
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1645 Session of
2013

INTRODUCED BY GIBBONS, READSHAW, O'BRIEN, DEASY, HESS, FLECK,
THOMAS, HARHAI, CALTAGIRONE, BROOKS, SAINATO AND COHEN,
AUGUST 23, 2013

REFERRED TO COMMITTEE ON STATE GOVERNMENT, AUGUST 23, 2013

AN ACT

1 Amending Titles 24 (Education) and 71 (State Government) of the
2 Pennsylvania Consolidated Statutes, providing for
3 supplemental annuity commencing 2013.

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 annuity commencing 2013.

9 (a) Benefits.--Commencing with the first monthly annuity
10 payment after July 1, 2013, any eligible benefit recipient shall
11 be entitled to receive an additional monthly supplemental
12 annuity from the system that shall be paid over a five-year
13 period in accordance with this section. This shall be in
14 addition to the supplemental annuities provided for in sections
15 8348 (relating to supplemental annuities), 8348.1 (relating to
16 additional supplemental annuities), 8348.2 (relating to further
17 additional supplemental annuities), 8348.3 (relating to
18 supplemental annuities commencing 1994), 8348.4 (relating to

1 special supplemental postretirement adjustment), 8348.5
2 (relating to supplemental annuities commencing 1998), 8348.6
3 (relating to supplemental annuities commencing 2002) and 8348.7
4 (relating to supplemental annuities commencing 2003).

5 (b) Amount of additional supplemental annuity.--The amount
6 of the supplemental annuity payable from July 1, 2013, through
7 June 30, 2014, pursuant to this section shall be a percentage of
8 the amount of the monthly annuity payment on July 1, 2013,
9 determined on the basis of the most recent effective date of
10 retirement as follows:

11	<u>Most recent effective</u>	
12	<u>date of retirement</u>	<u>Percentage factor</u>
13	<u>July 2, 2000, through July 1, 2001</u>	<u>20.0%</u>
14	<u>July 2, 1999, through July 1, 2000</u>	<u>24.0%</u>
15	<u>July 2, 1998, through July 1, 1999</u>	<u>28.0%</u>
16	<u>July 2, 1997, through July 1, 1998</u>	<u>32.0%</u>
17	<u>July 2, 1996, through July 1, 1997</u>	<u>36.0%</u>
18	<u>July 2, 1995, through July 1, 1996</u>	<u>40.0%</u>
19	<u>July 2, 1994, through July 1, 1995</u>	<u>44.0%</u>
20	<u>July 2, 1993, through July 1, 1994</u>	<u>48.0%</u>
21	<u>July 2, 1992, through July 1, 1993</u>	<u>52.0%</u>
22	<u>July 2, 1991, through July 1, 1992</u>	<u>56.0%</u>
23	<u>July 2, 1990, through July 1, 1991</u>	<u>60.0%</u>
24	<u>July 2, 1989, through July 1, 1990</u>	<u>64.0%</u>
25	<u>July 2, 1988, through July 1, 1989</u>	<u>68.0%</u>
26	<u>July 2, 1987, through July 1, 1988</u>	<u>72.0%</u>
27	<u>July 2, 1986, through July 1, 1987</u>	<u>76.0%</u>
28	<u>July 2, 1985, through July 1, 1986</u>	<u>80.0%</u>
29	<u>July 2, 1984, through July 1, 1985</u>	<u>84.0%</u>
30	<u>July 2, 1983, through July 1, 1984</u>	<u>88.0%</u>

1	<u>July 2, 1982, through July 1, 1983</u>	<u>92.0%</u>
2	<u>July 2, 1981, through July 1, 1982</u>	<u>96.0%</u>
3	<u>Prior to July 2, 1981</u>	<u>100.0%</u>

4 (c) Payment.--The supplemental annuity provided under this
5 section shall be paid automatically over a five-year period at
6 20% of the supplemental annuity amount each year unless the
7 annuitant files a written notice with the board requesting that
8 the additional monthly supplemental annuity not be paid.

9 (d) Conditions.--The supplemental annuity provided under
10 this section shall be payable under the same terms and
11 conditions as provided under the option plan in effect as of
12 July 1, 2013.

13 (e) Benefits to beneficiaries or survivors.--No supplemental
14 annuity provided under this section shall be payable to the
15 beneficiary or survivor annuitant of a member who dies before
16 July 1, 2013.

17 (f) Funding.--The additional liability for the increase in
18 benefits provided in this section shall be funded in equal
19 dollar annual installments over a period of ten years beginning
20 July 1, 2013.

21 (g) Eligible benefit recipient.--As used in this section,
22 the term "eligible benefit recipient" means a person:

23 (1) who is receiving a superannuation, withdrawal or
24 disability annuity on July 1, 2013;

25 (2) whose most recent effective date of retirement is
26 prior to July 1, 2001; and

27 (3) whose credited service does not include any service
28 credited as either Class T-D, Class D-4 or Class AA service.

