
THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 192 Session of
2001

INTRODUCED BY RHOADES, BELL, EARLL, M. WHITE, SCHWARTZ, MELLOW,
HOLL, TOMLINSON, COSTA, CORMAN, KUKOVICH, TARTAGLIONE,
BOSCOLA AND BODACK, 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 definitions, for creditable
3 school service and for member contributions for creditable
4 school service.

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

7 Section 1. Sections 8102, 8302 and 8323 of Title 24 of the
8 Pennsylvania Consolidated Statutes are amended to read:

9 § 8102. Definitions.

10 The following words and phrases when used in this part shall
11 have, unless the context clearly indicates otherwise, the
12 meanings given to them in this section:

13 "Accumulated deductions." The total of pickup contributions
14 and the contributions paid into the fund by the member on
15 account of current school service, previous school service, or
16 creditable nonschool service and the statutory interest credited
17 on all such contributions.

18 "Activated military service." Military service by a member

1 of a reserve component of the armed forces, pursuant to an order
2 on or after July 1, 1990, to enter into active military service,
3 other than an order to enter into active duty to meet periodic
4 training requirements, who was an active member of the system
5 immediately preceding the order into active military service and
6 to whom the military leave provisions of 51 Pa.C.S. Ch. 73
7 (relating to military leave of absence) do not apply.

8 "Active member." A school employee for whom pickup
9 contributions are being made to the fund or for whom such
10 contributions otherwise required for current school service are
11 not being made solely by reason of any provision of this part
12 relating to the limitation under section 401(a)(17) of the
13 Internal Revenue Code of 1986 (Public Law 99-514, 26 U.S.C. §
14 401(a)(17)).

15 "Actuarially equivalent." Equal present values, computed on
16 the basis of statutory interest and the mortality tables adopted
17 by the board.

18 "Actuary." The consultant to the board who shall be:

19 (1) a member of the American Academy of Actuaries;

20 (2) an individual who has demonstrated to the
21 satisfaction of the Insurance Commissioner of Pennsylvania
22 that he has the educational background necessary for the
23 practice of actuarial science and has had at least seven
24 years of actuarial experience; or

25 (3) a firm, partnership, or corporation of which at
26 least one member meets the requirements of paragraph (1) or
27 (2).

28 "Alternate payee." Any spouse, former spouse, child or
29 dependent of a member who is recognized by a domestic relations
30 order as having a right to receive all or a portion of the

1 moneys payable to that member under this part.

2 "Annuitant." Any member on or after the effective date of
3 retirement until his annuity is terminated.

4 "Approved domestic relations order." Any domestic relations
5 order which has been determined to be approved in accordance
6 with section 8533.1 (relating to approval of domestic relations
7 orders).

8 "Approved leave of absence." A leave of absence for
9 activated military service or which has been approved by the
10 employer for sabbatical leave, service as an exchange teacher,
11 service with a collective bargaining organization or
12 professional study.

13 "Basic contribution rate." The rate of 6 1/4%.

14 "Beneficiary." The person or persons last designated in
15 writing to the board by a member to receive his accumulated
16 deductions or a lump sum benefit upon the death of such member.

17 "Board." The Public School Employees' Retirement Board or
18 the Public School Employes' Retirement Board.

19 "Class of service multiplier."

20	Class of service	Multiplier
21	T-A	.714
22	T-B	.625
23	T-C	1.000

24 "Commissioner." The Commissioner of the Internal Revenue
25 Service.

26 "Compensation." Pickup contributions plus any remuneration
27 received as a school employee excluding reimbursements for
28 expenses incidental to employment and excluding any bonus,

1 severance payments, any other remuneration or other emolument
2 received by a school employee during his school service which is
3 not based on the standard salary schedule under which he is
4 rendering service, payments for unused sick leave, vacation
5 leave, bonuses or other compensation for attending school
6 seminars and conventions, payments under health and welfare
7 plans based on hours of employment or any other payment or
8 emolument which may be provided for in a collective bargaining
9 agreement which may be determined by the Public School
10 Employees' Retirement Board to be for the purpose of enhancing
11 compensation as a factor in the determination of final average
12 salary, provided, however, that the limitation under section
13 401(a)(17) of the Internal Revenue Code of 1986 (Public Law 99-
14 514, 26 U.S.C. § 401(a)(17)) taken into account for the purpose
15 of member contributions, including regular or joint coverage
16 member contributions, regardless of class of service, shall
17 apply to each member who first became a member of the Public
18 School Employees' Retirement System on or after July 1, 1996, and
19 who by reason of such fact is a noneligible member subject to
20 the application of the provisions of section 8325.1 (relating to
21 annual compensation limit under IRC § 401(a)(17)).

