

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2584 Session of
2008

INTRODUCED BY FREEMAN, ADOLPH, BELFANTI, BRENNAN, CALTAGIRONE,
CASORIO, FABRIZIO, GEIST, GEORGE, HARHAI, HENNESSEY,
HORNAMAN, JAMES, KULA, LEACH, LENTZ, MANN, McILHATTAN,
McILVAINE SMITH, MILNE, MUNDY, MURT, NAILOR, M. O'BRIEN,
O'NEILL, PALLONE, PASHINSKI, PETRARCA, PETRONE, QUINN,
RAYMOND, READSHAW, SCAVELLO, SHIMKUS, SIPTROTH, K. SMITH,
SOLOBAY, WOJNAROSKI AND YOUNGBLOOD, JUNE 4, 2008

REFERRED TO COMMITTEE ON FINANCE, JUNE 4, 2008

AN ACT

1 Amending the act of May 29, 1956 (1955 P.L.1804, No.600),
2 entitled, as amended, "An act providing for the establishment
3 of police pension funds or pension annuities in certain
4 boroughs, towns and townships; authorizing the establishment
5 of police pension funds or pension annuities by regional
6 police departments; providing for the regulation and
7 maintenance of police pension funds or pension annuities;
8 providing for an actuary; continuance of existing funds or
9 transfer thereof to funds herein established; prescribing
10 rights of beneficiaries; contributions by members; providing
11 for expenses of administration; continuation of existing
12 authority to provide annuity contracts; credit for military
13 service; refunds; exempting allowances from judicial process;
14 and repealing certain acts," further providing for payment.

15 The General Assembly of the Commonwealth of Pennsylvania
16 hereby enacts as follows:

17 Section 1. The act of May 29, 1956 (1955 P.L.1804, No.600),
18 referred to as the Municipal Police Pension Law, is amended by
19 adding a section to read:

20 Section 3.1. (a) Each ordinance or resolution establishing
21 a police pension fund may provide a payment to those retired

1 police officers who made contributions to the fund, provided
2 that the borough, town or township actuary certifies that the
3 borough, town, township or regional police pension fund is
4 overfunded such that the borough, town, township or regional
5 plan's actuarial value of assets have exceeded the
6 municipality's actuarial accrued liability by one hundred per
7 centum, in which case the borough, town or township may, upon
8 resolution or ordinance of the governing body, authorize an
9 additional cost of living increase which shall not exceed the
10 percentage increase in the consumer price index from the year in
11 which the police member last worked and, in addition to the
12 other restrictions set forth herein, shall not cause the total
13 cost of living increase to exceed sixty per centum.

14 (b) In addition to the requirements of subsection (a),
15 payment to eligible police retirees shall be authorized by a
16 municipality only if, after payment of the proposed payment for
17 that particular year, the fund shall remain overfunded by one
18 hundred per centum above the fund's actuarial accrued liability.
19 The actuary shall certify that any proposed payment will not
20 reduce the pension fund's assets to less than one hundred per
21 centum above the actuarial accrued liability.

22 Section 2. This act shall take effect in 60 days.