# No. 171

### AN ACT

Amending the act of May 28, 1937 (P. L. 1019), entitled "An act relating to statutory laws; prescribing an enacting clause for statutes; fixing the effective date and time of statutes hereafter enacted; providing for notice of application for local and special legislation, for the correction of errors in statutes, and for the printing and publication of statutes; prescribing rules for the interpretation of statutes; defining certain words and phrases when used in statutes; and prescribing rules for the construction and operation of amendments, re-enactments and repeals of statutes," changing the definition of "physician."

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

Section 1. Clause (87) of section 101, act of May 28, 1937 (P. L. 1019), known as the "Statutory Construction Act," amended April 6, 1951 (P. L. 66), is amended to read:

Section 101. Definitions.—The following words and phrases, when used in any law hereafter enacted, unless the context clearly indicates otherwise, shall have the meanings ascribed to them in this section:

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(87) "Physician," an individual licensed under the laws of this Commonwealth to engage in the practice of medicine and surgery [in any or] in all of its branches within the scope of the act, approved the third day of June, one thousand nine hundred eleven (Pamphlet Laws 639) and its amendments, or in the practice of osteopathy or osteopathic surgery within the scope of the act, approved the nineteenth day of March, one thousand nine hundred nine (Pamphlet Laws 46) and its amendments.

Section 2. This act shall take effect immediately.

APPROVED-The 14th day of June, A. D. 1957.

GEORGE M. LEADER

# No. 172

# AN ACT

Amending the act of May 23, 1945 (P. L. 903), entitled "An act authorizing cities of the third class to establish an optional retirement system for officers and employes independently of any pension system or systems existing in such cities," giving certain employes the right to elect social security coverage and clarifying certain allowances and benefits when employes are placed under social security.

Statutory Construction Act.

Clause (87), section 101, act of May 28, 1937, P. L. 1019, amended April 6, 1951, P. L. 66, further amended.

Act effective immediately. Third class city retirement system.

Section 1, act of May 23, 1945, P. L. 903, amended by adding two new paragraphs. The General Assembly of the Commonwealth of Pennsylvania hereby enacts as follows:

Section 1. Section 1 of the act of May 23, 1945 (P. L. 903), entitled "An act authorizing cities of the third class to establish an optional retirement system for officers and employes independently of any pension system or systems existing in such cities," is amended by adding, at the end thereof, two new paragraphs to read:

Section 1. \* \* \*

\* \* \* \* \*

"Joint Coverage Member." "Joint Coverage Member" of the retirement system shall mean a city employe who shall have become a member of the retirement system subsequent to the last date permitted by such city for statement of preference concerning social security coverage, or who, having become a member on or before such date, shall have filed with the Retirement Board a written statement that he or she elects Social Security coverage under an agreement with the Federal Secretary of Health, Education and Welfare entered into by the Commonwealth.

"Single Coverage Member." "Single Coverage Member" of the retirement system shall mean a city employe who shall have become a member of the retirement system on or before the last date permitted by such city for statement of preference concerning social security coverage, and who either shall have filed with the Retirement Board a written statement that he or she does not elect social security coverage under any agreement with the Federal Secretary of Health, Education and Welfare entered into by the Commonwealth, or shall not have filed with the Retirement Board any written statement.

Section 2. Section 4 of the act, amended September 29, 1951 (P. L. 1614), and June 1, 1956 (P. L. 1971), is amended to read:

Section 4. (a) That every person now or hereafter elected or appointed to an office of, or employed by, any city which has created such retirement system and such board, as hereinafter provided, of the age of sixty (60) years and upwards who shall have so served as an officer or employe for a period of twenty (20) years, or more. shall, upon application to the board, be retired from service, and shall during the remainder of his life receive the compensation fixed by this act, subject to such qualifications as are hereinafter contained.

If any person shall have served twenty (20) years and voluntarily retires he shall, by continuing his contributions until the age of fifty-five (55), be entitled to the above compensation.

During the lifetime of any such person he shall be entitled to receive as compensation annually from the fund

Section 4 of the act, amended September 29, 1951, P. L. 1614, and June 1, 1956, P. L. 1971, further amended.

Retirement.

Voluntary retirement after 20 years.

Compensation received.

set aside for the purpose, fifty (50) per centum of the amount which would constitute the average salary or wages which he earned during the last five (5) years of his service for the city. Said compensation to be paid in semi-monthly payments.

[Where a city has entered into an agreement with the Commonwealth to place its employes under the Federal Social Security Act, the pension to be paid according to the provisions of this section payable after the age and upon the portion of annual compensation on which social security benefits are payable, shall be reduced by an amount equal to forty (40) per centum of the primary insurance amount of social security paid or payable to the member, such reduction shall be subject to the following provisions:

(1) Upon attainment of the age at which social security benefits are payable by a beneficiary receiving a retirement allowance for superannuation, or upon retirement of a contributor after attaining that age, his eligibility to the old age insurance benefit and the primary insurance amount of social security upon which the reduction in the retirement allowance shall be based, shall be computed by the board in the manner specified in the Federal Social Security Act, except that in determining such amount only wages or compensation for services performed in the employ of the city shall be included.

