

## THE GENERAL ASSEMBLY OF PENNSYLVANIA

## HOUSE BILL

No. 388 Session of  
1989

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INTRODUCED BY DOMBROWSKI, FEE, CAPPABIANCA, VAN HORNE,  
CALTAGIRONE AND LEVDANSKY, FEBRUARY 13, 1989

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AS REPORTED FROM COMMITTEE ON URBAN AFFAIRS, HOUSE OF  
REPRESENTATIVES, AS AMENDED, OCTOBER 4, 1989

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## AN ACT

1 Amending the act of May 23, 1945 (P.L.903, No.362), entitled "An  
2 act authorizing cities of the third class to establish an  
3 optional retirement system for officers and employes  
4 independently of any pension system or systems existing in  
5 such cities," further providing for membership on retirement  
6 boards; and authorizing cost-of-living increases.

7 The General Assembly of the Commonwealth of Pennsylvania  
8 hereby enacts as follows:

9 Section 1. Section 3 of the act of May 23, 1945 (P.L.903,  
10 No.362), entitled "An act authorizing cities of the third class  
11 to establish an optional retirement system for officers and  
12 employes independently of any pension system or systems existing  
13 in such cities," amended July 18, 1986 (P.L.1413, No.128), is  
14 amended to read:

15 Section 3. In any such city which creates such retirement  
16 system there shall be created a board to be known as the  
17 "Officers and Employes Retirement Board," consisting of the  
18 mayor, the city controller, the director of finance, two  
19 employes to be chosen by the employes contributing to the

1 retirement fund, a retired city employe chosen by the  
2 association of retired city employes and, if members of council  
3 participate in the retirement fund and are members of the fund,  
4 a member of council, chosen by council. It shall be the duty of  
5 said board to register all persons employed by the said city,  
6 and to administer the collections and distribution of the fund,  
7 herein provided for, and make such reasonable rules in the  
8 premises as such board may deem necessary to carry into effect  
9 the provisions of this act.

10 Section 2. The act is amended by adding a section to read:

11 ~~Section 4.1. The board, may, at any time, at it's~~ <—  
12 ~~discretion,~~

13 SECTION 4.1. (A) THE BOARD MAY, SUBJECT TO THE APPROVAL <—  
14 REQUIRED UNDER SUBSECTION (B), increase the compensation of  
15 persons receiving compensation of any kind from the fund by  
16 reason of and after the termination of the services of any  
17 member of the fund. Such increases shall be in conformity with a  
18 uniform scale, which shall be based on the cost of living, but  
19 the total of any such allowance shall not at any time exceed  
20 one-half of the current salary being paid to nonuniformed  
21 employes of the highest pay grade. No cost-of-living increase  
22 shall be granted which would impair the actuarial soundness of  
23 the fund.

24 (B) THE BOARD MAY RECOMMEND THE INCREASE DESCRIBED IN <—  
25 SUBSECTION (A) TO THE CITY COUNCIL AT ANY TIME. THE COUNCIL MAY,  
26 BY ORDINANCE, APPROVE THIS INCREASE SUBJECT, HOWEVER, TO THE  
27 APPROVAL OF THE MAYOR.

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