22 "Concurrent service." Simultaneously credited school and
23 State service.

24 "Creditable nonschool service." Service other than service
25 as a school employee for which an active member may obtain
26 credit.

27 "Creditable sick leave." Number of days credited to a school
28 employee by his or her employer which may be used during the
29 illness or injury of the employee but has not been used by the
30 employee prior to his or her effective date of retirement.

1 "Credited service." School or creditable nonschool service
2 for which the required contributions have been made, or for
3 which the contributions otherwise required for such service were
4 not made solely by reason that no compensation was received for
5 creditable sick leave or solely by reason of any provision of
6 this part relating to the limitations under section 401(a)(17)
7 of the Internal Revenue Code of 1986 (Public Law 99-514, 26
8 U.S.C. § 401(a)(17)), or for which salary deductions or lump sum
9 payments have been agreed upon in writing.

10 "Date of termination of service." The last date of service
11 for which pickup contributions are made for an active member or,
12 in the case of an inactive member, the effective date of his
13 resignation or the date his employment is formally discontinued
14 by his employer or two years following the last day of service
15 for which contributions were made, whichever is earliest.

16 "Disability annuitant." A member on or after the effective
17 date of disability until his disability annuity or the portion
18 of his disability annuity payments in excess of any annuity to
19 which he may otherwise be entitled is terminated.

20 "Distribution." Payment of all or any portion of a person's
21 interest in the Public School Employees' Retirement Fund which
22 is payable under this part.

23 "Domestic relations order." Any judgment, decree or order,
24 including approval of a property settlement agreement, entered
25 on or after the effective date of this definition by a court of
26 competent jurisdiction pursuant to a domestic relations law
27 which relates to the marital property rights of the spouse or
28 former spouse of a member, including the right to receive all or
29 a portion of the moneys payable to that member under this part
30 in furtherance of the equitable distribution of marital assets.

1 The term includes orders of support as that term is defined by
2 23 Pa.C.S. § 4302 (relating to definitions) and orders for the
3 enforcement of arrearages as provided in 23 Pa.C.S. § 3703
4 (relating to enforcement of arrearages).

5 "Effective date of retirement." The first day following the
6 date of termination of service of a member if he has properly
7 filed an application for an annuity within 90 days of such date
8 or:

9 (1) In the case of a member who applies for an annuity
10 subsequent to 90 days after termination of service, the date
11 of filing such application or the date specified on the
12 application, whichever is later.

13 (2) In the case of a vestee who files an application for
14 an annuity within 90 days of his superannuation age, the
15 attainment of such age.

16 (3) In the case of a vestee who defers the filing of an
17 application for an annuity to a date later than 90 days
18 following attainment of superannuation age, the date of
19 filing or the date specified on the application, whichever is
20 later.

21 (4) In the case of a finding of disability, the date
22 certified by the board as the effective date of disability.

23 "Eligible annuitants." All current and prospective
24 annuitants with 24 1/2 or more eligibility points and all
25 current and prospective disability annuitants. Beginning January
26 1, 1995, "eligible annuitants" shall include members with 15 or
27 more eligibility points who terminated or who terminate school
28 service on or after attaining superannuation retirement age and
29 who are annuitants with an effective date of retirement after
30 superannuation age.

1 "Eligibility points." Points which are accrued by an active
2 member or a multiple service member who is an active member of
3 the State Employees' Retirement System for credited service and
4 are used in the determination of eligibility for benefits as
5 provided in section 8306 (relating to eligibility points).

6 "Employer." Any governmental entity directly responsible for
7 the employment and payment of the school employee and charged
8 with the responsibility of providing public education within
9 this Commonwealth, including but not limited to: State-owned
10 colleges and universities, the Pennsylvania State University,
11 community colleges, area vocational-technical schools,
12 intermediate units, the State Board of Education, Scotland
13 School for Veterans' Children, Thaddeus Stevens State School of
14 Technology, and the Pennsylvania State Oral School for the Deaf.

