

SAN FRANCISCO SECTION THE AMERICAN SOCIETY OF MECHANICAL ENGINEERS



DECEMBER 1974

NEWSLETTER

PAUL H. GARBARINI, Editor

FRIDAY, DECEMBER 6, 1974
6:30 p.m. - COCKTAILS
7:30 p.m. - DINNER

MIYAKO HOTEL
POST & LAGUNA
SAN FRANCISCO

DECEMBER CHRISTMAS PARTY OF THE CALIFORNIA SOCIETY OF PROFESSIONAL ENGINEERS

ASME has been invited to attend a Christmas Party sponsored by the California Society for Professional Engineers, Golden Gate, Marin, and Peninsula Sections, at the Miyako Hotel in the Japanese Cultural Center at Post and Laguna Streets in San Francisco.

Dinner will be \$12.50 per person or \$25.00 per couple, including Prime Rib, Caesar Salad and Wine. Entertainment and Dancing will follow Dinner.

**RESERVATIONS ARE REQUIRED BY DECEMBER 3.
CALL JIM WALSH [415] 876-2156**

THURSDAY, JANUARY 23, 1975

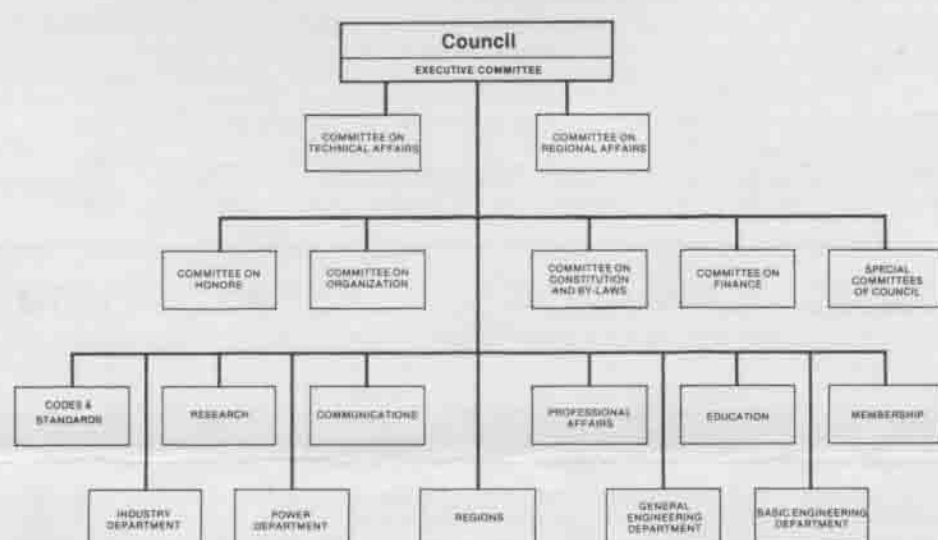
ENGINEERS CLUB
SAN FRANCISCO

"HOW ASME OPERATES"

Mr. Dick Folsom, Past President ASME
Mr. William J. Warren, ASME Region IIX, Vice President
Mr. Dudley E. Ott, Vice President ASME Power Division
Mr. F.W. Beichley, ASME Regional Field Director

Each of the above individuals will present a portion of the program. The Emphasis of the meeting will be to help us to better understand how ASME works and what ASME can do for us. This is an extremely good group of speakers for the subject and the meeting should be very outstanding.

POLICY AND ADMINISTRATION



LOCAL MEETING COMING UP

TUESDAY, JANUARY 14, 1975
6:00 p.m. DINNER
7:00 p.m. SPEAKER

P.G. & E. CAFETERIA
SAN FRANCISCO

NUCLEAR PLANT STANDARDIZATION

Joint IEEE-PES/ANS Meeting

Mr. John V. Morowski
Vice President of Engineering
for the Bechtel Thermal Power Organization

In the first quarter of 1974, the Atomic Energy Commission issued proposed rules for implementation of the AEC's standardization policies for nuclear power plant design. The policies are aimed at expediting and streamlining the licensing process. The AEC regards standardization as the single most important means for minimizing the impact of the design and licensing process on the overall schedule for getting nuclear power plants on line.

Continued

Mr. Morowski will highlight some of the problems associated with implementing these policies and will discuss the approaches used to date towards standardization. These include the "Reference Systems" design, the "Duplication" design and the "Generic" design approach. Mr. Morowski will also report on progress of the SNUPPS 5 unit duplication plan.

NATIONAL MEETINGS

JANUARY 28-30, 1975

WASHINGTON, D.C.

