

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 770 Session of 2011

INTRODUCED BY STACK, FONTANA, SOLOBAY, ERICKSON, RAFFERTY,
LEACH, KASUNIC AND FARNESE, MARCH 7, 2011

REFERRED TO FINANCE, MARCH 7, 2011

AN ACT

1 Amending Titles 24 (Education) and 71 (State Government) of the
2 Pennsylvania Consolidated Statutes, providing for
3 supplemental annuities commencing 2012.

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 2012.

9 (a) Benefits.--Commencing with the first monthly annuity
10 payment after July 1, 2012, 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
15 (relating to additional supplemental annuities), 8348.2
16 (relating to further additional supplemental annuities), 8348.3
17 (relating to supplemental annuities commencing 1994), 8348.4
18 (relating to special supplemental postretirement adjustment),

8348.5 (relating to supplemental annuities commencing 1998),
8348.6 (relating to supplemental annuities commencing 2002) and
8348.7 (relating to supplemental annuities commencing 2003).

(b) Amounts of supplemental annuities.--Beginning July 1,
2012, and annually thereafter, the amounts of the supplemental
annuities payable under this section shall be calculated by
applying the percentage change in the Consumer Price Index for
All Urban Consumers (CPI-U) for the Pennsylvania, New Jersey,
Delaware and Maryland area, for the most recent 12-month period
for which figures have been officially reported by the United
States Department of Labor, Bureau of Labor Statistics,
immediately prior to the date the adjustment is due to take
effect, to the then-current annuity amount.

(c) Payment.--The supplemental annuity provided under this
section shall be paid automatically unless the annuitant files a
written notice with the board requesting that the additional
monthly supplemental annuity not be paid.

(d) Conditions.--The supplemental annuity provided for under
this section shall be payable under the same terms and
conditions as provided under the option plan in effect as of
July 1, 2012.

(e) Benefits to beneficiaries or survivors.--No supplemental
annuity provided under this section shall be payable to the
beneficiary or survivor annuitant of a member who dies before
July 1, 2012.

(f) Funding.--The additional liability for the increase in
benefits provided by this section shall be funded in equal
dollar annual installments over a period of ten years beginning
July 1, 2013.

(g) Definition.--As used in this section, the term "eligible

benefit recipient" means a person who is receiving a
superannuation, withdrawal or disability annuity on July 2,
2012.

Section 2. Title 71 is amended by adding a section to read:
§ 5708.9. Supplemental annuities commencing 2012.

(a) Benefits.--Commencing with the first monthly annuity
payment after July 1, 2012, and annually thereafter, any
eligible benefit recipient shall be entitled to receive a
supplemental monthly annuity from the system. This shall be in
addition to the supplemental annuities provided for in sections
5708 (relating to supplemental annuities), 5708.1 (relating to
additional supplemental annuities), 5708.2 (relating to further
additional supplemental annuities), 5708.3 (relating to
supplemental annuities commencing 1994), 5708.5 (relating to
supplemental annuities commencing 1998), 5708.6 (relating to
supplemental annuities commencing 2002), 5708.7 (relating to
supplemental annuities commencing 2003) and the special
supplemental postretirement adjustment provided for in sections
5708.4 (relating to special supplemental postretirement
adjustment) and 5708.8 (relating to special supplemental
postretirement adjustment of 2002).

(b) Amounts of supplemental annuities.--Beginning July 1,
2012, and annually thereafter, the amounts of the supplemental
annuities payable under this section shall be calculated by
applying the percentage change in the Consumer Price Index for
All Urban Consumers (CPI-U) for the Pennsylvania, New Jersey,
Delaware and Maryland area, for the most recent 12-month period
for which figures have been officially reported by the United
States Department of Labor, Bureau of Labor Statistics,
immediately prior to the date the adjustment is due to take

1 effect, to the then-current annuity amount.

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

6 (d) Conditions.--The supplemental annuity provided for under
7 this section shall be payable under the same terms and
8 conditions as provided under the option plan in effect as of
9 July 1, 2012.

10 (e) Benefits to beneficiaries or survivors.--No supplemental
11 annuity provided for under this section shall be payable to the
12 beneficiary or survivor annuitant of a member who dies before
13 July 1, 2012.

14 (f) Funding.--The additional liability for the increase in
15 benefits provided by this section shall be funded in equal
16 dollar annual installments over a period of ten years beginning
17 July 1, 2013.

18 (g) Definition.--As used in this section, the term "eligible
19 benefit recipient" means a person who is receiving a
20 superannuation, withdrawal or disability annuity on July 2,
21 2012.

22 Section 3. This act shall take effect immediately.