

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2187 Session of
2008

INTRODUCED BY BENNINGHOFF, RAPP, BELFANTI, BOYD, BUXTON,
CAPPELLI, CARROLL, CAUSER, CLYMER, DENLINGER, GEORGE,
GINGRICH, GRUCELA, HALUSKA, HANNA, HARHAI, HARKINS, HELM,
HENNESSEY, HERSHEY, HESS, HORNAMAN, HUTCHINSON, KAUFFMAN,
M. KELLER, LEACH, LONGIETTI, MAHONEY, MAJOR, MANDERINO,
MARKOSEK, MARSHALL, McILHATTAN, MILNE, MURT, MUSTIO, O'NEILL,
PALLONE, PAYNE, PETRONE, PICKETT, READSHAW, REED, REICHLLEY,
ROCK, SIPTROTH, K. SMITH, SOLOBAY, STERN, R. STEVENSON,
SURRA, SWANGER, J. TAYLOR, THOMAS, J. WHITE, WOJNAROSKI,
YOUNGBLOOD AND KULA, JANUARY 23, 2008

REFERRED TO COMMITTEE ON FINANCE, JANUARY 23, 2008

AN ACT

1 Amending Titles 24 (Education) and 71 (State Government) of the
2 Pennsylvania Consolidated Statutes, providing for
3 supplemental annuities commencing 2008.

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

6 Section 1. Title 24 of the Pennsylvania Consolidated
7 Statutes is amended by adding a section to read:

8 § 8348.8. Supplemental annuities commencing 2008.

9 (a) Benefits.--Commencing with the first monthly annuity
10 payment after July 1, 2008, and annually thereafter, any
11 eligible benefit recipient shall be entitled to receive further
12 additional monthly supplemental annuities from the system. These
13 shall be in addition to the supplemental annuities provided for
14 in sections 8348 (relating to supplemental annuities), 8348.1

1 (relating to additional supplemental annuities), 8348.2
2 (relating to further additional supplemental annuities), 8348.3
3 (relating to supplemental annuities commencing 1994), 8348.5
4 (relating to supplemental annuities commencing 1998), 8348.6
5 (relating to supplemental annuities commencing 2002) and 8348.7
6 (relating to supplemental annuities commencing 2003).

7 (b) Amounts of supplemental annuities.--Beginning July 1,
8 2008, and annually thereafter, the amounts of the supplemental
9 annuities payable pursuant to this section shall be calculated
10 by applying one-half the percentage change in the Consumer Price
11 Index for All Urban Consumers (CPI-U) for the Pennsylvania, New
12 Jersey, Delaware and Maryland area, for the most recent 12-month
13 period for which figures have been officially reported by the
14 United States Department of Labor, Bureau of Labor Statistics,
15 immediately prior to the date the adjustment is due to take
16 effect, to the then-current annuity amount.

17 (c) Payment.--The additional monthly supplemental annuities
18 provided under this section shall be paid automatically unless
19 the intended recipient files a written notice with the system
20 requesting that the additional monthly supplemental annuities
21 not be paid.

22 (d) Conditions.--The additional supplemental annuities
23 provided under this section shall be payable under the same
24 terms and conditions as provided under the option plan in effect
25 July 1, 2008.

26 (e) Benefits paid to beneficiaries or survivors.--No
27 supplemental annuity effective after the death of the member
28 shall be payable to the beneficiary or survivor annuitant of the
29 deceased member.

30 (f) Funding.--The additional liability for the increase in

1 benefits provided by this section shall be funded in equal
2 dollar annual installments over a period of 20 years beginning
3 July 1, 2009.

4 (g) Definition.--As used in this section, the term "eligible
5 benefit recipient" means a person who is receiving a
6 superannuation, withdrawal or disability annuity and who
7 commenced receipt of that annuity on or prior to July 1, 2008.

8 Section 2. Title 71 is amended by adding a section to read:
9 § 5708.9. Supplemental annuities commencing 2008.

10 (a) Benefits.--Commencing with the first monthly annuity
11 payment after July 1, 2008, and annually thereafter, any
12 eligible benefit recipient shall be entitled to receive further
13 additional monthly supplemental annuities from the system. These
14 shall be in addition to the supplemental annuities provided for
15 in sections 5708 (relating to supplemental annuities), 5708.1
16 (relating to additional supplemental annuities), 5708.2
17 (relating to further additional supplemental annuities), 5708.3
18 (relating to supplemental annuities commencing 1994), 5708.5
19 (relating to supplemental annuities commencing 1998), 5708.6
20 (relating to supplemental annuities commencing 2002), and 5708.7
21 (relating to supplemental annuities commencing 2003).

22 (b) Amounts of supplemental annuities.--Beginning July 1,
23 2008, and annually thereafter, the amounts of the supplemental
24 annuities payable pursuant to this section shall be calculated
25 by applying one-half the percentage change in the Consumer Price
26 Index for All Urban Consumers (CPI-U) for the Pennsylvania, New
27 Jersey, Delaware and Maryland area, for the most recent 12-month
28 period for which figures have been officially reported by the
29 United States Department of Labor, Bureau of Labor Statistics,
30 immediately prior to the date the adjustment is due to take

1 effect, to the then-current annuity amount.

2 (c) Payment.--The additional monthly supplemental annuities
3 provided under this section shall be paid automatically unless
4 the intended recipient files a written notice with the system
5 requesting that the additional monthly supplemental annuities
6 not be paid.

7 (d) Conditions.--The additional supplemental annuities
8 provided under this section shall be payable under the same
9 terms and conditions as provided under the option plan in effect
10 July 1, 2008.

11 (e) Benefits paid to beneficiaries or survivors.--No
12 supplemental annuity effective after the death of the member
13 shall be payable to the beneficiary or survivor annuitant of the
14 deceased member.

15 (f) Funding.--The additional liability for the increase in
16 benefits provided by this section shall be funded in equal
17 dollar annual installments over a period of 20 years beginning
18 July 1, 2009.

19 (g) Definition.--As used in this section, the term "eligible
20 benefit recipient" means a person who is receiving a
21 superannuation, withdrawal or disability annuity and who
22 commenced receipt of that annuity on or prior to July 1, 2008.

23 Section 3. This act shall take effect immediately.