

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 472

Session of
1973

INTRODUCED BY WOOD, COPPERSMITH AND DENGLER, MARCH 12, 1973

SENATOR SMITH, FINANCE, AS AMENDED, OCTOBER 9, 1973

AN ACT

1 Amending the act of November 25, 1970 (P.L.707, No.230),
2 entitled "An act codifying and compiling a part of the law of
3 the Commonwealth," adding provisions relating to retirement
4 for State employees and officers and making repeals. <—

5 TABLE OF CONTENTS

6 Title 71. State Government

7 Part XXV. Retirement for State Employees and Officers

8 Chapter 51. Preliminary Provisions

9 § 5101. Short title.

10 § 5102. Definitions.

11 Chapter 53. Membership, Credited Service,

12 Classes of Service, and

13 Eligibility for Benefits

14 § 5301. Mandatory and optional member-
15 ship.

16 § 5302. Credited State service.

17 § 5303. Retention and reinstatement of
18 service credits.

19 § 5304. Creditable nonstate service.

- 1 § 5305. Social security integration
2 credits.
3 § 5306. Classes of service.
4 § 5307. Eligibility points.
5 § 5308. Eligibility for annuities.
6 § 5309. Eligibility for vesting.
7 § 5310. Eligibility for death benefits.
8 § 5311. Eligibility for refunds.

9 Chapter 55. Contributions

- 10 § 5501. Regular member contributions for
11 current service.
12 § 5502. Social security integration
13 member contributions.
14 § 5503. Joint coverage member contri-
15 butions.
16 § 5504. Member contributions for the
17 purchase of credit for previous
18 State service or to become a
19 full coverage member.
20 § 5505. Contributions for the purchase
21 of credit for creditable
22 nonstate service.
23 § 5506. Incomplete payments.
24 § 5507. Contributions by the
25 Commonwealth and other
26 employers.
27 § 5508. Actuarial cost method.
28 § 5509. Appropriations and assessments
29 by the Commonwealth.

30 Chapter 57. Benefits

- 1 § 5701. Return of total accumulated
2 deductions.
3 § 5702. Maximum single life annuity.
4 § 5703. Reduction of annuities on
5 account of social security old-
6 age insurance benefits.
7 § 5704. Disability annuities.
8 § 5705. Member's options.
9 § 5706. Termination of annuities.
10 § 5707. Death benefits.
11 § 5708. Supplemental annuities.
12 § 5709. Payment of benefits.
13 § 5710. Payments under other laws.

14 Chapter 59. Administration, Funds, Accounts,
15 General Provisions

16 Subchapter A. Administration

- 17 § 5901. The State Employees' Retirement
18 Board.
19 § 5902. Administrative duties of the
20 board.
21 § 5903. Duties of the board to advise
22 and report to heads of
23 departments and members.
24 § 5904. Duties of the board to report to
25 the Public School Employees'
26 Retirement Board.
27 § 5905. Duties of the board regarding
28 applications and elections of
29 members.
30 § 5906. Duties of heads of departments.

1 § 5907. Rights and duties of State
2 employees and members.
3 § 5908. Rights and duties of annuitants.
4 Subchapter C. State Employees' Retirement
5 Fund and Accounts
6 § 5931. Management of fund and accounts.
7 § 5932. State Employees' Retirement Fund.
8 § 5933. Members' savings account.
9 § 5934. State accumulation account.
10 § 5935. Annuity reserve account.
11 § 5936. State police benefit account.
12 § 5937. Enforcement officers' benefit
13 account.
14 § 5938. Supplemental annuity account.
15 § 5939. Interest reserve account.
16 Subchapter E. General Provisions
17 § 5951. State guarantee.
18 § 5952. State supervision.
19 § 5953. Exemption from execution;
20 ASSIGNMENT OF RIGHTS. <—
21 § 5954. Fraud and adjustment of errors.
22 ~~§ 5955. Construction of code.~~ <—
23 ~~§ 5956. Provisions severable.~~
24 §5955. COLLECTIVE BARGAINING ON <—
25 SUBJECT MATTER PROHIBITED.
26 § 5956. CONSTRUCTION OF CODE.
27 § 5957. PROVISIONS SEVERABLE.

28 The General Assembly of the Commonwealth of Pennsylvania
29 hereby enacts as follows:

30 Section 1. Title 71, act of November 25, 1970 (P.L.707, <—

1 No.230), known as the "Consolidated Pennsylvania Statutes," is
2 amended to read:

3 TITLE 71

4 STATE GOVERNMENT

5 Part

6 XXV. Retirement for State Employees and Officers.

7 PART XXV

8 RETIREMENT FOR STATE EMPLOYEES AND OFFICERS

9 ~~Chapter 51. Preliminary Provisions~~ <—

10 CHAPTER 51

11 PRELIMINARY PROVISIONS

12 ~~Sec.~~ <—

13 ~~5101. Short title.~~

14 ~~5102. Definitions.~~

15 § 5101. Short title.

16 This act shall be known and may be cited as the "State
17 Employees' Retirement Code."

18 § 5102. Definitions.

19 The following words and phrases as used in this code, unless
20 a different meaning is plainly required by the context, shall
21 have the following meanings:

22 "Active member." A State employee who is contributing to the
23 fund or a member on leave without pay for whom authorized
24 contributions are being made to the fund.

25 "Actuarially equivalent." Equal present values, computed on
26 the basis of statutory interest and the mortality tables adopted
27 by the board.

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

29 (1) a member of the American Academy of Actuaries; or

30 (2) an individual who has demonstrated to the

satisfaction of the Insurance Commissioner of Pennsylvania that he has the educational background necessary for the practice of actuarial science and has had at least seven years of actuarial experience; or

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

"Annuitant." Any member on or after the effective date of retirement.

