

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2998 Session of  
1990

INTRODUCED BY JAMES, HOWLETT, CARN, WOGAN, DONATUCCI, PRESTON,  
O'BRIEN, COHEN, RIEGER, ROBINSON, GIGLIOTTI, DEMPSEY,  
JACKSON, MELIO, ANGSTADT, KENNEY, BELFANTI, TIGUE, PESCI,  
McNALLY, PISTELLA, JOHNSON, JOSEPHS, HUGHES, CIVERA, STABACK,  
NAHILL, WILLIAMS, THOMAS, FOX, TRELLO, MURPHY, OLIVER,  
KOSINSKI, EVANS, KAISER, LINTON, ACOSTA, RICHARDSON, HAYDEN,  
HARPER AND ROEBUCK, NOVEMBER 12, 1990

REFERRED TO COMMITTEE ON LOCAL GOVERNMENT, NOVEMBER 12, 1990

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; and providing for a supplement from the General  
10 Fund.

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

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

17 Section 102. Definitions.

18 The following words and phrases when used in this act shall  
19 have the meanings given to them in this section unless the

1 context clearly indicates otherwise:

2 \* \* \*

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

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

9 Section 301. Entitlement to special ad hoc adjustment.

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

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

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

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

25 Section 302. Amount of special ad hoc adjustment.

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

1           (1) The sum of \$25 a month, if on January 1, 1989, the  
2 retiree has been retired at least five years but less than  
3 ten years.

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

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

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

12 Postretirement adjustments shall be granted annually for all  
13 retirees and survivors by an amount determined in accordance  
14 with the Consumer Price Index for all urban consumers published  
15 by the Bureau of Labor Statistics, United States Department of  
16 Labor.

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

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

27 [(c) Modification in amount of postretirement adjustment.--  
28 If a retiree entitled to receive a special ad hoc municipal  
29 police and firefighters postretirement adjustment will receive a  
30 postretirement adjustment from the applicable municipal police

1 or paid firefighters pension plan after the effective date of  
2 this act, the amount of the special ad hoc postretirement  
3 adjustment under subsection (a) shall be reduced by the total  
4 amount of any municipal postretirement adjustment.]

5 (d) Construction.--[Subsections (b) and] Subsection (c)  
6 shall not be construed to reduce the amount of any retirement  
7 annuity, retirement benefit, service pension or disability  
8 pension benefit payable to a retiree immediately prior to the  
9 effective date of this act.

10 Section 702. Deposits into special account.

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

26 Section 3. The act is amended by adding a section to read:  
27 Section 703. Supplement from General Fund.

28 (a) Reimbursement amount.--An amount sufficient to reimburse  
29 municipalities for special ad hoc adjustments provided to  
30 survivors under section 302(b) in the first year shall be paid

1 from the General Fund.

2 (b) Supplemental amounts.--Should the amount required to  
3 reimburse municipalities for special ad hoc adjustments to  
4 retirees under section 302(a) decrease after the first year, an  
5 amount equal to the decrease shall be deposited in the separate  
6 account created under section 701 and shall be used to reimburse  
7 municipalities for special ad hoc adjustments provided to  
8 survivors under section 302(b). If the amount of this deposit is  
9 not sufficient to reimburse municipalities for provision of  
10 adjustments to survivors under section 302(b), the difference  
11 between the amount of this deposit and the amount required shall  
12 be paid from the General Fund.

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

15 Section 901. Municipal retirement system certification of  
16 adjustments paid.

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

24 \* \* \*

25 Section 902. Commonwealth disbursement of reimbursement  
26 payment.

27 (a) Payment to account.--Not later than June 1 of the year  
28 in which the form is due, the Auditor General shall certify to  
29 the State Treasurer the amount to be deposited into the special  
30 account created in section 701 and the amount to be paid from

1 the General Fund and shall draw a warrant, payable to the  
2 treasurer of the municipality, on the State Treasurer from the  
3 special account created in section 701 for the amount certified  
4 under section 901(a).

5 \* \* \*

6 Section 5. This act shall be retroactive to February 12,  
7 1989.

8 Section 6. This act shall take effect in 60 days.