



BMJ | LEGISLATIVE REPORT

February 8th, 2018

PEC 287/2016
PENSION REFORM

NEW TEXT FOR PENSION REFORM

Representative Arthur Maia (PPS/BA) submitted this Wednesday (7) a new version of the Pension Reform’s constitutional amendment bill (PEC). Among the main changes made to the text approved at the special committee are: the reduction of the period of contribution of private initiative workers to have partial retirement, which went from 25 to 15 years, the exclusion of any mention about the retirement regime for rural workers and the Continuing Benefit Conveyance (BPC), which is intended for people with disability and people over 65 years of age that cannot provide for themselves. Furthermore, there was the insertion of full pension for police officers’ relatives (civil, federal, road and legislative police) killed on duty, with proportional value to their time of work.

COMPARATIVE TABLE

SUBJECT	APPROVED TEXT	NEW VERSION
Justice	-	Art. 109 Paragraph 3 - Causes of federal jurisdiction may be prosecuted and judged at the state court, when the district is not the seat of the federal court, under the terms of the law.

Rural Worker	<p>Art. 195</p> <p>Paragraph 8 - The rural producer, partner, farmer and lessee, extractivist, artisanal fisherman and their respective spouses or companions and children who carry out their activities in a family economy, without permanent employees, will contribute individually for the social security with a favored rate, under the terms of paragraphs 12 and 13 of art. 201, levied on the minimum wage, for access to benefits of equal value.</p>	Article removed.
Rural Worker	<p>Art. 201</p> <p>Paragraph 7 - Pension support is guaranteed in the general social security scheme: II - to the insured person referred to in paragraph 8 of art. 195, at sixty years of age, if a man, and fifty-seven years of age, if a woman, and fifteen years of contribution for both sexes;</p>	<p>Art. 201</p> <p>Paragraph 7 - A pension is guaranteed in the general social security scheme: II – rural workers and those who work in the family economy, including rural producers, gold miner and artisanal fishermen, at the age of sixty, if a man, and fifty-five years of age, if a woman, and fifteen years of contribution for both sexes, assuring itself to the safeguards that is dealt with in paragraph 8 of art. 195 the contribution as provided for in that paragraph;</p>
BPC	<p>Art. 203</p> <p>V - the income monthly transfer, in the amount of a minimum wage, to the person with disability, when the total monthly family income per capita is lower than the limit established by law;</p>	Article removed.

	<p>VI – the income monthly transfer, in the amount of a minimum wage, to the elderly aged sixty-eight or over, when the total monthly family income per capita is lower than the limit established by law;</p> <p>Paragraph 1 - In relation to the income transfers dealt with in items V and VI of the caput, the law will also provide for the concession and maintenance requirements and the definition of the family group.</p> <p>Paragraph 2 - For the purpose of granting the transfer of income provided for in item V of the caput, the disability will be subject to biopsychosocial evaluation, performed by a multidisciplinary and interdisciplinary team.</p> <p>Paragraph 3 - In determining the per capita monthly household income limit referred to in items V and VI of the caput, the gross income earned by all members of the family shall be considered.</p> <p>Paragraph 4 - In any event, the income transfers effectiveness dealt with in items V and VI of the caput shall consider the impossibility of applying the provisions of art. 229.</p> <p>Paragraph 5 - The data related to the transfers of income mentioned in items V and VI of the caput will be publicly accessible.</p> <p>Paragraph 6 - The law referred to in paragraph 15 of art. 201 applies to the transfer of income provided for in item VI of the caput.</p>	
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<p>Period of Contribution</p>	<p>Paragraph 8 - The teacher of both sexes who proves exclusively time of effective exercise of the functions of teaching in the infantile education and in the elementary and secondary education may retire at the sixty years of age and twenty-five of contribution.</p>	<p>Paragraph 8 - The teacher of both sexes who proves exclusively time of effective exercise of the functions of teaching in early childhood education and in elementary and secondary education may retire at sixty years of age and fifteen of contribution.</p>
<p>Period of Contribution</p>	<p>Paragraph 4 - The value of benefits granted under this article shall be determined in accordance with the provisions of item I of § 8º-B of art. 201 of the Constitution, considering, for the purposes of the calculation established there, twenty-five years as the minimum contribution time.</p>	<p>Paragraph 4 - The value of the benefits granted under this article shall be determined in accordance with the provisions of item I of § 8º-B of art. 201 of the Constitution, considering, for the purposes of the calculation established there, fifteen years as the minimum contribution time.</p>
<p>Police Officers Deceased on Duty</p>	<p>Art. 3 Paragraph 3 - The value of the benefit referred to in the caput shall be equal to the total remuneration of the server in the effective position in which the retirement is given and will be readjusted in accordance with the provisions of art. 7 of Constitutional Amendment 41, of December 19, 2003, for the officers of the bodies provided for in arts. 51, IV, 52, XIII and 144, I, II, III and IV of the Constitution admitted to their positions before the introduction of a supplementary pension scheme.</p>	<p>Art. 3 Paragraph 3 - The value of the benefit referred to in the caput shall be equal to the total remuneration of the server in the effective position in which the retirement is given and will be readjusted in accordance with the provisions of art. 7 of Constitutional Amendment 41, of December 19, 2003, for the officers of the bodies provided for in arts. 51, IV, 52, XIII and 144, I, II, III and IV of the Constitution admitted to police activity before the implementation of a supplementary pension scheme.</p>

EVALUATION AND NEXT STEPS

Although it is pleasing to the so-called "bullet caucus" and minimize the pressure suffered by parliamentarians who have a rural electoral base, the changes are not enough to raise the votes necessary for the approval of the text in the House Floor. The Secretary of Government of the Presidency Carlos Marun (PMDB/MS) said that the government is open to change the text, but this will only happen if it is sure to win new votes.

Among the points in negotiation are: a new rule of transition for public servants, changes in the accumulation of pensions, and pension equality between police officers and penitentiary

agents. Despite this, the government will not give up the minimum age of 65 for men, and 62 for women, with 15 years of contribution.

Since it is a Constitutional Amendment Bill, the measure must go through two rounds of voting and at least be supported by 3/5 of the House Floor (which amounts to 308 members). To ensure a longer period of alignment with the representatives of the base, the government plans to put the issue under discussion on February 19 and conclude the voting in the House by February 28. In a meeting with union leaders, the House Speaker Rodrigo Maia (DEM / RJ) reaffirmed that he will not put the bill under discussion after February if the government does not raise the necessary votes by the end of the month.

Maia believes that the government currently has between 250 and 280 votes. During the week, the House Speaker returned to meet with governors to assure the support of the states for voting. Maia's intention is to put under discussion bills of interest to the governors, such as the creation of a complementary pension for the states to give sustainability to the server's system in the long-term. If there is a withdrawal from the Pension Reform, it is possible that the permanent committees of the House will be operational again this month, and that other economic guidelines such as tax exemption, tax simplification and revision of state careers advance.