account created in section 701 for the amount certified
28 under section 901(a).

29 * * *

30 Section 5. This act shall be retroactive to February 12,

1 1989.

2 Section 6. This act shall take effect immediately.