

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 1166 Session of
1975

INTRODUCED BY NOLAN, SCANLON AND NOSZKA, NOVEMBER 18, 1975

REFERRED TO LOCAL GOVERNMENT, NOVEMBER 18, 1975

AN ACT

1 Amending the act of July 28, 1953 (P.L.723, No.230), entitled,
2 as amended, "An act relating to counties of the second class
3 and second class A; amending, revising, consolidating and
4 changing the laws relating thereto," defining a term,
5 providing a service increment and option benefits and
6 changing certain retirement ages and years of service.

7 The General Assembly of the Commonwealth of Pennsylvania
8 hereby enacts as follows:

9 Section 1. Section 1701, act of July 28, 1953 (P.L.723,
10 No.230), known as the "Second Class County Code," amended June
11 1, 1973 (P.L.37, No.19), is amended by adding a definition to
12 read:

13 Section 1701. Definitions.--The following words and phrases
14 as used in this article shall be construed to have the following
15 meaning:

16 * * *

17 "Service Increment," the amount a county employe is eligible
18 to receive in addition to his or her retirement allowance by
19 reason of his or her extra years of service.

20 Section 2. Subsection (a) of section 1711 of the act,

1 amended June 1, 1973 (P.L.37, No.19), is amended to read:

2 Section 1711. Exceptions in Favor of Employes Totally and
3 Permanently Disabled.--(a) Any present or future county employe,
4 except persons who are employed in accordance with the
5 provisions of subsection (c) of this section and persons who are
6 reemployed in accordance with the provisions of subsection (b)
7 of section 1715, who has been in employ for a period of not less
8 than twelve years, upon application to the board, may receive a
9 retirement allowance plus a service increment, if any, in
10 accordance with the provisions of section 1712, if he or she
11 becomes mentally incapacitated or totally and permanently
12 disabled physically, even though such county employe has not
13 reached the age of sixty years, provided that proof of such
14 mental incapacity or total and permanent physical disability
15 shall be by the unanimous opinion and sworn statements of three
16 practicing physicians of the county designated by the board.
17 Application in behalf of a mentally incapacitated county employe
18 for a retirement allowance plus a service increment, if any,
19 shall be made by a duly appointed guardian who shall be entitled
20 to receive such retirement allowance plus a service increment,
21 if any, to which the mentally incapacitated county employe may
22 be eligible to receive.

23 * * *

24 Section 3. Subsections (a), (c) and (d) of section 1712,
25 amended June 1, 1973 (P.L.37, No.19), are amended and a
26 subsection is added to read:

27 Section 1712. Amount of Retirement Allowances.--(a) The
28 retirement allowance paid under the provisions of this article
29 shall equal fifty per centum of the amount which would
30 constitute the average monthly compensation as received by the

1 county employe during the highest twenty-four months of the last
2 four (4) years of his employment or two years on a bi-weekly pay
3 basis in which period of time the said county employe made
4 monthly or bi-weekly contributions into the retirement fund
5 prior to his or her retirement. Such average monthly
6 compensation shall include the compensation which any county
7 employe would have been entitled to and would have received
8 except for deduction from compensation due to time spent in
9 serving as an elected State official: Provided, That the county
10 and the employe shall make monthly contributions based on the
11 last compensation equal to the amount the county and he or she
12 would have paid into the retirement fund had such compensation
13 been paid by the county. No retirement allowance shall be
14 computed on a monthly compensation in excess of two thousand
15 dollars (\$2,000) nor shall a retirement allowance be paid for a
16 fraction of a service year.

17 [Notwithstanding any other provisions of this act or of any
18 provisions of this act prior to the effective date hereof, no
19 benefit payable under this section shall exceed fifty per centum
20 of the amount which would constitute the average monthly
21 compensation as received by the county employe during the
22 highest twenty-four months of the last four years of his or her
23 employment or two years on a bi-weekly pay basis in which period
24 of time the said county employe made monthly or bi-weekly
25 contributions into the retirement fund prior to his or her
26 retirement, but in no event shall any employe, a member of the
27 fund prior to the effective date hereof, receive less than said
28 employe would have been eligible to receive prior to the
29 effective date hereof.]

