

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1413 Session of  
2003

INTRODUCED BY FREEMAN, ROSS, HARHAI, BEBKO-JONES, BELARDI,  
BELFANTI, DeWEESE, FABRIZIO, GERGELY, GRUCELA, JAMES,  
LAUGHLIN, LEWIS, McCALL, MELIO, PALLONE, PETRARCA, PISTELLA,  
SAINATO, SCRIMENTI, SHANER, SOLOBAY, STABACK, J. TAYLOR,  
THOMAS, TRAVAGLIO, WASHINGTON, WOJNAROSKI AND YOUNGBLOOD,  
MAY 7, 2003

REFERRED TO COMMITTEE ON LOCAL GOVERNMENT, MAY 7, 2003

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 providing for payment.

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

17 Section 1. The act of May 29, 1956 (1955 P.L.1804, No.600),  
18 referred to as the Municipal Police Pension Law, is amended by  
19 adding a section to read:

20 Section 3.1. (a) Each ordinance or resolution establishing  
21 a police pension fund may provide a payment to those retired  
22 police officers who made contributions to the fund, provided

1 that the borough, town or township actuary certifies that the  
2 borough, town, township or regional police pension fund is  
3 overfunded such that the borough, town, township or regional  
4 plan's actuarial value of assets have exceeded the  
5 municipality's actuarial accrued liability by one hundred per  
6 centum, in which case the borough, town or township may, upon  
7 resolution or ordinance of the governing body, authorize the  
8 withdrawal from the fund of no more than two per centum of the  
9 fund's actuarial accrued liability in any given year to be used  
10 to reimburse retired police officers for their monetary  
11 contributions to the fund.

12 (b) In addition to the requirements of subsection (a),  
13 payment to eligible police retirees shall be authorized by a  
14 municipality only if, after payment of the proposed payment for  
15 that particular year, the fund shall remain overfunded by one  
16 hundred per centum above the fund's actuarial accrued liability.  
17 The actuary shall certify that any proposed payment will not  
18 reduce the pension fund's assets to less than one hundred per  
19 centum above the actuarial accrued liability.

20 Section 2. This act shall take effect in 60 days.