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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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SENATE BILL

No. 852

Session of  
1987

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INTRODUCED BY ARMSTRONG, ZEMPRELLI, MADIGAN, CORMAN, HESS,  
WENGER, REGOLI, RHOADES, FISHER, REIBMAN, KELLEY, AFFLERBACH  
AND LOEPER, MAY 27, 1987

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AS REPORTED FOR COMMITTEE ON APPROPRIATIONS, HOUSE OF  
REPRESENTATIVES, AS AMENDED, SEPTEMBER 29, 1987

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AN ACT

1 Amending Title 71 (State Government) of the Pennsylvania  
2 Consolidated Statutes, providing an employer contribution  
3 rate for members of an independent retirement system.

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

6 Section 1. Section 5301(a)(12) of Title 71 of the  
7 Pennsylvania Consolidated Statutes, amended December 15, 1986  
8 (P.L.1597, No.176), is amended to read:

9 § 5301. Mandatory and optional membership.

10 (a) Mandatory membership.--Membership in the system shall be  
11 mandatory as of the effective date of employment for all State  
12 employees except the following:

13 \* \* \*

14 (12) School employees who have elected membership in an  
15 independent retirement program approved by the employer,  
16 provided that in no case, except [for the fiscal year 1986-  
17 1987] as hereinafter provided, shall the employer contribute

1 on account of such elected membership at a rate greater than  
2 the employer normal contribution rate as determined in  
3 section 5508(b) (relating to actuarial cost method). For the  
4 fiscal year 1986-1987 an employer may contribute on account  
5 of such elected membership at a rate which is the greater of  
6 7% or the employer normal contribution rate as determined in  
7 section 5508(b) and for all years after that at a rate of  
8 8.95%.

9 \* \* \*

10 Section 2. The Public Employee Retirement Study Commission  
11 shall study the rate established in 71 Pa.C.S. § 5301(a)(12)  
12 four years after it was last set and shall recommend to the  
13 Governor and the General Assembly not later than March 31 a rate  
14 for the next five years. The rate established in 71 Pa.C.S. §  
15 5301(a)(12) shall continue in effect until it is changed. The  
16 recommendation of the Public Employee Retirement Study  
17 Commission on the rate of employer contribution shall be  
18 designed to produce parity of ~~benefits~~ CONTRIBUTIONS between the <—  
19 alternate retirement program and the State Employees' Retirement  
20 System program.

21 Section 3. This act shall take effect June 30, 1987, or if  
22 enacted thereafter, immediately, and shall be retroactive to  
23 June 30, 1987.