

Legislation Text

File #: 060244, Version: 0

Amending Chapter 22-300 of The Philadelphia Code, entitled "Retirement Benefits," by amending Section 22-306, entitled "Retirement and Survivorship Benefit Options," by providing for benefits to be paid to certain trusts for disabled children, under certain terms and conditions.

THE COUNCIL OF THE CITY OF PHILADELPHIA HEREBY ORDAINS:

SECTION 1. Chapter 22-300 of The Philadelphia Code is amended to read as follows:

CHAPTER 22-300. RETIREMENT BENEFITS.

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§22-306. Retirement and Survivorship Benefit Options.

(1) Election of options. Any member may at any time prior to retirement elect in writing one of the following options pursuant to which retirement benefits and survivorship benefits will be paid.

* * *

Option 4 - With respect to a member of Plan D, Plan J or Plan X only, the retired member will receive retirement benefits in the form of an annuity for life. If the retired member elected this option or dies without having elected any option, one-half of the amount of the member's retirement benefit, without reduction, shall be paid to the member's surviving spouse, provided that they were married at least two (2) years before retirement or the date on which a separated member became eligible to apply for retirement benefits.

Upon the death of the surviving spouse, or if there is no surviving spouse who qualifies under the previous paragraph, the retirement benefit shall be paid to the dependent children, either natural or adopted, of the deceased member until each child attains age eighteen (18) or, if any such child remains dependent because of physical or mental infirmity, the duration of the infirmity. If there is no eligible child, the retirement benefit shall be paid to the dependent parent or parents of the deceased. *Upon election of the member at any time during the member's life, any benefit otherwise payable after the member's death to a child who remains dependent at the time of the member's death because of physical or mental infirmity may instead be paid to a trust for the benefit of that child, so long as the trust meets the following conditions:*

(a) The beneficiary of the trust shall be irrevocable no later than the date of the election or death of the member, whichever occurs first,

(b) The trust must be a valid trust under Pennsylvania law or would be but for the fact that there is no trust corpus,

(c) The trust must be irrevocable,

(d) The beneficiaries of the trust must be identifiable from the trust instrument,

(e) A copy of the trust must be provided to the Pension Board within thirty (30) days of the date of the member's submission of the document designating the trust as a survivor, and

(f) In the case of an annual benefit to be paid monthly "for life" under this Ordinance, the determining life shall be the lifetime of the irrevocable beneficiaries of the trust.

If there is no surviving spouse, dependent child or parent who qualifies, and the member dies before receiving retirement benefits equal to his or her member contributions, the balance shall be paid to the member's beneficiary.

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Explanation:

[Brackets] indicate matter deleted.

Italics indicate new matter added.