RELIABILITY AND MAINTAINABILITY SYMPOSIUM

MARCH 2-6, 1975

HOUSTON

GAS TURBINE CONFERENCE AND PRODUCTS SHOW

APRIL 6-10, 1975

NEW ORLEANS

DIESEL AND GAS ENGINE POWER CONFERENCE AND EXHIBIT

APRIL 21-23, 1975

CHICAGO

AMERICAN POWER CONFERENCE

APRIL 21-24, 1975

NEW YORK

DESIGN ENGINEERING CONFERENCE AND SHOW

PROPOSED REVISIONS TO THE PROFESSIONAL ENGINEERS ACT

The California Society of Professional Engineers (CSPE) has reviewed the California Engineers Licensing Act and has formulated recommendations for its modification. This activity has been underway for two years, with liaison between CSPE and the state-wide Engineering societies.

PROPOSED CHANGES

First are changes which increase the protection for the public and enhance the stature of the profession. These include the more severe requirements for registration, elimination of exemptions and clarification of branch registration. The second category includes only a single major change - the elimination of restriction on the naming of engineering businesses. The third category covers "cleanup" changes such as the elimination of obsolete provisions.

MECHANICAL ENGINEERS

How would you be affected if this new proposed legislation should pass?

- All mechanical engineering plans, specifications, reports or documents shall be prepared by a registered mechanical engineer or by a subordinate under his direction and shall be signed by him to indicate his responsibility for them. In addition to his signature, he shall show his registration number or the stamp of his seal.
- A subordinate to a chemical, civil, electrical or mechanical engineer registered under this chapter, or a subordinate to a chemical, civil, electrical or mechanical engineer exempted from registration under this chapter, insofar as he acts solely in such capacity, is exempt from registration under the provisions of this chapter. This exemption, however, does not permit any such subordinate to practice chemical, civil, electrical or mechanical engineering in his own right or to use the title, "mechanical engineer" the title prescribed for any engineering specialty discipline.
- This Act shall be applicable to the performance of engineering work by a manufacturing, mining, public utility, research, and development or other industrial corporation or by employees of such corporation, provided such work can be construed to relate to the safety or health of the public or the employees of such corporation. (New chapter 6747 of Act)

NEW PENSION LAW PROVIDES VESTING, PORTABILITY

A 208 page bill signed into law on Labor Day has completely revised Corporation Pension rules and allows Individual Retirement Accounts (IRA's) for employees not on pension plans. Those not in a company or government plan can contribute up to 15% of earnings up to \$1500 (\$3000 for husband and wife) into an IRA and deduct it from taxes. Employers can sponsor IRA's for employees, societies can set them up for members. Employees of companies with plans can have an IRA before becoming eligible for the company plan. Contributions to IRA cannot be withdrawn before age 59½ without paying 10% penalty tax except in case of death or disability. Earnings in IRA accumulate tax free, excess paid into IRA gets 6% penalty.

Employees in company plans changing jobs can park company money in IRA tax free then move funds into the next company's plan. Small firms may drop plans in favor of IRA. Self-employed can deduct 15% of earnings up to \$7500, can also set up a plan that lets them specify benefits at retirement. Owner-employees can pay in another 10% to \$2500 not deductible but no tax on interest from funds.

Corporations have the advantages of higher contribution limits and the same treatment of lump-sum withdrawals. Also allowed cost of living adjustments with benefits and no estate taxes to survivors after the plan member dies.

Any employee 25 or older with one year service (1000 hours or more per year) must be taken into the plan. Older workers are eligible if not within 5 years of normal retirement. Vesting options are:

General - 25% after 5 years + 5% for next 5 years + 10% for next 5 years = fully vested at 15 years.

Lump - No vesting for 10 years but then fully vested.

Rule of 45 - After 5 years 50% vested when age + service = 45 or more. Then 10% per year = fully vested at 10 years.

Past service of employees must be counted toward vesting exceptions for service before age 22 and those with a break in service. Plans operating 2 January 1974 must be revised by 1976 tax year.

Plans with specified benefits must have government insurance. Plans must submit reports to government, depending on size of company. Lump-sum payments from funds get a tax break. Employees can collect pension at 59½ and remain with firm.

Pension ceilings are the smaller of \$75,000 per year or employees average pay for highest 3 years. Cost of living adjustments are allowed. Amounts promised before 3 October 1973 are not limited.

The above is a capsule summary of information from ASME's Washington Representative, Bill Miller. A more detailed description will hopefully appear in *Mechanical Engineering*. The IRS is drafting regulation to accord with the law and will qualify plans. In the meantime, information on plans can be obtained from Pensions For Professionals, Inc. (PFP), Front and Plum Streets, Media, Pennsylvania 19063.