

## No. 40

## AN ACT

## HB 138

Amending the act of May 29, 1956 (P.L.1804, No.600), entitled "An act providing for the establishment of police pension funds or pension annuities in certain boroughs, towns and townships, and the regulation and maintenance thereof; providing for an actuary; continuance of existing funds or transfer thereof to funds herein established; prescribing rights of beneficiaries; contributions by members; providing for expenses of administration; continuation of existing authority to provide annuity contracts; credit for military service; refunds; exempting allowances from judicial process; and repealing certain acts," authorizing length of service increments in addition to other monthly pension or retirement allowances and further providing for the calculation thereof.

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

Section 1. Section 5, act of May 29, 1956 (P.L.1804, No.600), entitled "An act providing for the establishment of police pension funds or pension annuities in certain boroughs, towns and townships, and the regulation and maintenance thereof; providing for an actuary; continuance of existing funds or transfer thereof to funds herein established; prescribing rights of beneficiaries; contributions by members; providing for expenses of administration; continuation of existing authority to provide annuity contracts; credit for military service; refunds; exempting allowances from judicial process; and repealing certain acts," amended June 15, 1972 (No.118), is amended to read:

Section 5. Payments made under the provisions of this act shall not be a charge on any other fund in the treasury of any borough, town or township, or under its control, save the police pension fund herein provided for. The basis for determining any pension payable under this act, following retirement of any member of the force meeting the service and age qualifications of the ordinance or resolution establishing a police pension fund, shall be as follows:

Monthly pension or retirement benefits [~~shall be~~] *other than length of service increments shall be computed at no more than* one-half the monthly average salary of such member during *not more than* the last sixty *nor less than the last thirty-six* months of employment. Such pension or retirement benefits for any month shall be computed as the sum of (i) any pension benefits from pension plans heretofore established by a private organization or association for the members of the police force but only to the extent that this Commonwealth or any of its municipalities shall have contributed to such pension plan moneys raised by taxation, (ii) up to seventy-five per centum of the primary benefits under Federal social security laws for which the officer may be eligible because of age, and (iii) benefits from the police pension fund established pursuant to this act to the extent necessary to bring the total benefits in

any month up to one-half the aforesaid monthly average salary. If this Commonwealth or one of its municipalities shall have contributed moneys raised by taxation to a pension plan established by a private organization or association for the members of the police force, the pension benefits to be taken into account under clause (i) of this paragraph shall be that proportion of the total pension benefits payable under clause (i) as the assets attributable to contributions of moneys raised by taxation bear to the total assets of the pension plan. In the case of the payment of pensions for permanent injuries incurred in service and to families of members killed in service, the amount and commencement of the payments shall be fixed by regulations of the governing body of the borough, town or township. *Any borough, town or township may establish and pay length of service increments for years of service beyond twenty-five years for each completed year of service in excess of twenty-five years, not to exceed one hundred dollars (\$100). Such length of service increments may be paid in addition to other monthly pension or retirement allowances.*

APPROVED—The 5th day of July, A. D. 1973.

MILTON J. SHAPP

The foregoing is a true and correct copy of Act of the General Assembly No. 40.

A handwritten signature in black ink, reading "C. McLaughlin Tucker". The signature is written in a cursive, flowing style.

*Secretary of the Commonwealth.*