15 "Final average salary." The highest average compensation
16 received as an active member during any three nonoverlapping
17 periods of 12 consecutive months with the compensation for part-
18 time service being annualized on the basis of the fractional
19 portion of the school year for which credit is received; except,
20 if the employee was not a member for three such periods, the
21 total compensation received as an active member annualized in
22 the case of part-time service divided by the number of such
23 periods of membership; in the case of a member with multiple
24 service credit, the final average salary shall be determined by
25 reference to compensation received by him as a school employee
26 or a State employee or both; and, in the case of a noneligible
27 member, subject to the application of the provisions of section
28 8325.1 (relating to annual compensation limit under IRC §
29 401(a)(17)).

30 "Full coverage member." Any member for whom regular member

1 pickup contributions are being picked up or who has paid or has
2 agreed to pay to the fund the actuarial equivalent of regular
3 member contributions due on account of service prior to January
4 1, 1983.

5 "Fund." The Public School Employees' Retirement Fund.

6 "Governmental entity." Board of school directors, board of
7 public education, intermediate unit board of directors, area
8 vocational-technical board, any governing board of any agency or
9 authority created by them, and the Commonwealth.

10 "Inactive member." A member for whom no pickup contributions
11 are being made, except in the case of an active member for whom
12 such contributions otherwise required for current school service
13 are not being made solely by reason of any provision of this
14 part relating to the limitation under section 401(a)(17) of the
15 Internal Revenue Code of 1986 (Public Law 99-514, 26 U.S.C. §
16 401(a)(17)), who has accumulated deductions standing to his
17 credit in the fund and for whom contributions have been made
18 within the last two school years or a multiple service member
19 who is active in the State Employees' Retirement System.

20 "Intervening military service." Active military service of a
21 member who was a school employee immediately preceding his
22 induction into the armed services or forces of the United States
23 in order to meet a draft obligation excluding any voluntary
24 extension of such obligational service and who becomes a school
25 employee within 90 days of the expiration of such service.

26 "IRC." The Internal Revenue Code of 1986, as designated and
27 referred to in section 2 of the Tax Reform Act of 1986 (Public
28 Law 99-514, 100 Stat. 2085, 2095). A reference in this part to
29 "IRC § " shall be deemed to refer to the identically numbered
30 section and subsection or other subdivision of such section in

1 26 United States Code (relating to Internal Revenue Code).

2 "Irrevocable beneficiary." The person or persons permanently
3 designated by a member in writing to the board pursuant to an
4 approved domestic relations order to receive all or a portion of
5 the accumulated deductions or lump sum benefit payable upon the
6 death of such member.

7 "Irrevocable survivor annuitant." The person permanently
8 designated by a member in writing to the board pursuant to an
9 approved domestic relations order to receive an annuity upon the
10 death of such member.

11 "Joint coverage member." Any member who agreed prior to
12 January 1, 1966 to make joint coverage member contributions to
13 the fund and has not elected to become a full coverage member.

14 "Joint coverage member contributions." Regular member
15 contributions reduced for a joint coverage member.

16 "Leave for service with a collective bargaining
17 organization." Paid leave granted to an active member by an
18 employer for purposes of working full time for or serving full
19 time as an officer of a Statewide employee organization or a
20 local collective bargaining representative under the act of July
21 23, 1970 (P.L.563, No.195), known as the Public Employe
22 Relations Act: Provided, That greater than one-half of the
23 members of the employee organization are active members of the
24 system; that the employer shall fully compensate the member,
25 including, but not limited to, salary, wages, pension and
26 retirement contributions and benefits, other benefits and
27 seniority, as if he were in full-time active service; and that
28 the employee organization shall fully reimburse the employer for
29 such salary, wages, pension and retirement contributions and
30 benefits and other benefits and seniority.

1 "Maternity leave of absence." An involuntary leave of
2 absence required by the employer because of the pregnancy of the
3 member and commencing prior to May 17, 1975.

4 "Member." Active member, inactive member, annuitant, or
5 vestee.

6 "Member's annuity." The single life annuity which is
7 actuarially equivalent on the effective date of retirement to
8 the accumulated deductions standing to the member's credit in
9 the members' savings account.

10 "Military service." All active military service for which a
11 member has received a discharge other than an undesirable, bad
12 conduct, or dishonorable discharge.

13 "Multiple service." Credited service of a member who has
14 elected to combine his credited service in both the Public
15 School Employees' Retirement System and the State Employees'
16 Retirement System.

