

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 464 Session of 2023

INTRODUCED BY REGAN, BARTOLOTTA, STEFANO, ROBINSON, COSTA, ARGALL, HUTCHINSON, FARRY AND MASTRIANO, MARCH 14, 2023

SENATOR MARTIN, APPROPRIATIONS, RE-REPORTED AS AMENDED, JUNE 5, 2024

AN ACT

1 Amending Title 53 (Municipalities Generally) of the Pennsylvania
2 Consolidated Statutes, in municipal pensions, providing for
3 pension service credit for prior service with police
4 department.

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

7 Section 1. Chapter 91 of Title 53 of the Pennsylvania
8 Consolidated Statutes is amended by adding a subchapter to read:

9 SUBCHAPTER C

10 POLICE PENSION PLANS

11 Sec.

12 9121. Definitions.

13 9122. Pension service credit for prior service with police
14 department.

15 9123. Computation of amount due.

16 9124. Ineligibility.

17 9125. Applicability to Pennsylvania Municipal Retirement
18 System.

1 § 9121. Definitions.

2 The following words and phrases when used in this subchapter
3 shall have the meanings given to them in this section unless the
4 context clearly indicates otherwise:

5 "City." The term does not include a city of the first class.

6 "Police department." As defined under section 2162 (relating
7 to definitions).

8 "Police officer." As defined under section 2162.

9 § 9122. Pension service credit for prior service with police
10 department.

11 A city, borough, town, township or regional police department
12 ~~shall~~ MAY amend its ordinance or resolution establishing a <--
13 police pension fund to provide full-time police officers who
14 have satisfied vesting requirements the option to purchase up to
15 five years of pension service credit for prior part-time or
16 full-time police service provided in a police department.

17 § 9123. Computation of amount due.

18 The amount due for the purchase of credit for prior police
19 service UNDER THIS SUBCHAPTER shall be computed by: <--

20 (1) multiplying the normal cost rate for the police
21 pension plan a police officer is buying into, but not to
22 exceed 10%, by the police officer's average annual rate of
23 compensation over the first three years of service with the
24 police department; and

25 (2) multiplying the product from paragraph (1) by the
26 number of years and fractional part of a year of creditable
27 prior police service being purchased together with interest
28 at the rate of 4.75% compounded annually from the date of
29 initial entry into full-time service with the police
30 department to the date of payment.

1 § 9124. Ineligibility.

2 The following apply TO THE PURCHASE OF SERVICE CREDIT UNDER <--
3 THIS SUBCHAPTER:

4 (1) A police officer shall not be eligible to purchase
5 service credit for prior police service for which the officer
6 otherwise receives or is entitled to receive pension service
7 credit from any other pension fund.

8 (2) A police officer shall not be eligible to purchase
9 service credit for prior police service that combined with
10 credited military service exceeds five years.

11 § 9125. Applicability to Pennsylvania Municipal Retirement
12 System.

13 Nothing in this subchapter shall be interpreted to impact the
14 portability and transfer of service credits between system-
15 administered pension plans within the Pennsylvania Municipal
16 Retirement System.

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