



CITY OF PHILADELPHIA  
CITY COUNCIL

OFFICE OF THE PRESIDENT

ANNA C. VERNA  
PRESIDENT  
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COUNCILWOMAN - 2nd DISTRICT

August 3, 2010

Shelley Smith, City Solicitor  
1515 Arch Street, 17th Floor  
Philadelphia, PA 19103

Re: Repealing DROP

Dear Ms. Smith:

Please provide me with your legal opinion as to Council's power to repeal the DROP program (§22-310 of the City of Philadelphia Public Employees Retirement Code). In particular, please address at least the following two issues.

First, I have heard that some current City employees may have a constitutionally protected property right to the continuation of the DROP program. Is that correct, and if so, which categories of City employees have such a right? Please address at least the following categories of current City employees: (1) those currently enrolled in DROP; (2) those who have met all DROP eligibility requirements, but who are not yet enrolled in DROP; (3) those who are "vested" in the City's pension system but are not yet eligible for DROP; and (4) those who are not yet vested.

Second, with respect to employees represented by a union, may the City unilaterally repeal DROP, or is this an issue that must be bargained with the unions? If it is a bargainable issue, what process must the City undertake with each of the unions before it may repeal the DROP with respect to represented employees? Please address each of the four City bargaining units separately.

Your prompt response is very much appreciated.

Thank you.

Sincerely,

  
ANNA C. VERNA

ACV/dmc

cc: All Members of Council