17 "Noneligible member." For the purposes of section 8325.1
18 (relating to annual compensation limit under IRC § 401(a)(17)),
19 a member who first became a member on or after July 1, 1996.

20 "Participating eligible annuitants." All eligible annuitants
21 who are enrolled or elect to enroll in a health insurance
22 program approved by the Public School Employees' Retirement
23 Board.

24 "Pickup contributions." Regular or joint coverage member
25 contributions which are made by the employer for active members
26 for current service on and after January 1, 1983.

27 "Previous school service." Service rendered as a school
28 employee including service in any summer school conducted by a
29 school district of the Commonwealth prior to the member's most
30 recent entrance in the system.

1 "Public school." Any or all classes or schools within this
2 Commonwealth conducted under the order and superintendence of
3 the Department of Education including, but not limited to: all
4 educational classes of any employer charged with the
5 responsibility of public education within this Commonwealth as
6 well as those classes financed wholly or in part by the Federal
7 Government, State-owned colleges and universities, the
8 Pennsylvania State University, community colleges, area
9 vocational-technical schools, intermediate units, the State
10 Board of Education, Scotland School for Veterans' Children,
11 Thaddeus Stevens State School of Technology, and the
12 Pennsylvania State Oral School for the Deaf.

13 "Public School Code." The act of March 10, 1949 (P.L.30,
14 No.14), known as the Public School Code of 1949.

15 "Regular member contributions." The product of the basic
16 contribution rate and the compensation of the member.

17 "Reserve component of the armed forces." The United States
18 Army Reserve, United States Navy Reserve, United States Marine
19 Corps Reserve, United States Coast Guard Reserve, United States
20 Air Force Reserve, Pennsylvania Army National Guard and
21 Pennsylvania Air National Guard.

22 "Salaried employee." A school employee who is compensated on
23 the basis of an annual salary.

24 "Salary deductions." The amounts certified by the board,
25 deducted from the compensation of an active member and paid into
26 the fund.

27 "School employee." Any person engaged in work relating to a
28 public school for any governmental entity and for which work he
29 is receiving regular remuneration as an officer, administrator
30 or employee excluding, however, any independent contractor or a

1 person compensated on a fee basis.

2 "School entity." A school district of any class,
3 intermediate unit or an area vocational-technical school, as
4 provided for under the act of March 10, 1949 (P.L.30, No.14),
5 known as the Public School Code of 1949.

6 "School service." Service rendered as a school employee.

7 "School year." The 12-month period which the governmental
8 entity uses for purposes of administration regardless of the
9 actual time during which a member renders service.

10 "Severance payments." Any payments for unused vacation or
11 sick leave and any additional compensation contingent upon
12 retirement including payments in excess of the scheduled or
13 customary salaries provided for members within the same
14 governmental entity with the same educational and experience
15 qualifications who are not terminating service.

16 "Standard single life annuity." An annuity equal to 2% of
17 the final average salary, multiplied by the total number of
18 years and fractional part of a year of credited service of a
19 member.

20 "State Employees' Retirement System." The retirement system
21 established by the act of June 27, 1923 (P.L.858, No.331) and
22 codified by the act of June 1, 1959 (P.L.392, No.78) and by Part
23 XXV of Title 71 (relating to retirement for State employees and
24 officers), added March 1, 1974 (P.L.125, No.31).

25 "State service." Service rendered as a State employee and
26 credited as service in the State Employees' Retirement System.

27 "Statutory interest." Interest at 4% per annum, compounded
28 annually.

29 "Superannuation annuitant." An annuitant whose annuity first
30 became payable on or after the attainment of superannuation age

1 and who is not a disability annuitant.

2 "Superannuation or normal retirement age."

3	Class of service	Age
4	T-A	62 or any age upon accrual
5		of 35 eligibility points
6	T-B	62
7	T-C	62 or age 60 provided the
8		member has at least 30
9		eligibility points or
10		any age upon accrual of
11		35 eligibility points

12 "Survivor annuitant." The person or persons last designated
13 by a member under a joint and survivor annuity option to receive
14 an annuity upon the death of such member.

15 "System." The Public School Employees' Retirement System of
16 Pennsylvania as established by the act of July 18, 1917
17 (P.L.1043, No.343), and codified by the act of June 1, 1959
18 (P.L.350, No.77).

