



City of Philadelphia

City Council
Chief Clerk's Office
402 City Hall
Philadelphia, PA 19107

BILL NO. 110003

Introduced January 27, 2011

Councilmembers DiCicco, Kenney and Rizzo

**Referred to the
Committee of the Whole**

AN ORDINANCE

Amending Section 22-310 of The Philadelphia Code, entitled “Deferred Retirement Option Plan (DROP),” by permitting employees who enroll in DROP to withdraw from DROP if they have not yet separated from active service with the City, under certain terms and conditions.

THE COUNCIL OF THE CITY OF PHILADELPHIA HEREBY ORDAINS:

SECTION 1. Section 22-310 of The Philadelphia Code is hereby amended to read as follows:

§22-310. Deferred Retirement Option Plan (DROP).

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(5) Benefit Requirements and Calculation.

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(g) Re-hire. [There] *Except as provided in subsection (6), there is no return to regular employment from a DROP. Once entering the DROP, the employee is in the DROP until separation from City service (except as provided in subsection (6)), at which point the member is retired. A retiree may be re-hired by the City, subject to the*

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provisions of this Title (see Section 22-204), but no former DROP participant who is rehired by the City may be eligible to again participate in the DROP. A rehired retiree who had not been a former DROP participant may be eligible to enter the DROP if the employee otherwise meets the eligibility requirements of subsection 22-310(4). In such a case, the retirement benefit for purposes of credits to the DROP account shall be determined by reference to Section 22-204 of this Title.

(6) *Withdrawal from DROP.*

(a) *A DROP participant who has not yet separated from active service may withdraw from DROP and return to regular service by executing a “DROP withdrawal agreement” in such form as the Board requires, under the following terms and conditions:*

(i) *An employee who withdraws from DROP shall not be entitled to any amount, including interest, that has been credited to such employee’s DROP account.*

(ii) *The pension rights, benefits and obligations of an employee who withdraws from DROP shall be determined as if the employee had never enrolled in DROP.*

(iii) *An employee who withdraws from DROP must pay to the Board an amount calculated as if the employee were purchasing the amount of time the employee participated in DROP under the provisions of §22-803, including interest calculated under §22-807. The employee may choose to pay such amount under the installment payment provisions of §22-806.*

[(6)] (7) Regulations. The Board shall, by regulation, provide for additional details of implementation and interpretation of this Section.

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SECTION 2. This Ordinance shall take effect immediately.

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