



# City of Philadelphia

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

**BILL NO. 190132  
(As Amended, 4/8/19)**

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**Introduced February 28, 2019**

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**Councilmember Jones**

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**Referred to the  
Committee on Labor and Civil Service**

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**AN ORDINANCE**

Amending Title 22 of The Philadelphia Code, entitled “Public Employees Retirement Code,” by amending various provisions to provide for purchase of service by certain classes of employees, under certain terms and conditions.

*THE COUNCIL OF THE CITY OF PHILADELPHIA HEREBY ORDAINS:*

SECTION 1. Title 22 of The Philadelphia Code, entitled “Public Employees Retirement Code,” is hereby amended as follows:

TITLE 22. PUBLIC EMPLOYEES RETIREMENT CODE

CHAPTER 22-100. GENERAL PROVISIONS

\* \* \*

§22-105. Definitions.

\* \* \*

(9) Compensation

\* \* \*

(10) Credited service. Any period of service as an employee for which regular member contributions are made, or, with respect to members of Plan 16, would have been made had the member’s compensation not exceeded the Stacked Hybrid Cap, and any other period of service for which credit is purchased in accordance with the provisions of § 22-801 (Leaves of

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Absence Without Pay), § 22-803 (Purchase of Prior City Service), [or] § 22-802 (Purchase of Governmental Service), [or] § 22-809 (Pension Credit for Former F.P.T.F. Employees), or § 22-810 (Pension Credit for Former PIDC Employees), subject to such limitations and restrictions as are set forth in Chapter 22-800 (Purchase of Credited Service).

\* \* \*

## CHAPTER 22-300. RETIREMENT BENEFITS

§ 22-305. Maximum Benefit Limitations.

(2) Adjustment of Limitations.

(h) Pursuant to Section 415(n)(2)(A) of the Tax Code, any Service credit purchased in accordance with Sections 22-802, 22-803, 22-804, 22-805, [or] 22-809, or 22-810 shall not be taken into account in computing the limitation described in Section 22-305(1).

## CHAPTER 22-800. PURCHASE OF CREDITED SERVICE

\* \* \*

§22-808. Transfer Payments.

\* \* \*

(5) Limitation on use of transfer payments. Transfer payments shall be used exclusively for the purpose of purchasing credited service as provided in Section 22-201 (membership in certain plans); Section 22-204 (regarding disabled members); Section 22-802 (purchase of governmental service); Section 22-803 (purchase of prior City Service); and Section 22-809 (Pension Credit for Former F.P.T.F. Employees)[.]; and 22-810 (Pension Credit for Former PIDC Employees).

\* \* \*

§22-810. Pension Credit for Former PIDC Employees.

(1) For purposes of this Section, a PIDC Employee shall mean any person who was employed by the Philadelphia Industrial Development Corporation on June 30, 2018; who commenced City employment and became a member of Plan Y, Plan 10, or Plan 16 between July 1, 2018, and June 30, 2019; and is a member of Plan Y, Plan 10, or Plan 16 on the date a request is made to purchase credited service as a PIDC Employee in accordance with Section 22-810(2).

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(2) A PIDC Employee shall be entitled, at such employee's individual option, but no later than June 30, 2020, to purchase credited service under the Retirement System for the period of such employee's employment by PIDC subsequent to December 31, 2014. In order to purchase such credited service, the PIDC Employee shall make payment to the Retirement System of a sum which is the product of: (a) the normal cost rate (employer plus employee) for the employee's Plan in effect on the date of purchase, multiplied by (b) the number of years of employment at PIDC after December 31, 2014, multiplied by (c) the PIDC Employee's rate of compensation (annualized) as of commencement of City employment. The PIDC Employee shall not pay interest on the amount calculated pursuant to the immediately preceding sentence if credited service is purchased within one (1) year of the date of commencement of City employment. A PIDC Employee who fails to purchase credited service within one (1) year of such date shall be personally responsible for the payment of interest accrued following one (1) year after such date. Such interest shall be paid in accordance with the interest rate provided for in Section 22-807.

(3) Any payments that may be due from a former PIDC Employee under this Section may be paid by installment or transfer under the provisions of Section 22-806 (Installment Payments) or Section 22-808 (Transfer Payments).

\* \* \*

SECTION 2. This Ordinance shall be effective immediately.

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Explanation:

[Brackets] indicate matter deleted.

Underlining indicates new matter added.

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