19 "Valuation interest." Interest at 5 1/2% per annum,
20 compounded annually and applied to all accounts other than the
21 members' savings account.

22 "Vestee." A member with ten or more eligibility points who
23 has terminated school service, has left his accumulated
24 deductions in the fund, and is deferring filing of an
25 application for receipt of an annuity.

26 § 8302. Credited school service.

27 (a) Computation of credited service.--In computing credited
28 school service of a member for the determination of benefits, a

1 full-time salaried school employee shall receive one year of
2 credit for each school year or the corresponding fraction
3 thereof, in accordance with the proportion of the full school
4 year for which the required regular member contributions have
5 been made, or for which such contributions otherwise required
6 for such service were not made solely by reason of any provision
7 of this part relating to the limitation under IRC § 401(a)(17).
8 A per diem or hourly school employee shall receive one year of
9 credited service for each nonoverlapping period of 12
10 consecutive months in which he is employed and for which
11 contributions are made, or would have been made but for such
12 limitation under the IRC, for at least 180 full-day sessions or
13 1,100 hours of employment. If such member was employed and
14 contributions were made for less than 180 full-day sessions or
15 1,100 hours, he shall be credited with a fractional portion of a
16 year determined by the ratio of the number of full-day sessions
17 or hours of service actually rendered to 180 full-day sessions
18 or 1,100 hours, as the case may be. A part-time salaried
19 employee shall be credited with the fractional portion of the
20 year which corresponds to the service actually rendered in
21 relation to the service required as a comparable full-time
22 salaried employee. In no case shall a member receive more than
23 one year of credited service for any 12 consecutive months or a
24 member who has elected multiple service receive an aggregate in
25 the two systems of more than one year of credited service for
26 any 12 consecutive months.

27 (b) Approved leaves of absence.--An active member shall
28 receive credit for an approved leave of absence provided that:

29 (1) the member returns for a period at least equal to
30 the length of the leave or one year, whichever is less, to

1 the school district which granted his leave, unless such
2 condition is waived by the employer; and

3 (2) the proper contributions are made by the member and
4 the employer.

5 (b.1) Optional credit for leave of absence for activated
6 military service.--

7 (1) Notwithstanding any other provision of this part to
8 the contrary, a member who is granted leave of absence for
9 activated military service shall be entitled to exercise any
10 one of the following options in regard thereto:

11 (i) He may continue to make payments into the fund
12 as provided for in this part during the period of his
13 leave of absence for activated military service.

14 (ii) He may discontinue making payments into the
15 fund during the period of his leave of absence for
16 activated military service. In such event, the employer
17 shall continue to make its contributions during this
18 period. The employee's retirement rights shall be
19 determined by completely disregarding the period of his
20 leave of absence for activated military leave for all
21 purposes.

22 (2) Any member desiring to exercise option (i) in
23 paragraph (1) shall file in writing with the board such an
24 election within 60 days after the commencement of his leave
25 of absence for activated military service or within 60 days
26 after the effective date of this subsection, whichever shall
27 later occur. Any member who does not exercise option (i) in
28 this manner will be deemed to have exercised option (ii).

29 (3) Any member who has exercised option (ii) in
30 paragraph (1), but who, upon the expiration of his leave of

1 absence for activated military service, returns to his
2 employment and desires to receive the benefits of option (i),
3 shall have the right to receive such benefits if he shall
4 comply with the following requirements:

5 (i) He shall, within one year after he returns to
6 his employment, give written notice to the board of his
7 desire to receive the benefits of option (i).

8 (ii) He shall pay into the fund an amount equal to
9 the total payments he would have made had he exercised
10 option (i), plus statutory interest that would have been
11 credited to his members' savings account, had such
12 contributions been credited with statutory interest
13 during the period the contributions would have been made
14 and during all periods of subsequent school and State
15 service up to the date of payment. Upon certification of
16 the amount due, payment may be made in a lump sum within
17 90 days or, in the case of an active member, it may be
18 amortized with statutory interest through salary
19 deductions or by personal checks in amounts agreed upon
20 by the member and board.

21 (b.2) Credited service as retirement incentive.--

22 Notwithstanding any provisions of this title to the contrary,
23 for the period of May 15, 1992, to August 31, 1993, a member who
24 is not an annuitant on May 15, 1992, who terminates school
25 service between May 15, 1992, and August 31, 1993, inclusive,
26 who will be 55 years of age or older on August 31, 1993, with
27 ten or more eligibility points, who files an application for
28 retirement before September 1, 1993, and who declares his intent
29 to retire prior to April 1, 1993, shall be credited with an
30 additional 10% of their credited service.

