

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2109 Session of
1995

INTRODUCED BY PISTELLA, WALKO, LUCYK, GIGLIOTTI, BELARDI,
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TRELLO, DeLUCA, ITKIN, L. I. COHEN, SERAFINI AND RAMOS,
OCTOBER 18, 1995

REFERRED TO COMMITTEE ON LOCAL GOVERNMENT, OCTOBER 18, 1995

AN ACT

1 Amending the act of December 14, 1988 (P.L.1192, No.147),
2 entitled "An act requiring municipal retirement systems to
3 pay special ad hoc postretirement adjustments to certain
4 retired police officers and firefighters; providing for the
5 financing of these adjustments; providing for the
6 administration of the Commonwealth's reimbursements for these
7 adjustments; and making repeals," extending the provisions of
8 the act to include survivors of police officers and
9 firefighters.

10 The General Assembly of the Commonwealth of Pennsylvania
11 hereby enacts as follows:

12 Section 1. Section 102 of the act of December 14, 1988
13 (P.L.1192, No.147), known as the Special Ad Hoc Municipal Police
14 and Firefighter Postretirement Adjustment Act, is amended by
15 adding a definition to read:

16 Section 102. Definitions.

17 The following words and phrases when used in this act shall
18 have the meanings given to them in this section unless the
19 context clearly indicates otherwise:

20 * * *

1 "Survivor." A person who is a widowed spouse of a police
2 officer or firefighter and who is receiving survivor benefits
3 from a public employee retirement system.

4 Section 2. Sections 301, 302 and 702 of the act are amended
5 to read:

6 Section 301. Entitlement to special ad hoc adjustment.

7 A municipal retirement system shall pay a retired police
8 officer or firefighter or the survivor of a deceased police
9 officer or firefighter a special ad hoc municipal police and
10 firefighter postretirement adjustment under this chapter if all
11 of the following apply:

12 (1) [The retiree has terminated active] Active
13 employment with the municipality as a police officer or
14 firefighter has terminated by reason of retirement or death.

15 (2) The retiree or survivor is receiving a retirement
16 annuity, retirement benefit, service pension, survivor
17 benefit or disability pension benefit from a municipal
18 retirement system on the basis of active employment with a
19 municipality as a police officer or firefighter.

20 (3) The retiree or survivor began receiving the
21 retirement annuity, retirement benefit, service pension,
22 survivor benefit or disability pension benefit before January
23 1, 1985.

24 Section 302. Amount of special ad hoc adjustment.

25 (a) General rule.--Except as provided in subsections [(b)
26 and] (c) and (d), a municipal retirement system shall pay a
27 retired police officer or firefighter or their survivors a
28 special ad hoc municipal police and firefighter postretirement
29 adjustment under section 301, as follows:

30 (1) The sum of \$25 a month, if on January 1, 1989, the

1 retiree has been retired at least five years but less than
2 ten years.

3 (2) The sum of \$50 a month, if on January 1, 1989, the
4 retiree is totally disabled and has been retired less than
5 ten years.

6 (3) The sum of \$75 a month, if on January 1, 1989, the
7 retiree has been retired at least ten years but less than 20
8 years.

9 (4) The sum of \$150 a month, if on January 1, 1989, the
10 retiree has been retired at least 20 years.

11 (b) Retirement date.--In the case of a special ad hoc
12 postretirement adjustment payable to a survivor, the benefit
13 amounts shall be based on the date upon which the survivor began
14 receiving survivor benefits of the retiree.

15 ~~[(b)]~~ (c) Limitation.--If, under section 301, a retiree or
16 survivor is entitled to be paid a special ad hoc municipal
17 police and firefighter postretirement adjustment by more than
18 one municipal retirement system, the amount of the special ad
19 hoc adjustment under subsection (a) shall be reduced so that the
20 total of all these adjustments paid to the retiree or survivor
21 does not exceed the amount specified in subsection (a).

