

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL
No. 2583 Session of
1978

INTRODUCED BY MANDERINO, A. K. HUTCHINSON, PETRARCA, KUKOVICH,
SCHMITT AND STAIRS, JUNE 14, 1978

REFERRED TO COMMITTEE ON LOCAL GOVERNMENT, JUNE 14, 1978

AN ACT

1 Amending the act of August 31, 1971 (P.L.398, No.96) entitled
2 "An act providing for the creation, maintenance and operation
3 of a county employees' retirement system, and imposing certain
4 charges on counties and providing penalties," establishing a
5 new class of membership, fixing maximum levels for member
6 contributions and providing for membership contribution rates
7 to be negotiable.

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

10 Section 1. Section 7, act of August 31, 1971 (P.L.398,
11 No.96), known as the "County Pension Law," is amended to read:

12 Section 7. County Employees' Retirement Fund; Transfers
13 Between Classes.--(a) There is hereby created in each county of
14 the second class A, third class, fourth class, fifth class,
15 sixth class, seventh class, and eighth class, in which a
16 retirement system has been established, a County Employees'
17 Retirement Fund which shall consist of all moneys arising from
18 appropriations made by the county and from contributions made by
19 the members of the County Employees' Retirement System and all
20 interest earned by the investments of moneys of the fund. The

1 moneys contributed by the county shall be credited to a county
2 annuity reserve account; and, those contributed by the members
3 shall be credited to a member's annuity reserve account. Upon
4 the granting of a retirement allowance to any contributor,
5 whether as a superannuation retirement allowance, an involuntary
6 retirement allowance or a total disability retirement allowance,
7 the amount of the contributor's accumulated deductions in the
8 members' annuity reserve account shall lose their status as
9 accumulated contributions and shall be transferred to a retired
10 members' reserve account. Regular interest shall be credited up
11 to the date of retirement, death or withdrawal, to the members'
12 annuity and county annuity and retired members' reserve
13 accounts. Where a contributor separates from county service with
14 vesting, regular interest shall be credited to all accumulated
15 deductions credited to his account in the fund to the date on
16 which he attains his superannuation retirement age. The actuary
17 shall determine the present value of the liability on account of
18 all county annuities payable to original members and the
19 percentage of such liability which shall be contributed by the
20 county each year over a period of fifteen years from the time
21 the system is established until the accumulated reserve equals
22 the present value of said liability. All such contributions
23 shall be credited to the county annuity reserve account. The
24 actuary shall also determine the amount which shall be
25 contributed by the county into the fund periodically for credit
26 to the county annuity reserve account on account of service of
27 all new and original members subsequent to the time the
28 retirement system is established.

29 **(b)** Each member of the retirement system shall be required
30 to contribute to the fund such per cent of his salary

1 [determined as follows] as shall be fixed by the collective
2 bargaining agreement between the county and the members'
3 representative, such per cent not to exceed the maximum rate for
4 each class as hereinafter set forth:

5	(1) Class 1-120	5%
6	(2) Class 1-100	6%
7	(3) Class 1-80	7%
8	(4) Class 1-70	8%
9	(5) Class 1-60	9%
10	<u>(6) Class 1-50</u>	<u>9%</u>

11 Each member may elect to contribute an additional amount not
12 exceeding ten per cent more than the percentage herein required.
13 The contributions shall be paid into the fund through payroll
14 deductions in such manner as the board may require. All
15 contributions including optional additional payments by members
16 shall be credited to the members' annuity reserve account.

17 (c) The board may at any time, by rule, authorize members of
18 the retirement system, whether original or new members, to
19 transfer from the one-one hundred twentieth class, or from the
20 one-one hundredth class, to the one-eightieth class, to the one-
21 seventieth class, or to the one-sixtieth class. Whenever such
22 transfers are authorized, salary deductions applicable to the
23 transferred members shall be based upon the per cent of salary
24 deduction applicable while in each class.

25 Section 2. This act shall take effect in 60 days.