

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2591

Session of
2002

INTRODUCED BY BUNT, CURRY, GODSHALL, FICHTER, MCGILL, CORNELL,
DAILEY, BROOKS, HARPER AND L. I. COHEN, APRIL 18, 2002

AS REPORTED FROM COMMITTEE ON LOCAL GOVERNMENT, HOUSE OF
REPRESENTATIVES, AS AMENDED, MAY 8, 2002

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," changing
5 vesting rights; and providing additional class options. ~~for~~ <—
6 ~~certain counties.~~

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

9 Section 1. Section 2(16) of the act of August 31, 1971
10 (P.L.398, No.96), known as the County Pension Law, amended
11 December 20, 1983 (P.L.282, No.75), is amended to read:

12 Section 2. Definitions.--As used in this act:

13 * * *

14 (16) "Vesting" means the right of a contributor who
15 separates from service after having completed [eight] five or
16 more years of credited service to leave accumulated deductions
17 credited to his account in the fund and upon reaching
18 superannuation retirement age receive a superannuation
19 retirement allowance.

Section 2. The act is amended by adding a section to read:

~~Section 7.1. Additional Class Options for Certain
Counties. (a) During any time specified in subsection (c), the
board may, by rule, establish a one fiftieth class or a one
fortieth class with a required member contribution rate of nine
per cent for each class in accordance with the standards
prescribed in section 7(g). During such time, the board may, by
rule, authorize the class adopted pursuant to this section to be
applied retroactively to the employee's credit service.~~

~~(b) Whenever the board has, by rule, authorized the members
of the retirement system to make a transfer to the one fiftieth
class or the one fortieth class, the county annuity shall be
calculated in accordance with section 14(c).~~

~~(c) The board may adopt a rule pursuant to subsection (a) at
any time within the twelve month period following the effective
date of this section.~~

SECTION 7.1. ADDITIONAL CLASS OPTIONS.--(A) THE BOARD MAY,
BY RULE, ESTABLISH A ONE-FIFTIETH CLASS OR A ONE-FORTIETH CLASS
WITH A REQUIRED MEMBER CONTRIBUTION RATE OF NINE PER CENT FOR
EACH CLASS UNLESS THE BOARD ESTABLISHES A DIFFERENT CONTRIBUTION
RATE IN ACCORDANCE WITH SECTION 7(E).

(B) THE BOARD MAY, BY RULE, AUTHORIZE THE CLASS ADOPTED
PURSUANT TO THIS SECTION TO BE APPLIED RETROACTIVELY TO THE
EMPLOYEE'S CREDIT SERVICE.

(C) WHENEVER THE BOARD HAS, BY RULE, AUTHORIZED THE MEMBERS
OF THE RETIREMENT SYSTEM TO MAKE A TRANSFER TO THE ONE-FIFTIETH
CLASS OR THE ONE-FORTIETH CLASS, THE COUNTY ANNUITY SHALL BE
CALCULATED IN ACCORDANCE WITH SECTION 14(C) WITH THE NEW CLASSES
ADDED. NOTWITHSTANDING THE PROVISIONS OF SECTION 14(C), IF THE
BOARD ADOPTS THE RETROACTIVITY PROVISION IN SUBSECTION (B), THE

1 COUNTY ANNUITY FOR ALL PERIODS OF SERVICE SHALL BE CALCULATED AT
2 THE ONE-FIFTIETH CLASS RATE OR ONE-FORTIETH CLASS RATE, AS THE
3 CASE MAY BE.

4 (D) THE BOARD MAY ADOPT RULES PURSUANT TO THIS SECTION AT
5 ANY TIME WITHIN THE TWELVE-MONTH PERIOD FOLLOWING THE EFFECTIVE
6 DATE OF THIS SECTION.

7 Section 3. This act shall take effect immediately.