
THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 244

Session of
1985

INTRODUCED BY HOWARD, STAUFFER, FISHER, LEWIS, SHAFFER, MELLOW,
REIBMAN, PECORA, CORMAN, HOPPER AND KRATZER, JANUARY 25, 1985

REFERRED TO FINANCE, JANUARY 25, 1985

AN ACT

1 Amending Titles 24 (Education) and 71 (State Government) of the
2 Pennsylvania Consolidated Statutes, clarifying duties of the
3 boards regarding disability applications; clarifying
4 provisions for certain creditable service; and modifying
5 eligibility for special early retirement in the State system.

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

8 Section 1. Sections 8312 and 8505(c) of Title 24 of the
9 Pennsylvania Consolidated Statutes are amended to read:

10 § 8312. Eligibility for special early retirement.

11 Notwithstanding any provisions of this title to the contrary,
12 for the period only of July 1, 1985 to June 30, 1986, the
13 following special early retirement provisions shall be
14 applicable to specified eligible members as follows:

15 (1) During the period of July 1, 1985 to June 30, 1986,
16 any active member who has attained the age of at least 53
17 years and has credit for at least 30 eligibility points shall
18 be entitled, upon termination of service and filing of a
19 proper application, to receive a maximum single life annuity

1 calculated pursuant to section 8342 (relating to maximum
2 single life annuity) without any reduction by virtue of an
3 effective date of retirement which is under the
4 superannuation age.

5 (2) During the period of July 1, 1985 to June 30, 1986,
6 any active member who has attained the age of at least 50
7 years but not greater than 53 years and has credit for at
8 least 30 eligibility points shall be entitled, upon
9 termination of service and filing of a proper application, to
10 receive a maximum single life annuity calculated pursuant to
11 section 8342 with a reduction by virtue of an effective date
12 of retirement which is under the superannuation age of a
13 percentage determined by multiplying the number of months,
14 including a fraction of a month as a full month, by which the
15 effective date of retirement precedes the attainment of age
16 53 by 0.25%.

17 (3) The special early retirement provisions shall not
18 apply to benefits payable under section 8347 (relating to
19 death benefits) except to the extent that such benefits enter
20 into the determination of the amounts payable under section
21 8347(c).

22 § 8505. Duties of board regarding applications and elections of
23 members.

24 * * *

25 (c) Disability annuities.--In every case where the board has
26 received an application for a disability annuity based upon
27 physical or mental incapacity for the performance of the job for
28 which the member is employed, the board shall:

29 (1) Through the [chief] medical examiner, have the
30 [applicant examined] application and any supporting medical

1 records and other documentation submitted with the
2 application reviewed and, on the basis of said [examination]
3 review and the subsequent recommendation by the [chief]
4 medical examiner regarding the applicant's medical
5 qualification for a disability annuity along with such other
6 recommendations which he may make with respect to the
7 permanency of disability or the need for subsequent
8 [reexaminations] reviews, make a finding of disability or
9 nondisability and, in the case of disability, establish an
10 effective date of disability and the terms and conditions
11 regarding subsequent [reexaminations] reviews.

12 (2) Upon the recommendation of the [chief] medical
13 examiner on the basis of a review of subsequent medical
14 [examinations] reports submitted with an application for
15 continuance of disability, make a finding of disability or
16 nondisability and, in the case of a finding of nondisability,
17 establish the date of termination of disability and at that
18 time discontinue any annuity payments in excess of any
19 annuity to which he may be otherwise entitled under section
20 8342 (relating to maximum single life annuity).

21 (3) Upon receipt of a written statement from a
22 disability annuitant of his earned income of the previous
23 year, adjust the payments of the disability annuity for the
24 following year in accordance with the provisions for a
25 reduction of disability payments of section 8344 (relating to
26 disability annuities).

27 * * *

28 Section 2. Sections 5303, 5304(c), 5308.1 and 5905(c) of
29 Title 71 are amended to read:

30 § 5303. Retention and reinstatement of service credits.

1 (a) Eligibility points for accrued credited service.--

2 Eligibility points shall be computed in accordance with section
3 5307 (relating to eligibility points) with respect to all
4 credited service accrued as of the effective date of this part.

5 (b) Eligibility points for prospective credited service.--

6 Every active member of the system or a multiple service member
7 who is a school employee and a member of the Public School
8 Employees' Retirement System on or after the effective date of
9 this part shall receive eligibility points in accordance with

10 section 5307 for current State service, previous State service,
11 or creditable nonstate service upon compliance with sections

12 5501 (relating to regular member contributions for current

13 service), 5504 (relating to member contributions for the

14 purchase of credit for previous State service or to become a

15 full coverage member), 5505 (relating to contributions for the

16 purchase of credit for creditable nonstate service), 5505.1

17 (relating to additional member contributions) or 5506 (relating

18 to incomplete payments). The class or classes of service in

19 which the member may be credited for previous State service

20 prior to the effective date of this part shall be the class or

21 classes in which he was or could have at any time elected to be

22 credited for such service. The class of service in which a

23 member shall be credited for service subsequent to the effective

24 date of this part shall be determined in accordance with section

25 5306 (relating to classes of service).

