

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 32 Session of 2009

INTRODUCED BY DALEY, McCALL, THOMAS, SCAVELLO, BEAR, BELFANTI, BEYER, COHEN, DEASY, DONATUCCI, GIBBONS, GOODMAN, HALUSKA, HANNA, HARHAI, HORNAMAN, KOTIK, KULA, LONGIETTI, MAHONEY, MANDERINO, MANN, MARSHALL, MENSCH, MOUL, MURT, M. O'BRIEN, PASHINSKI, PICKETT, PRESTON, READSHAW, ROAE, SAINATO, SIPTROTH, McILVAINE SMITH, K. SMITH, SOLOBAY, SONNEY, SWANGER, R. TAYLOR, VULAKOVICH, WALKO, WHITE AND YOUNGBLOOD, MAY 4, 2009

REFERRED TO COMMITTEE ON EDUCATION, MAY 4, 2009

AN ACT

1 Amending Titles 24 (Education) and 71 (State Government) of the
2 Pennsylvania Consolidated Statutes, providing for permanent
3 cost-of-living increases in return for additional
4 contributions.

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

7 Section 1. Title 24 of the Pennsylvania Consolidated
8 Statutes is amended by adding sections to read:

9 § 8322.2. Cost-of-living contributions.

10 (a) Election.--An active member may elect to contribute an
11 additional 1% of annual salary in order to qualify for an
12 annuity under section 8348.8 (relating to qualified supplemental
13 annuities).

14 (b) Effect.--An election under this section is irrevocable.

15 (c) Limitation.--Contributions under this section may not be
16 withdrawn as part of any lump sum withdrawal of other

contributions permitted by this title.

§ 8348.8. Qualified supplemental annuities.

(a) Eligibility.--An annuitant who initiates contributions under section 8322.2 (relating to cost-of-living contributions) is eligible for a supplemental annuity under subsection (b).

(b) Amount.--The supplemental annuity under this section shall be the lesser of:

(1) the percentage increase in the Consumer Price Index for All Urban Consumers; or

(2) 3%.

Section 2. Title 71 is amended by adding sections to read:

§ 5505.2. Cost-of-living contributions.

(a) Election.--An active member may elect to contribute an additional 1% of annual salary in order to qualify for an annuity under section 5708.9 (relating to qualified supplemental annuities).

(b) Limitation.--Contributions under this section may not be withdrawn as part of any lump sum withdrawal of other contributions permitted by this title.

§ 5708.9. Qualified supplemental annuities.

(a) Eligibility.--An annuitant who initiates contributions under section 5505.2 (relating to cost-of-living contributions) is eligible for a supplemental annuity under subsection (b).

(b) Amount.--The supplemental annuity under this section shall be the lesser of:

(1) the percentage increase in the Consumer Price Index for All Urban Consumers; or

(2) 3%.

Section 3. This act shall take effect in 60 days.