

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2482 Session of
2010

INTRODUCED BY GROVE, BEYER, GINGRICH, MOUL AND PYLE,
APRIL 30, 2010

REFERRED TO COMMITTEE ON FINANCE, APRIL 30, 2010

AN ACT

1 Amending Title 24 (Education) of the Pennsylvania Consolidated
2 Statutes, in miscellaneous provisions, further providing for
3 payments to school entities by Commonwealth; and repealing
4 related provisions of the Taxpayer Relief Act.

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

7 Section 1. Section 8535 of Title 24 of the Pennsylvania
8 Consolidated Statutes is amended to read:

9 § 8535. Payments to school entities by Commonwealth.

10 (a) General rule.--For each school year beginning with the
11 1995-1996 school year and ending with the 2009-2010 school year,
12 each school entity shall be paid by the Commonwealth for
13 contributions based upon school service of active members of the
14 system after June 30, 1995, as follows:

15 (1) The Commonwealth shall pay each school entity for
16 contributions made to the Public School Employees' Retirement
17 Fund based upon school service of all active members,
18 including members on activated military service leave, whose
19 effective dates of employment with their school entities are

1 after June 30, 1994, and who also had not previously been
2 employed by any school entity within this Commonwealth an
3 amount equal to the amount certified by the Public School
4 Employees' Retirement Board as necessary to provide, together
5 with the members' contributions, reserves on account of
6 prospective annuities, supplemental annuities and the premium
7 assistance program as provided in this part in accordance
8 with section 8328 (relating to actuarial cost method),
9 multiplied by the market value/income aid ratio of the school
10 entity. For no school year shall any school entity receive
11 less than the amount that would result if the market
12 value/income aid ratio as defined in section 2501(14.1) of
13 the Public School Code of 1949 was 0.50.

14 (2) The Commonwealth shall pay each school entity for
15 contributions made to the Public School Employees' Retirement
16 Fund based upon school service of all active members,
17 including members on activated military service leave, who
18 are not described in paragraph (1), one-half of the amount
19 certified by the Public School Employees' Retirement Board as
20 necessary to provide, together with the members'
21 contributions, reserves on account of prospective annuities,
22 supplemental annuities and the premium assistance program as
23 provided in this part in accordance with section 8328.

24 (3) School entities shall have up to five days after
25 receipt of the Commonwealth's portion of the employer's
26 liability to make payment to the Public School Employees'
27 Retirement Fund.

28 (b) School years beginning 2010-2011 and thereafter.--For
29 each school year beginning with the 2010-2011 school year, each
30 school entity shall be paid by the Commonwealth for

1 contributions based upon school service of active members of the
2 system after June 30, 2010, as follows:

3 (1) The Commonwealth shall pay each school entity for
4 contributions made to the Public School Employees' Retirement
5 Fund based upon school service of all active members,
6 including members on activated military service leave, an
7 amount equal to the amount certified by the Public School
8 Employees' Retirement Board as necessary to provide, together
9 with the members' contributions, employers' contributions,
10 reserves on account of prospective annuities, supplemental
11 annuities and the premium assistance program as provided in
12 this part in accordance with section 8328, less the amount
13 specified in paragraph (3).

14 (2) School entities shall have up to five days after
15 receipt of the Commonwealth's portion of the employer's
16 liability to make payment to the Public School Employees'
17 Retirement Fund.

18 (3) The payment by the Commonwealth under paragraph (1)
19 shall be reduced by the sum of 4% applied to the total
20 compensation during the pay periods in the preceding year of
21 all employees who were active members of the system during
22 such period, including members on activated military service
23 leave.

24 Section 2. Repeals are as follows:

25 (1) The General Assembly declares that the repeal under
26 paragraph (2) is necessary to effectuate the provisions of
27 this act.

28 (2) Section 333(n) of the act of June 27, 2006 (1st
29 Sp.Sess., P.L.1873, No.1), known as the Taxpayer Relief Act,
30 is repealed.

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