22 ~~[(c)]~~ (d) Modification in amount of postretirement
23 adjustment.--If a retiree or survivor entitled to receive a
24 special ad hoc municipal police and firefighters postretirement
25 adjustment will receive a postretirement adjustment from the
26 applicable municipal police or paid firefighters pension plan
27 after the effective date of this act, the amount of the special
28 ad hoc postretirement adjustment under subsection (a) shall be
29 reduced by the total amount of any municipal postretirement
30 adjustment.

1 [(d)] (e) Construction.--Subsections [(b) and (c)] (c) and
2 (d) shall not be construed to reduce the amount of any
3 retirement annuity, retirement benefit, service pension [or],
4 disability pension benefit or survivor benefit payable to a
5 retiree or survivor immediately prior to the effective date of
6 this act.

7 Section 702. Deposits into special account.

8 Notwithstanding any applicable provision of the act of May
9 12, 1943 (P.L.259, No.120), referred to as the Foreign Casualty
10 Insurance Premium Tax Allocation Law, or any applicable
11 provisions of the act of March 4, 1971 (P.L.6, No.2), known as
12 the Tax Reform Code of 1971, or the provisions of sections
13 402(b) and 803(c) of the act of December 18, 1984 (P.L.1005,
14 No.205), known as the Municipal Pension Plan Funding Standard
15 and Recovery Act, beginning on January 1, 1990, prior to the
16 deposit of the proceeds of the insurance premium tax on foreign
17 casualty insurance premiums into the General Municipal Pension
18 System State Aid Program revenue account, an amount sufficient
19 to provide for the Commonwealth's reimbursement payments to
20 municipalities for special ad hoc adjustments [under this act]
21 provided to retirees under section 302 shall be deposited in the
22 separate account created under section 701.

23 Section 3. The act is amended by adding a section to read:

24 Section 703. Supplement from General Fund.

25 (a) Reimbursement amount.--An amount sufficient to reimburse
26 municipalities for special ad hoc adjustments provided to
27 survivors under section 302 in the first year shall be paid from
28 the General Fund.

29 (b) Supplemental amounts.--Should the amount required to
30 reimburse municipalities for special ad hoc adjustments to

1 retirees under section 302 decrease after the first year, an
2 amount equal to the decrease shall be deposited in the separate
3 account created under section 701 and shall be used to reimburse
4 municipalities for special ad hoc adjustments provided to
5 survivors under section 302. If the amount of this deposit is
6 not sufficient to reimburse municipalities for provision of
7 adjustments to survivors under section 302, the difference
8 between the amount of this deposit and the amount required shall
9 be paid from the General Fund.

10 Section 4. Sections 901(a) and 902(a) of the act are amended
11 to read:

12 Section 901. Municipal retirement system certification of
13 adjustments paid.

14 (a) Certification.--Beginning January 1, 1989, the chief
15 administrative officer of a municipal retirement system that
16 pays a special ad hoc adjustment [in that year] shall certify
17 the total of all adjustments paid during [that] each year to the
18 Auditor General not later than April 1 of the following year.
19 The adjustments paid to retirees and survivors under section 302
20 shall be certified separately.

21 * * *

22 Section 902. Commonwealth disbursement of reimbursement
23 payment.

24 (a) Payment to account.--Not later than June 1 of the year
25 in which the form is due, the Auditor General shall certify to
26 the State Treasurer the amount to be deposited into the special
27 account created in section 701 and the amount to be paid from
28 the General Fund and shall draw a warrant, payable to the
29 treasurer of the municipality, on the State Treasurer from the
30 special account created in section 701 for the amount certified

1 under section 901(a).

2 * * *

3 Section 5. The provisions of this act are severable. If any
4 provision of this act or its application to any person or
5 circumstance is held invalid, the invalidity shall not affect
6 other provisions or applications of this act which can be given
7 effect without the invalid provision or application.

8 Section 6. This act shall take effect immediately.