30 After the effective date of this amendment, certain former

1 county employees who are now receiving a retirement allowance
2 shall receive an increase of a certain per centum of such
3 retirement allowance, which sum shall be computed on the average
4 monthly retirement allowance as heretofore authorized by the
5 board.

6 The per centum of increase in said monthly retirement
7 allowance shall be a flat 10 per centum increase with the
8 maximum amount not to exceed forty-five dollars (\$45.00) per
9 month.

10 Any employee who earns in excess of ten thousand eight hundred
11 dollars (\$10,800) per annum and shall retire during the period
12 from January 1, 1973 to December 31, 1981 shall pay, as a
13 condition to the payment of any benefits hereunder a lump sum
14 contribution into the retirement fund, which contribution shall
15 be computed as follows:

16 The difference between ten thousand eight hundred dollars
17 (\$10,800) and the annual salary of the employee multiplied by the
18 number of years during which he was not an employee of the county
19 for the period aforesaid and upon that amount the sum of two per
20 centum which shall be the lump sum contribution as required
21 herein.

22 No person who is reemployed as a county employee shall be
23 eligible to receive the benefit of a retirement allowance plus a
24 service increment, if any, until he or she shall have made at
25 least twenty-four monthly or fifty-two bi-weekly contributions
26 into the retirement fund subsequent to his or her reemployment.
27 The foregoing provisions shall not have a retroactive
28 application and shall apply only to present and future county
29 employees. The rate required to be paid in accordance with this
30 provision shall apply to present county employees notwithstanding

1 the rate of contribution that the present county employe has
2 made into the retirement fund.

3 (b.1) In addition to the retirement allowance which is
4 authorized by this article and notwithstanding the limitations
5 therein placed upon retirement allowances, any present or future
6 county employe who upon retirement shall be eligible to receive
7 payment of a retirement allowance and who has been employed as
8 such for twenty-one or more years during which period of time he
9 or she shall have made monthly contributions into the retirement
10 fund, shall also be eligible to the payment in addition to a
11 retirement allowance a service increment of two per centum per
12 year computed upon the annual retirement allowance to which he
13 or she is entitled. Said service increment shall be the sum
14 obtained by computing the number of years in excess of twenty
15 years during which period of time he or she shall have made
16 monthly or bi-weekly contributions into the retirement fund. No
17 service increment shall be paid for more than ten (10) such
18 excess service years nor shall a service increment be paid for a
19 fraction of such service year.

20 (c) Any person receiving a retirement allowance and is
21 subsequently reemployed as a county employe, during the period
22 of such reemployment his or her retirement allowance plus a
23 service increment, if any, shall cease until subsequent
24 retirement. The subsequent retirement allowance and service
25 increment, if any, in the case of persons reemployed prior to
26 the first day of June, one thousand nine hundred fifty-three,
27 and retiring at any time after the first day of August, one
28 thousand nine hundred fifty-three, shall be at the rate he or
29 she would have received had there been no previous retirement.
30 In the case of persons reemployed after the thirty-first day of

1 May, one thousand nine hundred fifty-three, the subsequent
2 retirement allowance, plus a service increment, if any, shall be
3 the same as he or she received prior to his or her reemployment.
4 All present and future reemployed retired employees shall have
5 the option to make bi-weekly contributions to the fund to
6 qualify for an increased retirement allowance upon subsequent
7 retirement: Provided, That he or she make retirement
8 contributions to the fund with interest at the legal rate, for
9 said period of time when no contributions were made from the
10 earnings of said employe during the period of such reemployment.
11 Upon subsequent retirement, the reemployed service credit, which
12 shall equal one-twentieth for each full year's service, shall be
13 added to the previous retirement allowance and in one amount, be
14 paid monthly to the reemployed retiree. In no event shall
15 increments be paid for any such reemployment service credit.

