

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 186 Session of
1999

INTRODUCED BY O'BRIEN, BUXTON, READSHAW, LEDERER, BELFANTI,
WOGAN, STAIRS, LAUGHLIN, CURRY, STABACK, COY, WOJNAROSKI,
E. Z. TAYLOR, MICHLOVIC, COLAFELLA, TRELLO, CASORIO,
VAN HORNE, RAMOS, PESCI, GIGLIOTTI, KENNEY, J. TAYLOR,
C. WILLIAMS, McCALL, SOLOBAY, M. COHEN, McNAUGHTON, BARD,
SEYFERT, L. I. COHEN, FREEMAN, SAINATO, ORIE, PLATTS,
McGEEHAN, HARHAI, YOUNGBLOOD, DeLUCA, BUNT, PIPPY, BROWNE,
PETRARCA, JAMES, CIVERA AND BELARDI, JANUARY 27, 1999

REFERRED TO COMMITTEE ON LOCAL GOVERNMENT, JANUARY 27, 1999

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," further defining "special
8 ad hoc municipal police and firefighter postretirement
9 adjustment"; and further providing for special ad hoc
10 adjustments.

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

13 Section 1. The definition of "special ad hoc municipal
14 police and firefighter postretirement adjustment" in section 102
15 of the act of December 14, 1988 (P.L.1192, No.147), known as the
16 Special Ad Hoc Municipal Police and Firefighter Postretirement
17 Adjustment Act, is amended to read:

18 Section 102. Definitions.

19 The following words and phrases when used in this act shall

1 have the meanings given to them in this section unless the
2 context clearly indicates otherwise:

3 * * *

4 "Special ad hoc municipal police and firefighter
5 postretirement adjustment." An increase in or change in the
6 amount of a retirement annuity, retirement benefit, service
7 pension or disability pension benefit granted or effective after
8 active employment ceases[, as provided for on a one-time basis
9 under this statute].

10 Section 2. Section 301 of the act is amended to read:

11 Section 301. Entitlement to special ad hoc [adjustment]
12 adjustments.

13 A municipal retirement system shall pay a retired police
14 officer or firefighter [a] special ad hoc municipal police and
15 firefighter postretirement [adjustment] adjustments under this
16 chapter if all of the following apply:

17 (1) The retiree has terminated active employment with
18 the municipality as a police officer or firefighter.

19 (2) The retiree is receiving a retirement annuity,
20 retirement benefit, service pension or disability pension
21 benefit from a municipal retirement system on the basis of
22 active employment with a municipality as a police officer or
23 firefighter.

24 (3) [The] (i) With respect to eligibility for the first
25 special ad hoc adjustment under section 302, the retiree
26 began receiving the retirement annuity, retirement
27 benefit, service pension or disability pension benefit
28 before January 1, 1985.

29 (ii) With respect to eligibility for the second
30 special ad hoc adjustment under section 302.1, the

retiree began receiving the retirement annuity,
retirement benefit, service pension or disability pension
benefit before January 1, 1994.

Section 3. The heading of section 302 of the act is amended
to read:

Section 302. Amount of first special ad hoc adjustment.

* * *

Section 4. The act is amended by adding a section to read:

Section 302.1. Amount of second special ad hoc adjustment.

(a) General rule.--Except as provided in subsections (b) and
(c), a municipal retirement system shall pay a retired police
officer or firefighter a special ad hoc municipal police and
firefighter postretirement adjustment under section 301, as
follows:

(1) The sum of \$25 a month, if on January 1, 1998, the
retiree has been retired at least five years but less than
ten years.

(2) The sum of \$50 a month, if on January 1, 1998, the
retiree is totally disabled and has been retired less than
ten years.

(3) The sum of \$75 a month, if on January 1, 1998, the
retiree has been retired at least ten years but less than 20
years.

(4) The sum of \$150 a month, if on January 1, 1998, the
retiree has been retired at least 20 years.

(b) Limitation.--If, under section 301, a retiree is
entitled to be paid a special ad hoc municipal police and
firefighter postretirement adjustment by more than one municipal
retirement system, the amount of the special ad hoc adjustment
under subsection (a) shall be reduced so that the total of all

1 these adjustments paid to the retiree does not exceed the amount
2 specified in subsection (a).

3 (c) Modification in amount of postretirement adjustment.--In
4 a municipality where, as of the most recent actuarial valuation
5 prepared under the act of December 18, 1984 (P.L.1005, No.205),
6 known as the Municipal Pension Plan Funding Standard and
7 Recovery Act, the actuarial value of aggregated assets as a
8 percentage of the aggregated actuarial accrued liabilities of
9 the municipality's retirement systems is less than 50%, if a
10 retiree entitled to receive a special ad hoc municipal police
11 and firefighters postretirement adjustment receives a
12 postretirement adjustment from the applicable municipal police
13 or paid firefighters retirement system after the effective date
14 of this section, the amount of the special ad hoc postretirement
15 adjustment under subsection (a) shall be reduced by the total
16 amount of any municipal postretirement adjustment.

17 (d) Construction.--Nothing in subsections (b) and (c) shall
18 be construed to reduce the amount of any retirement annuity,
19 retirement benefit, service pension or disability pension
20 benefit payable to a retiree immediately prior to the effective
21 date of this section.

22 Section 5. Section 303 of the act is amended to read:

23 Section 303. Payment of special ad hoc [adjustment]
24 adjustments.

25 [The special ad hoc adjustment is] Special ad hoc adjustments
26 shall be effective on the date of the first payment of the
27 retiree's retirement annuity, retirement benefit, service
28 pension or disability pension benefit due after December 31,
29 1988[.], with respect to the first special ad hoc adjustment and
30 after December 31, 1997, with respect to the second special ad

1 hoc adjustment. The municipal retirement system shall pay this
2 as soon as practicable after that and shall include in the first
3 payment any omitted amount payable between the effective date of
4 the adjustment and the date of the first payment.

5 Section 6. The amendment or addition of sections 102, 301,
6 302, 302.1 and 303 of the act shall be retroactive to January 1,
7 1998.

8 Section 7. This act shall take effect immediately.