(2) Whenever the amount of the reduction from the retirement allowance shall have been once determined, it shall remain fixed for the duration of the allowance, except that any decrease in the primary insurance amount under the Social Security Act shall result in a corresponding decrease in the amount of the reduction from the allowance.

(3) The total sum, including social security benefits, to be received upon retirement by an employe who is a member of the system at the time of the agreement, shall not be less than the allowance that would be paid by the retirement system in the absence of the agreement.]

(b) Where an officer or employe shall have served for twelve (12) years, or more, and shall have attained the age of sixty (60) years and his tenure of office or employment shall be terminated without his voluntary action before the expiration of twenty (20) years of service, he shall, in such event, during the remainder of his life, be entitled to receive such portion of the full compensation as the period of his service up to date of its termination bears to the full twenty-year period of service where an officer or employe shall have served for twelve (12) years, or more, and shall not have attained the age of sixty (60) years, and his tenure of office or employment shall be terminated without his voluntary

Involuntary retirement.

action before the expiration of twenty (20) years of service, he shall, in such event, during the remainder of his life, after attaining the age of sixty (60) years, be entitled to receive such portion of the full compensation as the period of his service up to date of its termination bears to the full twenty-year period of service; where an officer or employe who has served for twenty (20) years, or more, and his tenure of office or employment shall be terminated without his voluntary action, then he shall be entitled to full compensation for the remainder of his life, after attaining age fifty-five, and conditioned upon his continuing his contributions into the fund at the same rate as when he was dismissed until he attains age fifty-five.

Should an officer or employe, however, become so permanently disabled as to render him unable to perform the duties of his position or office after fifteen (15) years of service, and before attaining the age of fifty-five (55) years, he shall be entitled to full compensation during such disability. Proof of such disability shall consist of the sworn statement of three (3) practicing physicians, designated by the board, that the employe is in a condition of health which would permanently disable him from performing the duties of his position or office. Such person shall thereafter be subject to physical examination at any reasonable time or times, upon order of the board, and upon his refusal to submit to any such examination, his compensation shall cease.

(c) Where a city has entered into an agreement with the Commonwealth to place certain employes under the Federal Social Security Act, the compensation to be paid joint coverage members according to the provisions of subsections (a) and (b) of this section payable after the age and upon that portion of annual compensation on which social security benefits are payable, shall be reduced by an amount equal to forty (40) per centum of the primary insurance amount of social security paid or payable to the member. Such reduction shall be subject to the following provisions:

(i) Upon attainment of the age at which social security benefits are payable by a beneficiary receiving compensation according to provisions of subsections (a) and (b) of this section or upon retirement of a contributor after attaining that age, his eligibility to the old age insurance benefit and the primary insurance amount of social security, upon which the reduction in the compensation shall be based, shall be computed by the board in the manner specified in the Federal Social Security Act, except that in determining such eligibility and such amount only wages or compensation for services performed in the employ of the city shall be included.

Disability before 55 years of age, after 15 years of service.

Proof of disability.

Physical examination.

Applicable provisions where employes are covered by Federal Social Security. (ii) The reduction shall not apply to compensation for total and permanent disability payable under subsection (b) of this section.

(iii) Whenever the amount of the reduction from the compensation shall have been once determined, it shall remain fixed for the duration of the compensation, except that any decrease in the primary insurance amount under the Social Security Act shall result in a corresponding decrease in the amount of the reduction from the compensation.

(iv) The total sum, including social security benefits, to be received upon retirement by an employe who is a member of the system at the time of the agreement, shall not be less than the compensation that would be paid by the retirement system in the absence of the agreement.

APPROVED—The 14th day of June, A. D. 1957.

GEORGE M. LEADER

### No. 173

# AN ACT

Amending the act of June 23, 1931 (P. L. 932), entitled "An act relating to cities of the third class; and amending, revising, and consolidating the law relating thereto," giving certain employes the right to elect social security coverages; clarifying certain allowances and benefits when employes are placed under social security, and substituting "pension" for "retirement allowance."

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

Section 1. Section 4343, act of June 23, 1931 (P. L. 932), known as "The Third Class City Code," reenacted, revised and amended June 28, 1951 (P. L. 662), amended June 1, 1956 (P. L. 1966), is amended to read:

Section 4343. Retirement Allowance: Proof of Disability; Joint and Single Coverage Members Defined.-During the lifetime of any person in the employment of any city creating such pension fund and pension board as hereinbefore provided, he or she shall be entitled to receive as a pension annually, from the fund set aside for the purpose, fifty per centum of the amount which would constitute the average annual salary or wages which he or she received during the last five years of his or her employment by the said city, said pension to be paid in semi-monthly payments. Should any persons so employed, after twenty years of service, be dismissed. voluntarily retired, or be in any manner deprived of his or her position or employment, before attaining the age of sixty years, upon continuing a monthly payment

The Third Class City Code.

Section 4343, act of June 23, 1931, P. L. 932, reenacted, revised and amended June 28, 1951, P. L. 662, amended June 1, 1958, P. L. 1966, further amended.