

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 1014 Session of 2009

INTRODUCED BY STACK, FONTANA, RAFFERTY, STOUT, O'PAKE,  
WASHINGTON, HUGHES, LOGAN, WOZNIAK, FARNESE, LEACH AND  
KASUNIC, JULY 10, 2009

REFERRED TO FINANCE, JULY 10, 2009

AN ACT

1 Amending Titles 24 (Education) and 71 (State Government) of the  
2 Pennsylvania Consolidated Statutes, providing for  
3 supplemental annuities commencing 2010.

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 § 8348.8. Supplemental annuities commencing 2010.

9 (a) Benefits.--Commencing with the first monthly annuity  
10 payment after July 1, 2010, and annually thereafter, any  
11 eligible benefit recipient shall be entitled to receive further  
12 additional monthly supplemental annuities from the system. These  
13 shall be in addition to the supplemental annuities provided for  
14 in sections 8348 (relating to supplemental annuities), 8348.1  
15 (relating to additional supplemental annuities), 8348.2  
16 (relating to further additional supplemental annuities), 8348.3  
17 (relating to supplemental annuities commencing 1994), 8348.4  
18 (relating to special supplemental postretirement adjustment),

8348.5 (relating to supplemental annuities commencing 1998),  
8348.6 (relating to supplemental annuities commencing 2002) and  
8348.7 (relating to supplemental annuities commencing 2003).

(b) Amounts of supplemental annuities.--Beginning July 1,  
2010, and annually thereafter, the amounts of the supplemental  
annuities payable under this section shall be calculated by  
applying the percentage change in the Consumer Price Index for  
All Urban Consumers (CPI-U) for the Pennsylvania, New Jersey,  
Delaware and Maryland area, for the most recent 12-month period  
for which figures have been officially reported by the United  
States Department of Labor, Bureau of Labor Statistics,  
immediately prior to the date the adjustment is due to take  
effect, to the then-current annuity amount.

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

(d) Conditions.--The supplemental annuity provided for under  
this section shall be payable under the same terms and  
conditions as provided under the option plan in effect as of  
July 1, 2010.

(e) Benefits to beneficiaries or survivors.--No supplemental  
annuity provided under this section shall be payable to the  
beneficiary or survivor annuitant of a member who dies before  
July 1, 2010.

(f) Funding.--The additional liability for the increase in  
benefits provided by this section shall be funded in equal  
dollar annual installments over a period of ten years beginning  
July 1, 2011.

(g) Definition.--As used in this section, the term "eligible

benefit recipient" means a person who is receiving a  
superannuation, withdrawal or disability annuity on July 2,  
2010.

Section 2. Title 71 is amended by adding a section to read:  
§ 5708.9. Supplemental annuities commencing 2010.

(a) Benefits.--Commencing with the first monthly annuity  
payment after July 1, 2010, and annually thereafter, any  
eligible benefit recipient shall be entitled to receive a  
supplemental monthly annuity from the system. This shall be in  
addition to the supplemental annuities provided for in sections  
5708 (relating to supplemental annuities), 5708.1 (relating to  
additional supplemental annuities), 5708.2 (relating to further  
additional supplemental annuities), 5708.3 (relating to  
supplemental annuities commencing 1994), 5708.5 (relating to  
supplemental annuities commencing 1998), 5708.6 (relating to  
supplemental annuities commencing 2002), 5708.7 (relating to  
supplemental annuities commencing 2003), and the special  
supplemental postretirement adjustment provided for in sections  
5708.4 (relating to special supplemental postretirement  
adjustment) and 5708.8 (relating to special supplemental  
postretirement adjustment of 2002).

(b) Amounts of supplemental annuities.--Beginning July 1,  
2010, and annually thereafter, the amounts of the supplemental  
annuities payable under this section shall be calculated by  
applying the percentage change in the Consumer Price Index for  
All Urban Consumers (CPI-U) for the Pennsylvania, New Jersey,  
Delaware and Maryland area, for the most recent 12-month period  
for which figures have been officially reported by the United  
States Department of Labor, Bureau of Labor Statistics,  
immediately prior to the date the adjustment is due to take

1 effect, to the then-current annuity amount.

2 (c) Payment.--The supplemental annuity provided under this  
3 section shall be paid automatically unless the annuitant files a  
4 written notice with the board requesting that the additional  
5 monthly supplemental annuity not be paid.

6 (d) Conditions.--The supplemental annuity provided for under  
7 this section shall be payable under the same terms and  
8 conditions as provided under the option plan in effect as of  
9 July 1, 2010.

10 (e) Benefits to beneficiaries or survivors.--No supplemental  
11 annuity provided for under this section shall be payable to the  
12 beneficiary or survivor annuitant of a member who dies before  
13 July 1, 2010.

14 (f) Funding.--The additional liability for the increase in  
15 benefits provided by this section shall be funded in equal  
16 dollar annual installments over a period of ten years beginning  
17 July 1, 2011.

18 (g) Definition.--As used in this section, the term "eligible  
19 benefit recipient" means a person who is receiving a  
20 superannuation, withdrawal or disability annuity on July 2,  
21 2010.

22 Section 3. This act shall take effect immediately.