16 (d) Retirement allowance plus a service increment, if any,
17 shall be paid in monthly installments on warrants of the board.
18 No retirement allowance plus a service increment, if any,
19 granted to any person who has heretofore retired or who shall
20 hereafter retire shall be decreased or revoked during the life
21 of any such person, except as the board may decide in accordance
22 with the provisions of subsection (b) of section 1711, as well
23 as a suspension thereof in accordance with the provisions of
24 subsection (c) of this section.

25 * * *

26 Section 4. Subsection (f) of section 1712 of the act, added
27 November 30, 1967 (P.L.653, No.301) and amended December 10,
28 1970 (P.L.919, No.291), is amended to read:

29 Section 1712. Amount of Retirement Allowances.--* * *

30 (f) The election by said county employe of the option as

1 provided in subsection (e) of this section shall be final on
2 attainment of age [fifty-five] fifty or on later election prior
3 to retirement, and no further election shall be permitted:
4 Provided, That the election shall automatically be cancelled if
5 the county employe shall either be divorced or if his or her
6 spouse shall die, in each case before retirement benefits under
7 the option shall commence. In the event the designated spouse
8 shall predecease, or if a legal separation occurs, while on
9 retirement, the reduced retirement option benefit shall be
10 reinstated to the full amount had there been no option
11 exercised. Said reinstated amount to commence immediately upon
12 the death of the spouse so designated or upon satisfactory proof
13 of legal separation.

14 All present and future employes may elect to provide
15 survivorship option benefits for a spouse in the following
16 classifications if the following conditions are satisfied:

17 Class I. The deceased employe shall have attained the age of
18 fifty years and had completed eight to nineteen years of service
19 and dies before reaching the age of fifty-five years. The
20 reduced retirement option benefit to commence to the survivor at
21 the time the deceased employe would have attained the age of
22 fifty-five years. Said benefits to be paid in accordance with
23 the provisions set forth under subsection (d), Option II, of
24 section 1713.

25 Class II. All present and future employes, who after
26 completion of twenty or more years of service and shall die
27 before reaching the age of fifty years, his or her spouse shall
28 be eligible to receive the reduced retirement option
29 immediately, in accordance with the provisions set forth under
30 subsection (d), Option II of section 1713.

1 * * *

2 Section 5. Subsections (d) and (e) of section 1713, amended
3 June 1, 1973 (P.L.37, No.19), are amended to read:

4 Section 1713. Retirement Allowances After Leaving Service.--

5 (d) Option I. Any person who, after twenty or more years'
6 service as a county employe resigns from his or her office
7 position or employment before reaching the age of sixty years
8 when he or she attains the age of sixty years, when such former
9 county employe shall be eligible to receive a retirement
10 allowance which shall be computed on the average monthly
11 compensation as received by the former county employe prior to
12 his or her separation from the service of the county or county
13 institution district in accordance with the provisions of
14 subsection (a) of section 1712. Such former county employe shall
15 be eligible to receive, in addition to a retirement allowance, a
16 service increment, if any, in accordance with the provisions of
17 subsection (b) of section 1712 only to the time of his or her
18 separation from the service of the county or county institution
19 district.

20 Option II. Employe may elect to receive immediate retirement
21 allowance benefits under the age of sixty years provided that
22 said retirement allowance be reduced by one-half of one per
23 centum for each month under the age of sixty years. Option I or
24 Option II election shall be final upon separation of his or her
25 service from the county.

26 (e) The aforesaid retirement allowance plus a service
27 increment, if any, as provided in subsection (d) of this
28 section, shall be subject to a suspension thereof in accordance
29 with the provisions of subsection (c) of section 1712.

