

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1784 Session of  
2001

INTRODUCED BY BUNT, FICHTER, L. I. COHEN, TRELLO, HARPER, ALLEN,  
CALTAGIRONE, CAPPELLI, DeLUCA, LAUGHLIN, PIPPY, PRESTON,  
SATHER, STABACK, T. STEVENSON, TIGUE, TRICH AND WOJNAROSKI,  
JUNE 19, 2001

REFERRED TO COMMITTEE ON URBAN AFFAIRS, JUNE 19, 2001

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," further providing for  
5 employees eligible for retirement allowances.

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

8 Section 1. Section 1712(a) of the act of July 28, 1953  
9 (P.L.723, No.230), known as the Second Class County Code,  
10 amended October 30, 2000 (P.L.616, No.85), is amended to read:

11 Section 1712. Amount of Retirement Allowances.--(a) The  
12 retirement allowance paid under the provisions of this article  
13 shall equal fifty per centum of the amount which would  
14 constitute the average monthly compensation as received by the  
15 county employe during the highest twenty-four months of the last  
16 four (4) years of his employment or two years on a bi-weekly pay  
17 basis in which period of time the said county employe made  
18 monthly or bi-weekly contributions into the retirement fund

1 prior to his or her retirement. Such average monthly  
2 compensation shall include the compensation which any county  
3 employe would have been entitled to and would have received  
4 except for deduction from compensation due to time spent in  
5 serving as an elected State official: Provided, That the county  
6 and the employe shall make monthly contributions based on the  
7 last compensation equal to the amount the county and he or she  
8 would have paid into the retirement fund had such compensation  
9 been paid by the county. In the event an employe, on the  
10 effective date of employment termination, shall have less than a  
11 full year of service for the purpose of computing the employe's  
12 service time, then the amount of the retirement allowance, which  
13 would have been computed had the employe completed a full  
14 twelve-month period for the year of the termination of  
15 employment, shall be prorated upon a full completed month basis  
16 for said last year of service. No retirement allowance shall be  
17 computed on a monthly compensation in excess of four thousand  
18 three hundred thirty-three dollars and thirty-three cents  
19 (\$4,333.33) (referred to in this subsection as "excess  
20 compensation") unless the employe and the county have made  
21 contributions on all excess compensation received by the employe  
22 during the five-year period preceding the employe's retirement:  
23 Provided, That the required contribution is paid into the  
24 retirement system within ninety (90) days of the date of  
25 retirement. An employe who retires within five (5) years of the  
26 effective date of the compensation cap removal may elect to  
27 satisfy the contribution requirement by making a lump sum  
28 contribution that is calculated by applying the applicable  
29 contribution percentage rate to all excess compensation received  
30 by the employe during the prior five-year period on which

1 contributions were not made. Within ninety (90) days of such  
2 contribution by an employe, contributions shall also be made by  
3 the county in an amount equal to the amount contributed by the  
4 employe. The effective date of the cap removal is December 31,  
5 1999.

6 After the effective date of this amendment, certain former  
7 county employes who are now receiving a retirement allowance  
8 shall receive an increase of a certain per centum of such  
9 retirement allowance, which sum shall be computed on the average  
10 monthly retirement allowance as heretofore authorized by the  
11 board.

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

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

22 The difference between ten thousand eight hundred dollars  
23 (\$10,800) and the annual salary of the employe multiplied by the  
24 number of years during which he was not an employe of the county  
25 for the period aforesaid and upon that amount the sum of two per  
26 centum which shall be the lump sum contribution as required  
27 herein.

28 No person who is reemployed as a county employe shall be  
29 eligible to receive the benefit of a retirement allowance plus a  
30 service increment, if any, until he or she shall have made at

1 least twenty-four monthly or fifty-two bi-weekly contributions  
2 into the retirement fund subsequent to his or her reemployment.  
3 The foregoing provisions shall not have a retroactive  
4 application and shall apply only to present and future county  
5 employees. The rate required to be paid in accordance with this  
6 provision shall apply to present county employees notwithstanding  
7 the rate of contribution that the present county employee has  
8 made into the retirement fund.

9 Notwithstanding any other provision of this act or law to the  
10 contrary, the county may increase the retirement allowance paid  
11 under the provisions of this article by a cost-of-living  
12 adjustment which may equal or exceed the Consumer Price Index.

13 \* \* \*

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