THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 124

Session of 1983

INTRODUCED BY GALLAGHER, BURNS, J. L. WRIGHT AND E. Z. TAYLOR, FEBRUARY 1, 1983

REFERRED TO COMMITTEE ON EDUCATION, FEBRUARY 1, 1983

AN ACT

- 1 Amending Title 24 (Education) of the Pennsylvania Consolidated
- Statutes, providing an additional limitation on creditable
- 3 nonschool service.
- 4 The General Assembly of the Commonwealth of Pennsylvania
- 5 hereby enacts as follows:
- 6 Section 1. Section 8304(a) of Title 24 of the Pennsylvania
- 7 Consolidated Statutes is amended and subsection (b) is amended
- 8 by adding a paragraph to read:
- 9 § 8304. Creditable nonschool service.
- 10 (a) Eligibility.--An active member or a multiple service
- 11 member who is an active member of the State Employees'
- 12 Retirement System shall be eligible to receive Class T-C service
- 13 credit for creditable nonschool service as set forth in
- 14 subsection (b) provided that he is not entitled to receive,
- 15 eligible to receive now or in the future, or is receiving
- 16 retirement benefits for such service under a retirement system
- 17 administered and wholly or partially paid for by any other
- 18 governmental agency or by any private employer, or a retirement

- 1 program approved by the employer in accordance with section
- 2 8301(a)(1) (relating to mandatory and optional membership), and
- 3 further provided that such service is certified by the previous
- 4 employer and the manner of payment of the amount due is agreed
- 5 upon by the member, the employer, and the board. However, an
- 6 active member who is not actually receiving benefits from a
- 7 retirement system of another state may divest himself of his
- 8 <u>entitlement or eliqibility for future benefits in that system in</u>
- 9 <u>order to receive creditable nonschool service credit under</u>
- 10 subsection (b)(3). The divestiture shall be certified to the
- 11 board by the out-of-state system before the member applies for
- 12 the creditable nonschool service credit.
- 13 (b) Limitations on nonschool service.--Creditable nonschool
- 14 service credit shall be limited to:
- 15 * * *
- 16 (6) Previous service in an accredited Pennsylvania
- 17 <u>nonpublic elementary or secondary school or institution of</u>
- 18 <u>higher education if the member was entitled to a provisional</u>
- 19 or permanent professional certificate to teach in the public
- 20 <u>schools of this Commonwealth at the time the service was</u>
- 21 rendered. For every three years or major fraction thereof in
- 22 previous work experience, an individual can buy one year of
- 23 <u>creditable service, not to exceed a total of five years. The</u>
- 24 <u>purchase of this service shall begin within three years of</u>
- 25 the employee's eligibility to purchase this creditable
- 26 <u>service. The Department of Education may charge an applicant</u>
- 27 a fee necessary to cover administrative costs incurred in
- 28 <u>verifying the applicant's eligibility for certification.</u>
- 29 * * *
- 30 Section 2. Section 8324 of Title 24 is amended by adding a

- 1 subsection to read:
- 2 § 8324. Contributions for purchase of credit for creditable
- 3 nonschool service.
- 4 * * *
- 5 (e) Creditable work experience. -- Contributions on account of
- 6 T-C credit for creditable work experience shall be the present
- 7 value of the full actuarial cost of the increase in the
- 8 projected superannuation annuity caused by the additional
- 9 <u>service credited on account of the purchase of creditable work</u>
- 10 experience. The amount paid for the purchase of credit for
- 11 <u>creditable work experience shall not be payable as a lump sum</u>
- 12 <u>under section 8345(a)(4)(iii) (relating to member's options).</u>
- 13 Any individual eligible to receive an annuity, excluding an
- 14 annuity received under the Federal Social Security Act of 1936,
- 15 <u>as amended (42 U.S.C. § 301 et. seq.)</u>, in another pension
- 16 system, other than a military pension system, shall not be
- 17 eligible to purchase this service.
- 18 Section 3. This act shall take effect in 60 days.