30 Section 6. Section 1715 of the act, amended June 1, 1973

1 (P.L.37, No.19), is amended to read:

2 Section 1715. Reinstatement and Requirements for Credit for
3 Previous Service.--(a) No county employe shall be permitted to
4 withdraw his or her contributions as paid into the retirement
5 fund upon transfer from one office, department or agency to
6 another. Any person who has ceased to be a county employe and
7 whose contributions as paid into the retirement fund, have been
8 refunded by the board, if such person has been reemployed by the
9 county or county institution district and desires to be given
10 credit for previous service as a county employe, he or she
11 shall, within two years of the effective date of [January 1,
12 1973] January 1, 1975, make payment in full of the amount
13 refunded, with interest at the legal rate, the said interest to
14 be computed from the date of the refund to the date of
15 repayment. Upon application of the employe desiring to be given
16 credit for previous service as a county employe at least sixty
17 days prior to the expiration of the period of two years from the
18 effective date above, such employe shall be permitted to make
19 payment in full of the amount refunded, with interest at the
20 legal rate, within an additional period of one year. Both
21 principal and interest shall be paid into the retirement fund at
22 one time and in one amount, or, upon approval of the board, both
23 principal and interest shall be consolidated into one amount and
24 paid in twenty-four or less equal monthly installments, plus
25 interest payment on monthly balances. Whenever the time for
26 payment in full has been extended for an additional period of
27 one year, the principal and interest may be paid in a total of
28 not more than thirty-six equal monthly installments. Full
29 payment thereof shall be a condition precedent to the county
30 employe being eligible to receive the benefits of the retirement

1 allowance plus a service increment, if any. Such county employe
2 shall make monthly payments into the retirement fund in
3 accordance with the provisions of section 1708.

4 If any person who hereafter becomes a county employe and
5 thereafter ceases to be a county employe and his or her
6 contributions as paid into the retirement fund are refunded by
7 the board, is reemployed by the county or county institution
8 district and he or she desires to be given credit for previous
9 service as a county employe, he or she shall within two years of
10 the date of reemployment, make payment in full of the amount
11 refunded, with interest at the legal rate, the said interest to
12 be computed from the date of refund to the date of repayment.
13 Upon application of any person who hereafter becomes a county
14 employe and desires to be given credit for previous service as a
15 county employe, at least sixty days prior to completion of a
16 period of two years from the date of reemployment, such employe
17 shall be permitted to make payment in full of the amount
18 refunded, with interest at the legal rate, within an additional
19 period of one year. Both principal and interest shall be paid
20 into the retirement fund at one time and in one amount, or, upon
21 approval of the board both principal and interest shall be
22 consolidated into one amount and paid in twenty-four or less
23 equal monthly installments, plus interest payments on monthly
24 balances. Whenever the time for payment in full has been
25 extended for an additional period of one year the principal and
26 interest may be paid in a total of not more than thirty-six
27 equal monthly installments. Full payment thereof shall be a
28 condition precedent to the county employe being eligible to
29 receive the benefits of the retirement allowance plus a service
30 increment, if any. Such county employe shall make monthly

1 payments into the retirement fund in accordance with the
2 provisions of section 1708. Any person who is a county employe
3 on the effective date of this act may make payments into the
4 retirement fund which shall cover a period of time within which
5 such person was a county employe but was not a member of the
6 retirement system because such membership was not compulsory.

7 (b) Any person who has heretofore or who hereafter ceases to
8 be a county employe and whose contributions as paid into the
9 retirement fund, have heretofore or shall hereafter be refunded
10 by the board, if such person is reemployed by the county or
11 county institution district and desires to be given credit for
12 previous service as a county employe, except as hereinafter
13 provided, he or she shall within two years from the date of such
14 reemployment make payment in full of the amount refunded, with
15 interest at the legal rate, the said interest to be computed
16 from the date of the refund to the date of repayment. Both
17 principal and interest shall be paid into the retirement fund at
18 one time and in one amount, or, upon approval of the board, both
19 principal and interest shall be consolidated into one amount and
20 paid in twenty-four or less equal monthly installments, plus
21 interest payment on monthly balances. Full payment thereof shall
22 be a condition precedent to the county employe being eligible to
23 receive the benefits of the retirement allowance plus a service
24 increment, if any. Such county employe shall make monthly
25 payments into the retirement fund in accordance with the
26 provisions of section 1708. No person reemployed as a county
27 employe in accordance with the provisions of this subsection
28 shall be eligible to receive a retirement allowance by reason of
29 total and permanent physical disability, in accordance with the
30 provisions of section 1711, unless he or she shall be in employ

