Legislation Details (With Text)

File #:	220487	**Version:** 0	**Name:**		
Type:	Bill		**Status:**	LAPSED	
File created:	5/26/2022		**In control:**	Committee on Labor and Civil Service	
On agenda:			**Final action:**		

Title: Amending Title 22 of The Philadelphia Code, entitled "Public Employees Retirement Code," by modifying the circumstances when City of Philadelphia retirees continue to receive retirement benefits following reemployment, providing for other related benefit requirements, and making certain technical changes; and amending Chapter 20-900 of The Philadelphia Code, entitled "Health and Welfare Benefits for Pensioned Employees," by modifying the circumstances when City of Philadelphia retirees who are reemployed must contribute to their Health and Welfare Benefits and to any applicable union; all under certain terms and conditions.

Sponsors: Councilmember Parker

Indexes: RETIREMENT CODE

Code sections: Title 22 - PUBLIC EMPLOYEES RETIREMENT CODE

Attachments: 1. Bill No. 22048700.pdf

Date	Ver.	Action By	Action	Result	Tally
6/10/2022	0	Committee on Labor and Civil Service	HEARING NOTICES SENT		
6/10/2022	0	Committee on Labor and Civil Service	HEARING HELD		
6/10/2022	0	Committee on Labor and Civil Service	RECESSED		
5/26/2022	0	CITY COUNCIL			

Amending Title 22 of The Philadelphia Code, entitled "Public Employees Retirement Code," by modifying the circumstances when City of Philadelphia retirees continue to receive retirement benefits following reemployment, providing for other related benefit requirements, and making certain technical changes; and amending Chapter 20-900 of The Philadelphia Code, entitled "Health and Welfare Benefits for Pensioned Employees," by modifying the circumstances when City of Philadelphia retirees who are reemployed must contribute to their Health and Welfare Benefits and to any applicable union; all 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 amended as follows:

TITLE 22. PUBLIC EMPLOYEES RETIREMENT CODE

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CHAPTER 22-200. MEMBERSHIP

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§ 22-201. Membership Upon Employment.

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(9) The provisions of this Section 22-201 concerning rehire of a member shall not apply to members reemployed pursuant to a Mayoral declaration as provided in subsection (1)(c) of Section 22-204 ("Reemployment of Retired Members").

* * *

§ 22-203. Membership After Reemployment.

(3) The provisions of this Section 22-201 shall not apply to members reemployed pursuant to a Mayoral declaration as provided in subsection (1)(c) of Section 22-204 ("Reemployment of Retired Members").

* * *

§ 22-204. Reemployment of Retired Members.

(1) Retired employees. A retired member who is receiving retirement benefits from the Retirement System and who is rehired by the City shall have such benefits suspended for the duration of reemployment unless:

(a) The member is rehired as an election officer, a registrar of voters, or a juror; or

(b) The member is rehired as a member of a board or commission which does not participate in the Retirement System pursuant to Section 22-201 (Membership Upon Employment).

(c) The member is rehired pursuant to a Mayoral declaration, which has been approved by resolution of Council, that an extraordinary circumstance exists which threatens the public health, safety and welfare, such that it is in the City's best interest to reemploy specific types of retired employees in specific departments for a defined period of time, without suspending the retirement benefits of such reemployed retired employees; and, at the time of reemployment, the member has made an irrevocable commitment that such member's period of reemployment shall not exceed the defined period of time, and in no event shall exceed three (3) years. Notwithstanding subsections (3) and (4) below, no member shall participate in the Retirement System pursuant to Section 22-201 or 22-203 on the basis of reemployment pursuant to this subsection (1)(c); nor shall such period of City reemployment be considered eligible for purchase of credited service under Chapter 22-800 ("Purchase of Credited Service").

* * *

(3) Reemployment for three (3) or more years. If the period of reemployment under Plan A, Plan B, Plan L, Plan Y, Plan '10, or Plan 16 is three (3) years or more, then when the reemployed member retires from City employment, the member's retirement benefits are redetermined to include credited service earned both before and after reemployment. *This subsection (3) shall not apply to members reemployed pursuant to a Mayoral declaration as provided in subsection (1)(c), above.*

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(4) Reemployment of retired members of Plan D, Plan J or Plan X. Any member who becomes reemployed by the City following retirement and who is receiving benefits under Municipal Revised Coverage Plan 60 or Police- Fire Coverage Plan 50, shall become a member of the appropriate plan as if the member were first employed on the date of reemployment. Notwithstanding the foregoing, such member shall be entitled to retire thereafter under the age and service provisions of the plan covering such member's employment at the time of the prior retirement. Such member shall continue to accrue service credit during the period of subsequent employment. Upon subsequent retirement, the member shall be entitled to receive the accrued benefit earned under the member's original plan together with any additional accrued benefit earned for the period of subsequent employment under the plan which covers the member upon reemployment. If a retired member reenters the service of the City and remains an employee of the City continuously for three (3) or more years after reemployment, the member may elect to retire thereafter under the age and service provisions applicable at the time of subsequent retirement with full credit for the entire service with the City both before and after the first retirement, provided that if such retired member previously received an Option 5 lump sum benefit, then the member's recalculated pension benefits under this sentence shall be actuarially reduced in the same manner as provided in subsection (3)(a). *This subsection (4) shall not apply to members reemployed pursuant to a Mayoral declaration as provided in subsection (1)(c), above.*

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CHAPTER 22-1400. DEFINED CONTRIBUTION PLAN

§ 22-1401. Declaration of Purpose.

(1) Council has enacted this Chapter 22-1400, hereby creating this defined contribution plan, for certain employees hired or rehired on or after January 1, 2010, and certain electing employees. *The provisions of this Chapter 22-1400 concerning rehire shall not apply to members reemployed pursuant to a Mayoral declaration as provided in subsection (1)(c) of Section 22-204 ("Reemployment of Retired Members").*

* * *

SECTION 2. Chapter 20-900 of The Philadelphia Code, entitled "Health and Welfare Benefits for Pensioned Employees," is amended as follows:

CHAPTER 20-900. HEALTH AND WELFARE BENEFITS FOR PENSIONED EMPLOYEES

§ 20-901. Continuation of Health and Welfare Benefits for Pensioned Employees.

(1) Upon an employee's separation from a full-time position to become pensioned under one of the City's pension plans, the City shall continue contributions for health and welfare benefits, at the same level to which the employee was entitled at the time of separation, for a period of five years following retirement for city employees who have ten years of credited service. The ten years of service need not be continuous; provided, however that no employee may be entitled to more than one five year period of paid health and welfare benefits.

(2) Any employee reemployed pursuant to a Mayoral declaration as provided in subsection (1)(c) of Section 22-204 ("Reemployment of Retired Members) shall make contributions to the applicable health and welfare fund, except for the period a reemployed member is entitled to City contributions pursuant to subsection (1) of this Section 20-901.

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§ 20-903. Resumption of Union Dues.

Any employee reemployed pursuant to a Mayoral declaration as provided in subsection (1)(c) of Section 22-204 ("Reemployment of Retired Members) shall resume payment of union dues, as applicable.

* * *

SECTION 3. Effective Date. This Ordinance shall be effective immediately with respect to employees not subject to the terms of a collective bargaining agreement. With respect to represented employees subject to a collective bargaining agreement, this Ordinance shall be effective on the date the Director of Finance certifies to the Clerk of Council that the employee's union has agreed to the terms of this Ordinance.

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