## THE GENERAL ASSEMBLY OF PENNSYLVANIA

## **HOUSE BILL**

## No. 545

Session of 2003

INTRODUCED BY BUNT, CURRY, SATHER, COY, BAKER, BARD, BEBKO-JONES, BELFANTI, BROWNE, CAPPELLI, COSTA, CRAHALLA, DALEY, DIVEN, FICHTER, HARHAI, HARPER, HENNESSEY, HERMAN, HORSEY, JAMES, LEH, LEWIS, McGILL, McILHATTAN, R. MILLER, PAYNE, PETRARCA, PRESTON, READSHAW, SAINATO, SCRIMENTI, SOLOBAY, STABACK, TIGUE, WASHINGTON, CIVERA, J. TAYLOR, ADOLPH AND SCHRODER, MARCH 3, 2003

REFERRED TO COMMITTEE ON LOCAL GOVERNMENT, MARCH 3, 2003

## AN ACT

- Amending the act of August 31, 1971 (P.L.398, No.96), entitled
  "An act providing for the creation, maintenance and operation
  of a county employes' retirement system, and imposing certain
  charges on counties and providing penalties," changing
- 4 charges on counties and providing penalties, "changing vesting rights; and providing additional class options.
- 6 The General Assembly of the Commonwealth of Pennsylvania
- 7 hereby enacts as follows:
- 8 Section 1. Section 2(16) of the act of August 31, 1971
- 9 (P.L.398, No.96), known as the County Pension Law, amended
- 10 December 20, 1983 (P.L.282, No.75), is amended to read:
- 11 Section 2. Definitions.--As used in this act:
- 12 \* \* \*
- 13 (16) "Vesting" means the right of a contributor who
- 14 separates from service after having completed [eight] five or
- 15 more years of credited service to leave accumulated deductions
- 16 credited to his account in the fund and upon reaching
- 17 superannuation retirement age receive a superannuation

- 1 retirement allowance.
- 2 Section 2. The act is amended by adding a section to read:
- 3 <u>Section 7.1. Additional Class Options.--(a) The board may,</u>
- 4 by rule, establish a one-fiftieth class or a one-fortieth class
- 5 with a required member contribution rate of nine per cent for
- 6 <u>each class unless the board establishes a different contribution</u>
- 7 rate in accordance with section 7(e).
- 8 (b) The board may, by rule, authorize the class adopted
- 9 pursuant to this section to be applied retroactively to the
- 10 <u>employe's credit service.</u>
- 11 (c) Whenever the board has, by rule, authorized the members
- 12 of the retirement system to make a transfer to the one-fiftieth
- 13 class or the one-fortieth class, the county annuity shall be
- 14 calculated in accordance with section 14(c) with the new classes
- 15 <u>added</u>. Notwithstanding the provisions of section 14(c), if the
- 16 board adopts the retroactivity provision in subsection (b), the
- 17 county annuity for all periods of service shall be calculated at
- 18 the one-fiftieth class rate or one-fortieth class rate, as the
- 19 case may be.
- 20 (d) The board may adopt rules pursuant to this section at
- 21 any time within the twelve-month period following the effective
- 22 date of this section.
- 23 Section 3. This act shall take effect immediately.