

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1180 Session of 2009

INTRODUCED BY CASORIO, BELFANTI, BRENNAN, D. COSTA, DONATUCCI, GEORGE, GOODMAN, GRUCELA, HARHAI, HARKINS, MAHONEY, MANN, McILVAINE SMITH, MUNDY, MURT, M. O'BRIEN, PALLONE, READSHAW, SIPTROTH, SOLOBAY, STABACK, J. TAYLOR, WALKO, YOUNGBLOOD, SCAVELLO, PETRARCA, FABRIZIO, DEASY, KULA AND GIBBONS, APRIL 3, 2009

REFERRED TO COMMITTEE ON FINANCE, APRIL 3, 2009

AN ACT

1 Amending the act of May 29, 1956 (1955 P.L.1804, No.600),  
2 entitled, as amended, "An act providing for the establishment  
3 of police pension funds or pension annuities in certain  
4 boroughs, towns and townships; authorizing the establishment  
5 of police pension funds or pension annuities by regional  
6 police departments; providing for the regulation and  
7 maintenance of police pension funds or pension annuities;  
8 providing for an actuary; continuance of existing funds or  
9 transfer thereof to funds herein established; prescribing  
10 rights of beneficiaries; contributions by members; providing  
11 for expenses of administration; continuation of existing  
12 authority to provide annuity contracts; credit for military  
13 service; refunds; exempting allowances from judicial process;  
14 and repealing certain acts," further regulating pension  
15 calculations.

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

18 Section 1. Section 1(a)(4) of the act of May 29, 1956 (1955  
19 P.L.1804, No.600), referred to as the Municipal Police Pension  
20 Law, amended October 8, 2008 (P.L.1095, No.92), is amended to  
21 read:

22 Section 1. (a) \* \* \*

(4) The surviving spouse of a member of the police force or a former member of the police force who, prior to April 18, 2002, retired on pension and dies subsequent to retirement or who, after April 16, 2002, retires on pension and dies subsequent to retirement, or if no spouse survives or if he or she survives and subsequently dies, then the child or children under the age of eighteen years or, if attending college, under or attaining the age of twenty-three years, of a member of the police force or a member who retires on pension who dies, shall, during her lifetime in the case of a surviving spouse or until reaching the age of eighteen years or, if attending college, under or attaining the age of twenty-three years in the case of a child or children, be entitled to receive a pension calculated at no less than [fifty] sixty per centum of the pension the member was receiving or would have been receiving had he been retired at the time of his death.

\* \* \*

Section 2. Section 5(c), (f) and (g)(1) of the act, amended February 18, 1998 (P.L.158, No.24) and December 22, 2005 (P.L.466, No.89), are amended to read:

Section 5. \* \* \*

(c) Monthly pension or retirement benefits other than length of service increments shall be computed at one-half the monthly average salary of such member during not more than the last sixty nor less than the last [thirty-six] twenty-four months of employment. Such pension or retirement benefits for any month shall be computed as the sum of (1) any pension benefits from pension plans heretofore established by a private organization or association for the members of the police force but only to the extent that this Commonwealth or any of its municipalities

1 shall have contributed to such pension plan moneys raised by  
2 taxation; (2) if positions covered by the fund are included in  
3 an agreement under the Federal Social Security Act, up to  
4 seventy-five per centum of his full social security old-age  
5 insurance benefit calculated in accordance with the provisions  
6 of the Federal Social Security Act in effect on the date of his  
7 termination of employment, except that such amount shall be  
8 included only upon attainment of the age at which the officer  
9 would be eligible to receive full social security old-age  
10 insurance benefits and in determining such eligibility and such  
11 amount only compensation for services actually rendered by the  
12 officer and covered by the police pension fund shall be  
13 included; and (3) benefits from the police pension fund  
14 established pursuant to this act to the extent necessary to  
15 bring the total benefits in any month up to one-half the  
16 aforesaid monthly average salary except that any officer who  
17 receives pension or retirement benefits from any plan  
18 established at any time pursuant to this act and who is also  
19 entitled to receive social security old-age insurance benefits  
20 shall not regardless of when the officer retired from active  
21 service have his pension or retirement benefits offset or  
22 reduced by more than seventy-five per centum of the social  
23 security old-age insurance benefits which he receives.

24 \* \* \*

25 (f) Any borough, town, township or regional police  
26 department may establish and pay length of service increments  
27 for years of service beyond twenty-five years for each completed  
28 year of service in excess of twenty-five years, not to exceed  
29 one hundred dollars (\$100) per month for each completed year of  
30 service in excess of twenty-five years up to a maximum of [five

1 hundred dollars (\$500)] six hundred dollars (\$600) per month  
2 after five completed years of service in excess of twenty-five  
3 years. Such length of service increments may be paid in addition  
4 to other monthly pension or retirement allowances.

5 (g) (1) The ordinance or resolution establishing the police  
6 pension fund may provide for a cost of living increase for  
7 members of the police force receiving retirement benefits. The  
8 cost of living increase shall not exceed the percentage increase  
9 in the Consumer Price Index from the year in which the police  
10 member last worked, shall not cause the total police pension  
11 benefits to exceed [seventy-five] eighty per centum of the  
12 salary for computing retirement benefits and shall not cause the  
13 total cost of living increase to exceed thirty per centum. No  
14 cost of living increase shall be granted which would impair the  
15 actuarial soundness of the pension fund.

16 \* \* \*

17 Section 3. This act shall take effect in 60 days.