1 (b.3) Optional creditable sick leave.--Notwithstanding any
2 provisions of this title to the contrary, an active member may
3 purchase at the time of filing an application for retirement
4 creditable sick leave to the extent that the amount credited,
5 when combined with all other credited service, will not result
6 in a benefit that exceeds the limits imposed by section 415 of
7 the IRC.

8 (c) Cancellation of credited service.--All credited service
9 shall be cancelled if a member withdraws his accumulated
10 deductions.

11 § 8323. Member contributions for creditable school service.

12 (a) Previous school service, sabbatical leave and full
13 coverage.--The contributions to be paid by an active member or
14 an eligible State employee for credit for reinstatement of all
15 previously credited school service, school service not
16 previously credited, sabbatical leave as if he had been in full-
17 time daily attendance, or full-coverage membership shall be
18 sufficient to provide an amount equal to the accumulated
19 deductions which would have been standing to the credit of the
20 member for such service had regular member contributions been
21 made with full coverage at the rate of contribution necessary to
22 be credited as Class T-C service and had such contributions been
23 credited with statutory interest during the period the
24 contributions would have been made and during all periods of
25 subsequent school and State service up to the date of purchase.

26 (b) Class T-C membership.--The contributions to be paid by a
27 member who elects to transfer to Class T-C shall be equal to the
28 amount of additional contributions, if any, which he would have
29 made had he become a member of Class T-C on July 1, 1967 and had
30 such contributions been credited with statutory interest during

1 all periods of subsequent school and State service up to the
2 date of purchase.

3 (c) Approved leave of absence other than sabbatical leave
4 and activated military service leave.--The contributions to be
5 paid by an active member for credit for an approved leave of
6 absence, other than sabbatical leave and activated military
7 service leave, shall be sufficient to transfer his membership to
8 Class T-C and further to provide an annuity as a Class T-C
9 member for such additional credited service. Such amount shall
10 be the sum of the amount required in accordance with the
11 provisions of subsection (b) and an amount determined as the sum
12 of the member's basic contribution rate and the normal
13 contribution rate as provided in section 8328 (relating to
14 actuarial cost method) during such period multiplied by the
15 compensation which was received or which would have been
16 received during such period and with statutory interest during
17 all periods of subsequent school and State service up to the
18 date of purchase.

19 (c.1) Activated military service leave.--The contributions
20 to be paid by an active member for credit for all activated
21 military service leave as if he had been in regular attendance
22 in the duties for which he is employed shall be sufficient to
23 provide an amount equal to the accumulated deductions which
24 would have been standing to the credit of the member for such
25 service had regular member contributions been made with full
26 coverage at the rate of contribution necessary to be credited as
27 Class T-C service and had such contributions been credited with
28 statutory interest during the period the contributions would
29 have been made and during all periods of subsequent State and
30 school service up to the date of purchase. In the case of

1 activated military service leave beginning after the date of
2 enactment of this subsection, contributions due from the member
3 shall be made as if he is in regular attendance in the duties
4 for which he is employed.

5 (c.2) Creditable sick leave.--Contributions on account of
6 Class T-C credit for creditable sick leave shall be the sum of
7 the member's basic contribution rate and the normal contribution
8 rate provided in section 8328 at the time the creditable sick
9 leave is purchased based on the member's per diem salary for the
10 year in which it is purchased.

11 (d) Certification and payment of contributions.--

12 (1) In all cases other than for the purchase of credit
13 for sabbatical leave and activated military service leave
14 beginning before the effective date of paragraph (2), the
15 amount payable shall be certified by the board in accordance
16 with methods approved by the actuary and may be paid in a
17 lump sum within 90 days or, in the case of an active member,
18 may be amortized with statutory interest through salary
19 deductions or by personal checks in amounts agreed upon by
20 the member and the board.

21 (2) In the case of activated military service leave
22 beginning before the effective date of this paragraph, the
23 amount payable may be paid according to this subsection or
24 subsection (c.1), but all lump sum payments must be made and
25 all amortization payments commenced within one year of the
26 termination of activated military service leave.

27 Section 2. This act shall take effect immediately.