THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2302

Session of 1986

INTRODUCED BY TRELLO, IRVIS, MOWERY, FRYER, VAN HORNE, FEE, BATTISTO, HALUSKA, COLAFELLA AND A. C. FOSTER, JR., MARCH 19, 1986

REFERRED TO COMMITTEE ON FINANCE, MARCH 19, 1986

AN ACT

Amending the act of May 7, 1965 (P.L.48, No.38), entitled "A supplement to the act of May 28, 1915 (P.L.596, No.259), 2 3 entitled 'An act requiring cities of the second class to 4 establish a pension fund for employes of said cities, and regulating the administration and the payment of such pensions,' as to employes of second class A cities, reducing 6 7 the number of years of employment to qualify for a pension; and increasing pension payments and contributions, " further providing for contributions by members. 10 The General Assembly of the Commonwealth of Pennsylvania 11 hereby enacts as follows: 12 Section 1. Section 3 of the act of May 7, 1965 (P.L.48, 13 No.38), entitled "A supplement to the act of May 28, 1915 (P.L.596, No.259), entitled 'An act requiring cities of the 14 15 second class to establish a pension fund for employes of said 16 cities, and regulating the administration and the payment of 17 such pensions, 'as to employes of second class A cities, 18 reducing the number of years of employment to qualify for a pension; and increasing pension payments and contributions," is 19 20 amended to read:

Section 3. [The] (a) Except to the extent that subsection

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- 1 (c) of section 607 of the act of December 18, 1984 (P.L.1005,
- 2 No. 205), known as the "Municipal Pension Plan Funding Standard
- 3 <u>and Recovery Act, "applies, the</u> city employes and contributing
- 4 members to the fund shall after the passage of this act pay unto
- 5 the board of pensions monthly an amount equal to three per
- 6 centum of their monthly salaries or wages, in no event, however,
- 7 paying at a rate greater than six dollars (\$6) a month, which
- 8 shall be applied to the purpose of this act. Payment of the
- 9 monthly amount or contribution herein mentioned shall cease and
- 10 be discontinued at the time the beneficiary receives the pension
- 11 herein provided, except for contributions required to be made to
- 12 complete a twenty-year period of contribution, as provided in
- 13 subsections (a) and (b) of section 2 of this act.
- 14 (b) If for any cause an employe contributing to the pension
- 15 fund shall cease to be an employe of any such city of the second
- 16 class A before said employe becomes entitled to the pensions
- 17 conferred by this act, the total amount of the contributions
- 18 paid into the pension fund by such employe shall be refunded to
- 19 him or her in full, without interest; provided, however, if any
- 20 such employe shall have returned to him or her the amount
- 21 contributed as aforesaid and shall afterward re-enter the employ
- 22 of such city, said employe shall not be entitled to the pension
- 23 designated until twenty years after said re-employment unless he
- 24 or she shall return to the pension fund the amount withdrawn,
- 25 plus interest, in which event the period of twenty years shall
- 26 be computed from the time said employe first entered the service
- 27 of said city.
- 28 (c) In the event of the death of any such employe before the
- 29 said employe becomes entitled to the pension aforesaid, the said
- 30 total amount of contributions aforesaid shall be paid over to

- 1 the estate of the said deceased employe or his or her designated
- 2 beneficiary. In the event of the death of any employe collecting
- 3 the pension aforesaid, the total amount of contributions over
- 4 and above that paid to the deceased employe shall be paid over
- 5 to the estate of the said deceased employe, or his or her
- 6 designated beneficiary.
- 7 Section 2. This act shall take effect immediately.