1 for a period of not less than twenty years, which said period of
2 employment shall include credit given for previous service, as
3 herein provided. No person who is ineligible to become a member
4 of the retirement system shall be eligible to receive credit for
5 previous service as a county employe, as hereinbefore provided.

6 (c) Any county employe who desires to be given credit for
7 previous service in the employ of the county as an elected or
8 appointed employe or official, where such service subsequent to
9 the first day of January, one thousand nine hundred forty, was
10 rendered to the county at a time when such employe or official
11 was not a member of the county employes' retirement system,
12 shall, on or prior to [January 1, 1975] January 1, 1977, make
13 application to the board, and upon approval thereof shall pay
14 into the retirement fund a sum equal to twice the payment which
15 such employe would have made had such person been an member
16 thereof and had the payments been made in accordance with the
17 provision of this article. In addition thereto, interest at the
18 legal rate shall be paid from the date when the said monthly
19 payment would have been made. Both principal and interest shall
20 be paid into the retirement fund at one time and in one amount,
21 or, upon approval of the board, both principal and interest
22 shall be consolidated into one amount and paid in twenty-four or
23 less equal monthly installments, plus interest payment on
24 monthly balances. Full payment thereof shall be a condition
25 precedent to the county employe being eligible to receive the
26 benefits of the retirement allowances. Such county employe shall
27 make monthly payments into the retirement fund in accordance
28 with the provisions of section 1708.

29 (d) Any person employed by any county correctional
30 institution at the date such person became eligible for

1 membership in the county employees' retirement system, who
2 desires to be given credit for previous service in the employe
3 of such institution when such employe was not eligible for
4 membership, shall, on or prior to [January 1, 1975] January 1,
5 1976, make application to the board, and upon approval thereof
6 shall pay into the retirement fund a sum equal to twice the
7 payment which such employe would have made had such person been
8 a member thereof and had the payments been made in accordance
9 with the provisions of this article. In addition thereto,
10 interest at the legal rate shall be paid from the date when the
11 said monthly payment would have been made. Both principal and
12 interest shall be paid into the retirement fund at one time and
13 in one amount, or upon approval of the board, both principal and
14 interest shall be consolidated into one amount and paid in
15 twenty-four or less equal monthly installments, plus interest
16 payment on monthly balances. Full payment thereof shall be a
17 condition precedent to the county employe being eligible to
18 receive the benefits of the retirement allowances. Such county
19 employe shall make monthly payment into the retirement fund in
20 accordance with the provisions of section 1708.

21 (e) Any county employe who desires to be given credit for
22 previous service in the employ of the county as an elected or
23 appointed employe or official, where such service was ineligible
24 service and was not permitted membership in the retirement
25 system, shall on or before December 31, 1973 make application to
26 the board, and upon approval thereof shall pay into the
27 retirement fund a sum equal to the payment which such employe
28 would have made in accordance with the provisions of this
29 article. In addition, thereto, interest shall be paid at the
30 rate of six per centum into the retirement fund at one time and

1 in one amount, or, upon approval of the board, both principal
2 and interest shall be consolidated into one amount and paid in
3 full prior to January 1, 1974. Full payment thereof shall be a
4 condition precedent to the county employe being eligible to
5 receive the benefits of the retirement allowances. Such county
6 employe shall make monthly payments into the retirement fund in
7 accordance with the provisions of section 1708.

8 Section 7. This act shall take effect immediately and be
9 applicable to all persons retiring on or after January 1, 1975.