

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1451

Session of
1983

INTRODUCED BY ITKIN, POTT, COWELL, PISTELLA, CESSAR, MICHLOVIC,
SEVENTY, OLASZ, PRESTON, DUFFY, DeLUCA, MRKONIC, DAWIDA,
MURPHY, GAMBLE, PETRONE, MARKOSEK, MAYERNIK, VAN HORNE,
TRELLO, IRVIS, CLARK, MARMION, BOOK AND MISCEVICH,
SEPTEMBER 19, 1983

AS REPORTED FROM COMMITTEE ON LOCAL GOVERNMENT, HOUSE OF
REPRESENTATIVES, AS AMENDED, NOVEMBER 29, 1983

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," providing that a county
5 of the second class may make pickup contributions to the
6 retirement system on behalf of county employees.

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

9 Section 1. Section 1701 of the act of July 28, 1953
10 (P.L.723, No.230), known as the Second Class County Code,
11 amended December 10, 1970 (P.L.919, No.291), June 1, 1973
12 (P.L.37, No.19), June 29, 1976 (P.L.461, No.116) and March 27,
13 1980 (P.L.56, No.21), is amended to read:

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

17 "Board," county employees' retirement board.

18 "Compensation," pickup contributions plus salary or wages

1 received per day, weekly, bi-weekly, semi-monthly, monthly,
2 annually, or during an official term year.

3 "Contributions," pickup contributions and the amount paid
4 into the retirement fund.

5 "County employe," any person employed by the county,
6 including all elected or appointed county officers, and
7 agricultural extension association, county institutions
8 district, county prison, any county correctional institution,
9 law library and county retirement board, employes whose
10 compensation is paid out of county funds, except employes
11 employed by any board of trustees of a community college of
12 which the county is a local sponsor pursuant to the act of
13 August 24, 1963 (P.L.1132, No.484), known as the "Community
14 College Act of 1963," as amended, county institution district
15 funds or county retirement system funds or any department
16 created by the office of the county commissioners, and any
17 person receiving compensation for accidental injuries in
18 accordance with the provisions of The Pennsylvania Workmen's
19 Compensation Act: Provided, That the injured county employe
20 during the period of his or her disability shall pay each month
21 a sum equal to the last monthly contribution paid into the
22 retirement fund when said county employe was in employment and
23 shall not include any participant in on-the-job training, work
24 experience or public service employment whose employment with
25 the county is funded in whole or in part by the Federal
26 "Comprehensive Employment and Training Act," as amended, unless
27 the retirement board has provided for the membership of such
28 participants in accordance with the provisions of section
29 1710.1. It shall not include any time spent by a county employe
30 on furlough or leave of absence without compensation, a person

1 reemployed as a county employe subsequent to the thirty-first
2 day of May, one thousand nine hundred fifty-three, in accordance
3 with the provisions of subsection (c) of section 1712, except
4 such county employes who may be in active military service in
5 accordance with the provisions of subsection (d) of section 1710
6 and former county employes whose monthly contributions are paid
7 into the retirement fund in accordance with the provisions of
8 section 1713. In all cases of doubt the board shall determine
9 who is an employe within the meaning of this article.

10 "Monthly," calendar month.

11 "Per Annum," twelve calendar months.

12 "Pickup contributions," regular contributions which are made
13 by the county on behalf of county employes for current service
14 in accordance with subsection (a.1) of section 1708.

15 "Reemployed," any former county employe who is reemployed as
16 such, shall thereupon assume the status of a new or future
17 county employe and may, if eligible, receive credit for previous
18 service in accordance with the provisions of subsection (b) of
19 section 1715. It shall not include any person reemployed
20 subsequent to the thirty-first day of May, one thousand nine
21 hundred fifty-three, in accordance with the provisions of
22 subsection (c) of section 1712, nor any county employe who may
23 be in active military service in accordance with the provisions
24 of subsection (d) of section 1710.

25 "Retirement Allowance," the amount to which a county employe
26 is eligible to receive upon retirement from active service not
27 including the amount he or she is eligible to receive as a
28 service increment.

29 "Retirement fund or system," fund or system created by this
30 article.

1 "Vested Interest," future county employees including persons
2 who are reemployed as such, except as hereinafter provided,
3 whose contributions as paid into the retirement fund have been
4 retained therein, or have been refunded by the board, who have
5 fulfilled all conditions required to qualify such county
6 employees for a retirement allowance plus a service increment, if
7 any. It shall not include persons who are reemployed as county
8 employees in accordance with the provisions of subsection (c) of
9 section 1712.

10 "Year or service year," twelve calendar months including an
11 official term year beginning the first Monday of January of a
12 given year to the first Monday of January of the year following
13 or twenty-six pay periods if payment is made bi-weekly.

14 "Survivor's Benefit Allowance," a portion of a retirement
15 allowance, plus a service increment, if any, to be paid to a
16 surviving spouse of a deceased county employee.

17 "Early Retirement," reduced retirement benefits at age fifty-
18 five with completion of eight years of service depending upon
19 the service requirements for normal retirement.

20 "Interest," a determined rate, payable upon refund of
21 contributions, compounded annually.

22 "Service Increment," the amount a county employee is eligible
23 to receive in addition to his or her retirement allowance by
24 reason of his or her extra years of service.

25 Section 2. The heading of section 1708 is amended and a
26 subsection is added to read:

27 Section 1708. Compulsory Membership; [Employees Payment]
28 Payments Into Fund; Exceptions; Vested Interest.--* * *

29 (a.1) The county may elect to contribute on behalf of each
30 active member for current service the amount required by

1 subsection (a) beginning the first Monday of January of the year
2 ~~succeeding the one~~ in which the resolution to do so was adopted <—
3 by the commissioners. Contributions made in accordance with this
4 subsection shall be deemed pickup contributions and shall be
5 treated as the county's contribution in determining tax
6 treatment under the act of August 16, 1954, 68A Stat. 5, known
7 as the Internal Revenue Code of 1954, for Federal tax purposes.
8 For all other purposes pickup contributions shall be treated as
9 contributions made by a member in the same manner and to the
10 same extent as contributions made prior to the implementation of
11 this subsection. The county on or before January 31 of each year
12 shall, at the time when the income and withholding information
13 required by law is furnished to each county employe, also
14 furnish the amount of the pickup contribution made on the
15 employe's behalf. Upon the effective date of the implementation
16 of this subsection, the county shall pick up the required
17 contributions by an equal reduction in the compensation of the
18 member.

19 * * *

20 Section 3. This act shall take effect ~~in 60 days~~ JANUARY 1, <—
21 1984.