26 (c) Election for purchase of certain creditable service.--

27 Every active member of the system or a multiple service member

28 who is a school employee and a member of the Public School

29 Employees' Retirement System who was employed by the Applied

30 Research Laboratory of The Pennsylvania State University prior

1 to June 3, 1984, and did not receive or is not receiving a
2 retirement or pension benefit as a result of that service may
3 elect to have the period of employment with the Applied Research
4 Laboratory treated as previous State service upon compliance
5 with sections 5504 and 5506 upon waiver in writing of any
6 benefit that he is entitled to under any other pension or
7 retirement plan by virtue of that service. If a member elects to
8 receive this previous State service credit, The Pennsylvania
9 State University shall make employer contributions equal to the
10 amount that would have been contributed had employer
11 contributions been made to the system concurrently with the
12 rendering of the service, plus valuation interest to the day of
13 the crediting of the service. Notwithstanding the provisions of
14 section 5504, the amount due as member contributions and
15 interest for an employee who is employed by the Applied Research
16 Laboratory on June 3, 1984, who elects to purchase this credit
17 with the State Employees' Retirement System shall not exceed the
18 amount of contributions and interest certified as having been
19 made to the pension plan administered by the Applied Research
20 Laboratory during his employment with the Applied Research
21 Laboratory. The Pennsylvania State University shall pay as
22 member contributions the difference between this amount and the
23 amount otherwise due under sections 5504 and 5506. The
24 additional contributions paid by The Pennsylvania State
25 University shall not be considered compensation for purposes of
26 this part.

27 § 5304. Creditable nonstate service.

28 * * *

29 (c) Limitations on nonstate service.--Creditable nonstate
30 service credit shall be limited to:

(1) intervening military service;

(2) other military service not exceeding five years;

(3) service in any public school or public educational institution in any state other than this Commonwealth or in any territory or area under the jurisdiction of the United States; or service as an administrator, teacher, or instructor in the field of education for any agency or department of the government of the United States, whether or not such area was under the jurisdiction of the United States, the total of such service not exceeding the lesser of ten years or the number of years of active membership in the system, as an officer or employee of the Department of Education or as an administrator, teacher, or instructor employed in any State-owned educational institution or The Pennsylvania State University; or

(4) previous service with a governmental agency other than the Commonwealth which employment with said agency was terminated because of the transfer by statute of the administration of such service or of the entire agency to the Commonwealth[; or

(5) service by an employee in the Applied Research Laboratory of The Pennsylvania State University prior to such employee's election of membership in the system, provided such previous service is certified by the university and contributions are agreed upon and made by the university in accordance with sections 5505 (relating to contributions for the purchase of credit for creditable nonstate service) and 5507(a) (relating to contributions by the Commonwealth and other employers)].

* * *

1 § 5308.1. Eligibility for special early retirement.

2 Notwithstanding any provisions of this title to the contrary,
3 for the period only of July 1, 1985 to June 30, 1986, the
4 following special early retirement provisions shall be
5 applicable to specified eligible members as follows:

6 (1) During the period of July 1, 1985 to June 30, 1986,
7 any active member who has attained the age of at least 53
8 years and has [credit for] accrued at least 30 [years of
9 credited State or school service] eligibility points shall be
10 entitled, upon termination of State service and compliance
11 with section 5907(f) (relating to rights and duties of State
12 employees and members), to receive a maximum single life
13 annuity calculated pursuant to section 5702 (relating to
14 maximum single life annuity) without any reduction by virtue
15 of an effective date of retirement which is under the
16 superannuation age.

17 (2) During the period of July 1, 1985 to June 30, 1986,
18 any active member who has attained the age of at least 50
19 years but not greater than 53 years and has [credit for]
20 accrued at least 30 [years of credited State or school
21 service] eligibility points shall be entitled, upon
22 termination of State service and compliance with section
23 5907(f), to receive a maximum single life annuity calculated
24 pursuant to section 5702 with a reduction by virtue of an
25 effective date of retirement which is under the
26 superannuation age of a percentage factor which shall be
27 determined by multiplying the number of months, including a
28 fraction of a month as a full month, by which the effective
29 date of retirement precedes the attainment of age 53 by
30 0.25%.

1 (3) The special early retirement provisions shall not
2 apply to benefits payable under section 5707 (relating to
3 death benefits) except to the extent that such benefits enter
4 into the determination of the amounts payable under section
5 5707(c).

6 § 5905. Duties of the board regarding applications and
7 elections of members.

8 * * *

9 (c) Disability annuities.--In every case where the board has
10 received an application for a disability annuity based upon
11 physical or mental incapacity for the performance of the job for
12 which the member is employed, taking into account relevant
13 decisions by The Pennsylvania Workmen's Compensation Board, the
14 board shall:

15 (1) through the [chief] medical examiner, have the
16 [applicant examined] application and any supporting medical
17 records and other documentation submitted with the
18 application reviewed and on the basis of said [examination]
19 review, and the subsequent recommendation by the [chief]
20 medical examiner regarding the applicant's medical
21 qualification for a disability annuity along with such other
22 recommendations which he may make with respect to the
23 permanency of disability or the need for subsequent
24 [reexaminations] reviews, make a finding of disability and
25 whether or not the disability is service connected or
26 nondisability and in the case of disability establish an
27 effective date of disability and the terms and conditions
28 regarding subsequent [reexaminations] reviews;

29 (2) upon the recommendation of the [chief] medical
30 examiner on the basis of a review of subsequent medical

1 [examinations] reports submitted with an application for
2 continuance of disability, make a finding of continued
3 disability and whether or not the disability continues to be
4 service connected, or a finding of nondisability; and in the
5 case of a finding that the disability is no longer service
6 connected, discontinue any supplemental payments on account
7 of such service connected disability as of the date of the
8 finding; and in the case of a finding of nondisability
9 establish the date of termination of disability and at that
10 time discontinue any annuity payments in excess of an annuity
11 calculated in accordance with section 5702 (relating to
12 maximum single life annuity); and

13 (3) upon receipt of a written statement from a
14 disability annuitant of his earned income of the previous
15 quarter, adjust the payments of the disability annuity for
16 the following quarter in accordance with the provisions of
17 section 5704(c) (relating to disability annuities).

18 * * *

19 Section 3. This act shall take effect immediately.