

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 852

Session of
1987

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

SENATOR TILGHMAN, APPROPRIATIONS, RE-REPORTED AS AMENDED,
JUNE 15, 1987

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 rate shall continue without modification for~~ <—
11 ~~five years, but the~~ Public Employee Retirement Study Commission
12 shall study the rate ESTABLISHED IN 71 PA.C.S. § 5301(A)(12) <—
13 four years after it was last set and shall recommend to the
14 Governor and the General Assembly not later than March 31 a rate
15 for the next five years. The rate ~~last set~~ ESTABLISHED IN 71 <—
16 PA.C.S. § 5301(A)(12) shall continue in effect until it is
17 changed. The recommendation of the Public Employee Retirement
18 Study Commission on the rate of employer contribution shall be
19 designed to produce parity of benefits between the alternate
20 retirement program and the State Employees' Retirement System
21 program.

22 Section 3. This act shall take effect ~~in 60 days~~ JUNE 30, <—
23 1987, OR IF ENACTED THEREAFTER, IMMEDIATELY AND SHALL BE
24 RETROACTIVE TO JUNE 30, 1987.