THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL No. 2044 Session of 1989

INTRODUCED BY McCALL, OCTOBER 24, 1989

REFERRED TO COMMITTEE ON EDUCATION, OCTOBER 24, 1989

AN ACT

- 1 Amending Title 24 (Education) of the Pennsylvania Consolidated 2 Statutes, further providing for creditable nonschool service.
- 3 The General Assembly of the Commonwealth of Pennsylvania
- 4 hereby enacts as follows:
- 5 Section 1. Section 8304(b) of Title 24 of the Pennsylvania
- 6 Consolidated Statutes, amended October 21, 1988 (P.L.844,
- 7 No.112), is amended to read:
- 8 § 8304. Creditable nonschool service.
- 9 * * *
- 10 (b) Limitations on nonschool service.--Creditable nonschool
- 11 service credit shall be limited to:
- 12 (1) Intervening military service.
- 13 (2) Other military service not exceeding five years.
- 14 (3) Service in any public school or public educational
- institution in any state other than this Commonwealth or in
- 16 any territory or area under the jurisdiction of the United
- 17 States. This paragraph includes service, prior to July 1,

- 1 1965, at a community college established under the act of
- 2 August 24, 1963 (P.L.1132, No.484), known as the Community
- 3 College Act of 1963.
- 4 (4) Service as an administrator, teacher, or instructor
- 5 in the field of public school education for any agency or
- 6 department of the government of the United States whether or
- 7 not such area was under the jurisdiction of the United
- 8 States.
- 9 (5) Previous service as an employee of a county board of
- 10 school directors which employment was terminated because of
- 11 the transfer of the administration of such service or of the
- 12 entire agency to a governmental entity.
- 13 (6) Previous service as a county employee as a nurse.
- 14 For every three years or major fraction thereof in previous
- work experience, an individual may buy one year of creditable
- service, not to exceed a total of five years. The purchase of
- this service shall begin within three years of the employee's
- 18 eligibility to purchase this creditable service.
- 19 (7) Previous work experience as an employee of the
- 20 Federal Government, provided that such service is not also
- 21 <u>used in the calculation of a Federal pension. For every three</u>
- 22 years or major fraction thereof, an individual can buy one
- 23 year of creditable service, not to exceed a total of three
- 24 years. The purchase of this service shall begin within three
- 25 years of the employee's eligibility to purchase this
- 26 creditable service.
- 27 * * *
- 28 Section 2. Section 8324(e) of Title 24 is amended to read:
- 29 § 8324. Contributions for purchase of credit for creditable
- 30 nonschool service.

1 * * *

(e) Creditable work experience.--

(1) Contributions on account of T-C credit for creditable work experience pursuant to section 8304(b)(6) shall be the present value of the full actuarial cost of the increase in the projected superannuation annuity caused by the additional service credited on account of the purchase of creditable work experience. [The amount paid for the purchase of credit for creditable work experience shall not be payable as a lump sum under section 8345(a)(4)(iii) (relating to member's options).] Any individual eligible to receive an annuity, excluding an annuity received under the Federal Social Security Act (42 U.S.C. § 301 et seq.), in another pension system, other than a military pension system, shall not be eligible to purchase this service.

- (2) Contributions on account of T-C credit for creditable work experience pursuant to section 8304(b)(7) shall be the increase in the present value at the time of purchase attributable to the additional service credited on account of the purchase of such creditable work experience, calculated on the basis of the average annual compensation received during the first three years of credited school service subsequent to such creditable work experience.
- 24 (3) The amount paid for the purchase of service under
 25 this subsection shall not be payable as a lump sum under
 26 section 8345(a)(4)(iii) (relating to member's options).
 27 Section 3. This act shall take effect in 60 days.