29 Notwithstanding the above, the supplemental annuities provided
30 under this section shall not be payable to an annuitant

1 receiving a withdrawal annuity prior to the first day of July
2 coincident with or following the annuitant's attainment of
3 superannuation age.

4 Section 2. Title 71 is amended by adding a section to read:
5 § 5708.9. Supplemental annuity commencing 2013.

6 (a) Benefits.--Commencing with the first monthly annuity
7 payment after July 1, 2013, any eligible benefit recipient shall
8 be entitled to receive an additional monthly supplemental
9 annuity from the system that shall be paid over a five-year
10 period in accordance with this section. This shall be in
11 addition to the supplemental annuities provided for in sections
12 5708 (relating to supplemental annuities), 5708.1 (relating to
13 additional supplemental annuities), 5708.2 (relating to further
14 additional supplemental annuities), 5708.3 (relating to
15 supplemental annuities commencing 1994), 5708.4 (relating to
16 special supplemental postretirement adjustment), 5708.5
17 (relating to supplemental annuities commencing 1998), 5708.6
18 (relating to supplemental annuities commencing 2002) and 5708.7
19 (relating to supplemental annuities commencing 2003).

20 (b) Amount of additional supplemental annuity.--The amount
21 of the supplemental annuity payable from July 1, 2013, through
22 June 30, 2014, pursuant to this section shall be a percentage of
23 the amount of the monthly annuity payment on July 1, 2013,
24 determined on the basis of the most recent effective date of
25 retirement as follows:

<u>Most recent effective</u>	<u>Percentage factor</u>
<u>date of retirement</u>	
<u>July 2, 2000, through July 1, 2001</u>	<u>20.0%</u>
<u>July 2, 1999, through July 1, 2000</u>	<u>24.0%</u>

1	<u>July 2, 1998, through July 1, 1999</u>	<u>28.0%</u>
2	<u>July 2, 1997, through July 1, 1998</u>	<u>32.0%</u>
3	<u>July 2, 1996, through July 1, 1997</u>	<u>36.0%</u>
4	<u>July 2, 1995, through July 1, 1996</u>	<u>40.0%</u>
5	<u>July 2, 1994, through July 1, 1995</u>	<u>44.0%</u>
6	<u>July 2, 1993, through July 1, 1994</u>	<u>48.0%</u>
7	<u>July 2, 1992, through July 1, 1993</u>	<u>52.0%</u>
8	<u>July 2, 1991, through July 1, 1992</u>	<u>56.0%</u>
9	<u>July 2, 1990, through July 1, 1991</u>	<u>60.0%</u>
10	<u>July 2, 1989, through July 1, 1990</u>	<u>64.0%</u>
11	<u>July 2, 1988, through July 1, 1989</u>	<u>68.0%</u>
12	<u>July 2, 1987, through July 1, 1988</u>	<u>72.0%</u>
13	<u>July 2, 1986, through July 1, 1987</u>	<u>76.0%</u>
14	<u>July 2, 1985, through July 1, 1986</u>	<u>80.0%</u>
15	<u>July 2, 1984, through July 1, 1985</u>	<u>84.0%</u>
16	<u>July 2, 1983, through July 1, 1984</u>	<u>88.0%</u>
17	<u>July 2, 1982, through July 1, 1983</u>	<u>92.0%</u>
18	<u>July 2, 1981, through July 1, 1982</u>	<u>96.0%</u>
19	<u>Prior to July 2, 1981</u>	<u>100.0%</u>

20 (c) Payment.--The supplemental annuity provided under this
21 section shall be paid automatically over a five-year period at
22 20% of the supplemental annuity amount each year unless the
23 annuitant files a written notice with the board requesting that
24 the additional monthly supplemental annuity not be paid.

25 (d) Conditions.--The supplemental annuity provided under
26 this section shall be payable under the same terms and
27 conditions as provided under the option plan in effect as of
28 July 1, 2013.

29 (e) Benefits to beneficiaries or survivors.--No supplemental
30 annuity provided under this section shall be payable to the

1 beneficiary or survivor annuitant of a member who dies before
2 July 1, 2013.

3 (f) Funding.--The additional liability for the increase in
4 benefits provided in this section shall be funded in equal
5 dollar annual installments over a period of ten years beginning
6 July 1, 2013.

7 (g) Eligible benefit recipient.--As used in this section,
8 the term "eligible benefit recipient" means a person:

9 (1) who is receiving a superannuation, withdrawal or
10 disability annuity on July 1, 2013;

11 (2) whose most recent effective date of retirement is
12 prior to July 1, 2001; and

13 (3) whose credited service does not include any service
14 credited as either Class T-D, Class D-4 or Class AA service.

15 Notwithstanding the above, the supplemental annuities provided
16 under this section shall not be payable to an annuitant
17 receiving a withdrawal annuity prior to the first day of July
18 coincident with or following the annuitant's attainment of
19 superannuation age.

20 Section 3. This act shall take effect immediately.