

Fourteenth Kerala Legislative Assembly

Bill No. 128

**THE KERALA PAYMENT OF PENSION TO MEMBERS
OF LEGISLATURE (AMENDMENT) BILL, 2018**

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(AMENDMENT) BILL, 2018

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BILL

further to amend the Kerala Payment of Pension to Members of Legislature Act, 1976.

Preamble.—WHEREAS, it is expedient further to amend the Kerala Payment of Pension to Members of Legislature Act, 1976 for the purposes hereinafter appearing;

BE it enacted in the Sixty-ninth Year of the Republic of India as follows:—

1. *Short title and commencement.*— (1) This Act may be called the Kerala Payment of Pension to Members of Legislature (Amendment) Act, 2018.

(2) It shall come into force on the 1st day of April, 2018.

2. *Amendment of section 2B.*— In section 2B of the Kerala Payment of Pension to Members of Legislature Act, 1976 (46 of 1976) (hereinafter referred to as the principal Act), in sub-section (1), for the words “twenty four thousand rupees”, the words “seventy five thousand rupees” shall be substituted.

3. *Amendment of the Schedule.*— In the principal Act, for the existing Schedule and provisos, the following Schedule and provisos shall be substituted, namely:—

"SCHEDULE
[See Section 2 (1)]
Rate of Pension

<i>Period</i>	<i>Rate of Pension per mensem</i> (₹)
For any period below two years	8,000
For two years in the aggregate	8,000
For three years in the aggregate	12,000
For four years in the aggregate	16,000
For five years in the aggregate	20,000

Provided that where any person has served as a member as stated in sub-section (1) of section 2 for a period exceeding five years, there shall be paid to him an additional pension of one thousand rupees per mensem for every year in excess of five years:

Provided further that in calculating the net qualifying period for pension, fraction of half year and above shall be rounded to the next completed year:

Provided also that the Ex-Members may be paid an additional pension of rupees three thousand per mensem on completion of seventy years of age, rupees three thousand and five hundred per mensem on completion of eighty years of age:

Provided also that the maximum pension to which a member is eligible under this Act shall not, in the aggregate, exceed rupees fifty thousand per mensem."

STATEMENT OF OBJECTS AND REASONS

The last revision of pension to Ex-Members of the Legislative Assembly was made in the year 2012 by Act 5 of 2012. For the last five years, the price of all commodities including petrol, diesel, electricity, etc., has increased manifold. Considering the above, the Hon'ble Speaker in consultation with the Hon'ble Chief Minister, appointed Justice J. M. James, Retired Judge, High Court of Kerala as the Commission to study and make recommendations for the revision of salaries and allowances of Ministers, the Speaker, the Deputy Speaker, the Leader of Opposition, the Chief Whip and the Members of the Legislative Assembly and the pensionary benefits of Ex-Members of the Legislative Assembly and also to examine and suggest necessary amendments to the Payment of Salaries and Allowances Act, 1951, the Kerala Payment of Pension to Members of Legislature Act, 1976 and the rules made thereunder in accordance with the modifications recommended. Justice J. M. James Commission submitted its report on 22 nd August, 2017 containing various recommendations. On the basis of the recommendations of the Commission, the Government have decided to revise the pension to Ex-Members of the Legislative Assembly and to make necessary amendments in the Kerala Payment of Pension to Members of Legislature Act, 1976.

The Bill seeks to achieve the above object.

FINANCIAL MEMORANDUM

Clause 2 of the Bill seeks to enhance the aggregate value of free transit coupon from twenty four thousand rupees to seventy five thousand rupees.

Clause 3 of the Bill seeks to amend the Schedule of the principal Act to enhance the rate of pension payable to the Ex-Members of the Legislative Assembly.

Upon submitting option, the free transit coupons are issued to Ex-members of the Legislative Assembly. Hence the exact additional expenditure incurred cannot be calculated. The Bill if enacted and brought into operation would involve a considerable amount of expenditure of a recurring nature for its implementation. The actual expenditure that may have to be incurred on this account from consolidated fund of the State cannot be estimated with any reasonable degree of accuracy at this stage.

A. K. BALAN

EXTRACT FROM THE KERALA PAYMENT OF PENSION TO MEMBERS OF
LEGISLATURE ACT, 1976
(ACT 46 OF 1976)

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2B. *Free Transit Coupons for Ex-members of the Legislative Assembly.*—(1) Subject to such rules as may be made in this behalf, any person, who has served as a member referred to in clause (i) or clause (ii) or clause (iii) of sub-section (1) of section 2 shall, at the option of such Ex-member, be provided with all or any of the following free transit coupons of an aggregate value of twenty four thousand rupees for a period of twelve calendar months, namely:—

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SCHEDULE

[See section 2 (1)]

Rate of Pension

<i>Period</i>	<i>Rate of Pension per mensem</i> (₹)
For any period below two years	6,000
For two years in the aggregate	7,000
For three years in the aggregate	8,000
For four years in the aggregate	9,000
For five years in the aggregate	10000

Provided that where any person has served as a member as stated in sub-section (1) of section 2 for a period exceeding five years, there shall be paid to him an additional pension of seven hundred and fifty rupees per mensem for every year in excess of five years:

Provided further that in calculating the net qualifying period for pension, fraction of half year and above shall be rounded to the next completed year:

Provided also that Ex-Members may be paid an additional pension of rupees two thousand and five hundred per mensem on completion of seventy years of age, rupees three thousand per mensem on completion of eighty years of age and rupees three thousand and five hundred per mensem on completion of ninety years of age:

Provided also that the maximum pension to which a member is eligible under this Act shall not, in the aggregate, exceed rupees thirty five thousand per mensem.
