

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1557 Session of
1999

INTRODUCED BY McILHATTAN, BENNINGHOFF, BISHOP, CLYMER,
L. I. COHEN, M. COHEN, CURRY, DALLY, DeWEESE, FAIRCHILD,
GEIST, HARHAI, HUTCHINSON, JAMES, LAUGHLIN, R. MILLER,
PETRONE, RAMOS, ROSS, SANTONI, SCRIMENTI, SEYFERT, B. SMITH,
STABACK, STEELMAN, E. Z. TAYLOR, THOMAS, TRELLO, WILLIAMS,
WILT AND WOJNAROSKI, MAY 28, 1999

REFERRED TO COMMITTEE ON EDUCATION, MAY 28, 1999

AN ACT

1 Amending Title 24 (Education) of the Pennsylvania Consolidated
2 Statutes, providing for certain employment by annuitants.

3 The General Assembly of the Commonwealth of Pennsylvania
4 hereby enacts as follows:

5 Section 1. Section 8346(a) of Title 24 of the Pennsylvania
6 Consolidated Statutes is amended and the section is amended by
7 adding a subsection to read:

8 § 8346. Termination of annuities.

9 (a) General rule.--If an annuitant returns to school service
10 or enters State service and elects multiple service membership,
11 any annuity payable to him under this part shall cease and in
12 the case of an annuity other than a disability annuity the
13 present value of such annuity, adjusted for full coverage in the
14 case of a joint coverage member who makes the appropriate back
15 contributions for full coverage, shall be frozen as of the date
16 such annuity ceases. An annuitant who is credited with an

1 additional 10% of membership service as provided in section
2 8302(b.2) (relating to credited school service) and who returns
3 to school service, except as provided in subsection (b) or (e),
4 shall forfeit such credited service and shall have his frozen
5 present value adjusted as if his 10% retirement incentive had
6 not been applied to his account. In the event that the cost-of-
7 living increase enacted December 18, 1979, occurred during the
8 period of such State or school employment, the frozen present
9 value shall be increased, on or after the member attains
10 superannuation age, by the percent applicable had he not
11 returned to service.

12 * * *

13 (e) Exception.--An annuitant may be employed under a
14 separate contract by a school entity on a less than full-time
15 basis, without being subject to cessation of annuity provisions
16 and forfeiture provisions in subsection (a), provided the
17 contract specifies that the services rendered by the annuitant
18 take place outside of regular instruction hours, are not part of
19 a program or activity mandated by State law and do not require
20 professional certification. The contract shall also provide that
21 no credited service will be earned toward the account of the
22 annuitant and no contributions by the annuitant, the employer or
23 the Commonwealth shall be made to the annuitant's savings
24 account for work provided under any such contract.

25 Section 2. This act shall take effect immediately.