

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 94

Session of
1989

INTRODUCED BY BURNS, COWELL, BOYES, COLAFELLA, LESCOVITZ, DALEY,
DAVIES, SCHULER, WASS, BATTISTO, KOSINSKI AND HERMAN,
JANUARY 24, 1989

AS REPORTED FROM COMMITTEE ON EDUCATION, HOUSE OF
REPRESENTATIVES, AS AMENDED, JANUARY 31, 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
15 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
15 work experience, an individual may buy one year of creditable
16 service, not to exceed a total of five years. The purchase of
17 this service shall begin within three years of the employee's
18 eligibility to purchase this creditable service.

19 (7) Previous work experience of the type required for
20 permanent certification as a vocational teacher. For every
21 three years or major fraction thereof, an individual can buy
22 one year of creditable service, not to exceed a total of five
23 years. Previous work experience shall not include time served
24 in an apprenticeship. The purchase of this service shall
25 begin within three years of the employee's eligibility to
26 purchase this 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 * * *

2 ~~(c) Creditable work experience. Contributions on account of~~ <—
3 ~~T-C credit for creditable work experience pursuant to section~~
4 ~~8304(b)(6) and (7) shall be the present value of the full~~
5 ~~actuarial cost of the increase in the projected superannuation~~
6 ~~annuity caused by the additional service credited on account of~~
7 ~~the purchase of creditable work experience. The amount paid for~~
8 ~~the purchase of credit for creditable work experience under~~
9 ~~section 8304(b)(6) and (7) shall not be payable as a lump sum~~
10 ~~under section 8345(a)(4)(iii) (relating to member's options).~~
11 ~~Any individual eligible to receive an annuity, excluding an~~
12 ~~annuity received under the Federal Social Security Act (42~~
13 ~~U.S.C. § 301 et seq.), in another pension system, other than a~~
14 ~~military pension system, shall not be eligible to purchase this~~
15 ~~service.~~

16 (E) CREDITABLE WORK EXPERIENCE.-- <—

17 (1) CONTRIBUTIONS ON ACCOUNT OF T-C CREDIT FOR
18 CREDITABLE WORK EXPERIENCE PURSUANT TO SECTION 8304(B)(6)
19 SHALL BE THE PRESENT VALUE OF THE FULL ACTUARIAL COST OF THE
20 INCREASE IN THE PROJECTED SUPERANNUATION ANNUITY CAUSED BY
21 THE ADDITIONAL SERVICE CREDITED ON ACCOUNT OF THE PURCHASE OF
22 CREDITABLE WORK EXPERIENCE. [THE AMOUNT PAID FOR THE PURCHASE
23 OF CREDIT FOR CREDITABLE WORK EXPERIENCE SHALL NOT BE PAYABLE
24 AS A LUMP SUM UNDER SECTION 8345(A)(4)(III) (RELATING TO
25 MEMBER'S OPTIONS).] ANY INDIVIDUAL ELIGIBLE TO RECEIVE AN
26 ANNUITY, EXCLUDING AN ANNUITY RECEIVED UNDER THE FEDERAL
27 SOCIAL SECURITY ACT (42 U.S.C. § 301 ET SEQ.), IN ANOTHER
28 PENSION SYSTEM, OTHER THAN A MILITARY PENSION SYSTEM, SHALL
29 NOT BE ELIGIBLE TO PURCHASE THIS SERVICE.

30 (2) CONTRIBUTIONS ON ACCOUNT OF T-C CREDIT FOR

1 CREDITABLE WORK EXPERIENCE PURSUANT TO SECTION 8304(B)(7)
2 SHALL BE THE INCREASE IN THE PRESENT VALUE AT THE TIME OF
3 PURCHASE ATTRIBUTABLE TO THE ADDITIONAL SERVICE CREDITED ON
4 ACCOUNT OF THE PURCHASE OF SUCH CREDITABLE WORK EXPERIENCE,
5 CALCULATED ON THE BASIS OF THE AVERAGE ANNUAL COMPENSATION
6 RECEIVED DURING THE FIRST THREE YEARS OF CREDITED SCHOOL
7 SERVICE SUBSEQUENT TO SUCH CREDITABLE WORK EXPERIENCE.

8 (3) THE AMOUNT PAID FOR THE PURCHASE OF SERVICE UNDER
9 THIS SUBSECTION SHALL NOT BE PAYABLE AS A LUMP SUM UNDER
10 SECTION 8345(A)(4)(III) (RELATING TO MEMBER'S OPTIONS).

11 Section 3. This act shall take effect in 60 days.