

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 721 Session of  
1989

INTRODUCED BY PISTELLA, GIGLIOTTI, ROBINSON, TRELLO, PRESTON AND  
OLASZ, MARCH 13, 1989

REFERRED TO COMMITTEE ON LABOR RELATIONS, MARCH 13, 1989

AN ACT

1 Amending the act of August 1, 1975 (P.L.169, No.87), entitled,  
2 "An act relating to pensions for employees of the City of  
3 Pittsburgh," repealing provisions relating to reduction of  
4 amount of pension.

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

7 Section 1. Section 8(a) of the act of August 1, 1975  
8 (P.L.169, No.87), entitled, "An act relating to pensions for  
9 employees of the City of Pittsburgh," is amended to read:

10 Section 8. Pension Allowance.--(a) The amount of the monthly  
11 pension shall be calculated by multiplying the amount determined  
12 in paragraph (1) by the fraction determined in paragraph (2) and  
13 if applicable, by adding a service increment in accordance with  
14 paragraph (3) and where applicable by applying the reduction  
15 determined in paragraph (4).

16 (1) If the average monthly earnings of an employee who  
17 became a member prior to January 1, 1975 are less than \$450, 60%  
18 of such earnings but not less than \$130 per month; if the

1 average monthly earnings of an employee who became a member  
2 prior to January 1, 1975 are \$450 or more; then 55% of the first  
3 \$650 of such earnings plus 30% of the excess of such earnings  
4 but not less than \$270 per month; if the employee became a  
5 member on or after January 1, 1975, 50% of the member's average  
6 monthly earnings.

7 (2) The ratio that the member's years of credited service  
8 (years and completed months to two decimals) up to a maximum of  
9 20 is to 20.

10 (3) A service increment which shall be 1% of the member's  
11 average monthly earnings for each full year of credited service  
12 in excess of 20 and rendered prior to age 65. Such increment  
13 shall be limited to a maximum of \$100 per month.

14 [(4) If the member has no credited service prior to January  
15 1, 1975, his pension shall be reduced upon his attainment of age  
16 65 by an amount equal to 50% of the primary insurance amount  
17 paid or payable to him and subject to the following provisions:

18 (i) The eligibility of such member for the old-age insurance  
19 benefit and the amount of such benefit upon which the reduction  
20 in his pension shall be based shall be determined by the board  
21 in accordance with the provisions of the Federal Social Security  
22 Act, 42 U.S.C. §§ 301 et seq., in effect at the date his pension  
23 payments begin, except that in determining such eligibility and  
24 such amount only wages or compensation for services covered by  
25 this fund shall be included.

26 (ii) Whenever the amount of the reduction from the pension  
27 shall have been once determined, it shall remain fixed for the  
28 duration of the pension except that any decrease in the old-age  
29 insurance benefit under the Federal Social Security Act, 42  
30 U.S.C §§ 301 et seq., shall result in a corresponding decrease

1 in the amount of the reduction from the pension.

2 (iii) The reduction shall not be more than one-half of the  
3 pension to which the member is otherwise entitled under the  
4 provisions of this act.]

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6 Section 2. This act shall take effect immediately.