

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 190 Session of  
2001

INTRODUCED BY RHOADES, TOMLINSON, CONTI, M. WHITE, KUKOVICH,  
HOLL, WENGER, SCHWARTZ, COSTA, MELLOW, STOUT, LAVALLE,  
MADIGAN, LEMMOND, BELL, GREENLEAF, THOMPSON, TARTAGLIONE,  
BODACK AND BOSCOLA, JANUARY 30, 2001

REFERRED TO FINANCE, JANUARY 30, 2001

AN ACT

1 Amending Title 24 (Education) of the Pennsylvania Consolidated  
2 Statutes, further providing for creditable nonschool service.

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

5 Section 1. Sections 8304(b) and 8324(e) of Title 24 of the  
6 Pennsylvania Consolidated Statutes are amended to read:

7 § 8304. Creditable nonschool service.

8 \* \* \*

9 (b) Limitations on nonschool service.--Creditable nonschool  
10 service credit shall be limited to:

11 (1) Intervening military service.

12 (2) Military service other than intervening military  
13 service and activated military service not exceeding five  
14 years provided that a member with multiple service may not  
15 purchase more than a total of five years of military service  
16 in both the system and the State Employees' Retirement  
17 System.

1           (3) Service in any public school or public educational  
2 institution in any state other than this Commonwealth or in  
3 any territory or area under the jurisdiction of the United  
4 States. This paragraph includes service, prior to July 1,  
5 1965, at a community college established under the act of  
6 August 24, 1963 (P.L.1132, No.484), known as the Community  
7 College Act of 1963.

8           (4) Service as an administrator, teacher, or instructor  
9 in the field of public school education for any agency or  
10 department of the government of the United States whether or  
11 not such area was under the jurisdiction of the United  
12 States.

13           (5) Previous service as an employee of a county board of  
14 school directors which employment was terminated because of  
15 the transfer of the administration of such service or of the  
16 entire agency to a governmental entity.

17           (6) Previous service as a county employee as a nurse.  
18 For every three years or major fraction thereof in previous  
19 work experience, an individual may buy one year of creditable  
20 service, not to exceed a total of five years. The purchase of  
21 this service shall begin within three years of the employee's  
22 eligibility to purchase this creditable service.

23           (7) (i) Service for the period of time spent on a  
24 maternity leave of absence required by the employer,  
25 which creditable service shall not exceed two years per  
26 leave and shall be applicable only to a maternity leave  
27 which was mandatory prior to May 17, 1975. The purchase  
28 of this service shall begin within one year of the  
29 employee's eligibility to purchase the creditable service  
30 under this subparagraph as originally enacted by the act

1 of August 5, 1991 (P.L.183, No.23), entitled "An act  
2 amending Titles 24 (Education) and 71 (State Government)  
3 of the Pennsylvania Consolidated Statutes, further  
4 providing for the Public School Employees' Retirement  
5 System and the State Employees' Retirement System; adding  
6 and amending certain definitions; further providing for  
7 membership in the systems, for creditable nonschool and  
8 nonstate service and the purchase of credit, for  
9 incentives for special early retirement, for  
10 contributions to the retirement funds, for annuities and  
11 the rights and duties of annuitants, for health insurance  
12 premium assistance, for board membership and for the re-  
13 amortization and management of the retirement funds."

14 (ii) Service for the period of time spent on a  
15 maternity leave of absence required by the employer,  
16 which creditable service shall not exceed two years per  
17 leave and shall be applicable only to a maternity leave  
18 that was mandatory and began after May 16, 1975, and  
19 prior to November 1, 1978. The purchase of this service  
20 shall begin within one year of the employee's eligibility  
21 to purchase the creditable service under this  
22 subparagraph.

23 (8) Service in the Cadet Nurse Corps with respect to any  
24 period of training as a student or graduate nurse under a  
25 plan approved under section 2 of the act of June 15, 1943  
26 (Public Law 78-73, 57 Stat. 153), if the total period of  
27 training under the plan was at least two years, the credit  
28 for such service not to exceed three years.

29 (9) Previous work experience used by the member to  
30 obtain certification as a vocational teacher under a

nonbaccalaureate program. The previous work experience used to obtain certification shall be verified by the Department of Education upon request of the member and shall be transmitted to the system. For every two years of the previous work experience, an individual can buy one year of creditable service, not to exceed a total of three years. A fraction of a year of the previous work experience that is equal to or greater than one-half shall be considered one year for purposes of this paragraph. The previous work experience shall not include time served in an apprenticeship. The purchase of this service shall begin within three years of the employee's eligibility to purchase this creditable service.

\* \* \*

§ 8324. Contributions for purchase of credit for creditable nonschool service.

\* \* \*

(e) Creditable work experience.--

(1) Contributions on account of T-C credit for creditable work experience pursuant to section 8304(b)(6) shall be the present value of the full actuarial cost of the increase in the projected superannuation annuity caused by the additional service credited on account of the purchase of creditable work experience. [The amount paid for the purchase of credit for creditable work experience shall not be payable as a lump sum under section 8345(a)(4)(iii) (relating to member's options).] Any individual eligible to receive an annuity, excluding an annuity received under the Federal Social Security Act (42 U.S.C. § 301 et seq.), in another pension system, other than a military pension system, shall

1 not be eligible to purchase this service.

2 (2) Contributions on account of T-C credit for  
3 creditable work experience pursuant to section 8304(b)(9)  
4 shall be the increase in the present value at the time of  
5 purchase attributable to the additional service credited on  
6 account of the purchase of such creditable work experience,  
7 calculated on the basis of the average annual compensation  
8 received during the first three years of credited school  
9 service subsequent to such creditable work experience.

10 (3) The amount paid for the purchase of service under  
11 this subsection shall not be payable as a lump sum under  
12 section 8345(a)(4)(iii) (relating to member's options).

13 \* \* \*

14 Section 2. This act shall take effect in 60 days.