"Average noncovered salary." The average of the amounts of compensation received each calendar year since January 1, 1956 exclusive of the amount which was or could have been covered by the Federal Social Security Act, 42 U.S.C. §§ 301 et seq., during that portion of the member's service since January 1, 1956 for which he has received social security integration credit.

"Basic contribution rate." ~~5%~~ FIVE PER CENT (5%), except that in no case shall any member be required to contribute, excluding contributions for social security integration credit, at a rate greater than his contribution rate on the effective date of this act so long as he does not elect additional coverage or membership in another class of service.

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

"Board." The State Employees' Retirement Board.

"Class of service multiplier."

Class of Service	Multiplier
A	1
B	.625
C	1

1	D	1.25	
2	D-1	1.875	
3	D-2 PRIOR TO		<—
4	JANUARY 1,		
5	1973	2.5	
6	D-2 ON AND		<—
7	SUBSEQUENT TO		
8	JANUARY 1,		
9	1973	2	
10	D-3 PRIOR TO		<—
11	JANUARY 1, 1973	3.75	
12	D-3 ON AND		<—
13	SUBSEQUENT TO		
14	JANUARY 1, 1973	2 EXCEPT AS APPLIED TO	
15		ANY ADDITIONAL LEGISLATIVE	
16		COMPENSATION AS AN OFFICER	
17		OF THE GENERAL ASSEMBLY 3.75	
18	E, E-1 PRIOR TO		<—
19	JANUARY 1,		
20	1973	2 for each of the first ten	
21		years of judicial service,	
22		and	
23		1.5 for each subsequent year of	
24		judicial service	
25	E, E-1 ON AND		<—
26	SUBSEQUENT TO		
27	JANUARY 1, 1973	1.75 FOR EACH OF THE FIRST	
28		TEN YEARS OF JUDICIAL	
29		SERVICE AND	
30		1.25 FOR EACH SUBSEQUENT	

YEAR OF JUDICIAL SERVICE

E-2 PRIOR TO JULY 1,

1973 1.5

E-2 ON AND

SUBSEQUENT TO

JULY 1, 1973 1.25

T-C (as defined in 1

the Public School

Employees'

Retirement Code)

"Compensation." Remuneration actually received as a State employee excluding refunds for expenses, contingency and

ACCOUNTABLE expense allowances, and any severance payments for

unused vacation or sick leave: ~~and~~ PROVIDED, HOWEVER, THAT

COMPENSATION RECEIVED PRIOR TO JANUARY 1, 1973 SHALL BE subject

to the limitations ~~determined for retirement purposes pursuant~~

~~to the act of June 16, 1971 (P.L.157, No.8), unless otherwise~~

~~provided by law.~~ FOR RETIREMENT PURPOSES IN EFFECT DECEMBER 31,

1972, IF ANY.

"Concurrent service." Credited service in more than one class of service during the same period of time.

"Creditable nonstate service." Service other than service as a State employee for which an active member may obtain credit.

"Credited service." State or creditable nonstate service for which the required contributions have been made or for which salary deductions or lump sum payments have been agreed upon in writing.

"Date of termination of service." The last day of service for which an active member makes contributions, or in the case of an inactive member on leave without pay the date of his

1 resignation or the date his employment is formally discontinued
2 by his employer.

3 "Effective date of retirement." The first day following the
4 date of termination of service of a member if he has properly
5 filed an application for an annuity within ~~90~~ NINETY days of <—
6 such date; in the case of a vestee or a member who does not
7 apply for an annuity within ~~90~~ NINETY days after termination of <—
8 service, the date of filing an application for an annuity or the
9 date specified on the application, whichever is later. In the
10 case of a finding of disability, the date certified by the board
11 as the effective date of disability.

12 "Eligibility points." Points which are accrued by an active
13 member for credited service and are used in the determination of
14 eligibility for benefits.

15 "Enforcement officer." Any enforcement officer or
16 investigator of the Pennsylvania Liquor Control Board who is a
17 peace officer vested with police power and authority throughout
18 the Commonwealth and any administrative or supervisory employee
19 of the Pennsylvania Liquor Control Board vested with police
20 power who is charged with the administration or enforcement of
21 the liquor laws of the Commonwealth.

22 "Final average salary." The highest average compensation
23 received as a member during any ~~five~~ THREE nonoverlapping <—
24 periods of ~~12~~ TWELVE consecutive months or of ~~26~~ TWENTY-SIX <—
25 consecutive biweekly pay periods, with the compensation for
26 part-time service being annualized on the basis of the
27 fractional portion of the year for which credit is received;
28 except if the employee was not a member for ~~five~~ THREE <—
29 nonoverlapping periods of ~~12~~ TWELVE consecutive months or of ~~26~~ <—
30 TWENTY-SIX consecutive biweekly pay periods, the total <—

1 compensation received as a member, annualized in the case of
2 part-time service, divided by the number of nonoverlapping
3 periods of ~~12~~ TWELVE consecutive months or of ~~26~~ TWENTY-SIX <—
4 consecutive biweekly pay periods of membership; ~~except those~~ <—
5 ~~officers of the Pennsylvania State Police who, by binding~~
6 ~~arbitration pursuant to the provisions of Article III Section 31~~
7 ~~of the Constitution of the Commonwealth of Pennsylvania and the~~
8 ~~act of June 24, 1968 (P.L.237), have been awarded the right to~~
9 ~~have their pensions computed on the basis of the provisions of~~
10 ~~paragraph 6 of the arbitration award of December 28, 1971; and~~
11 in the case of a member with multiple service, the final average
12 salary shall be determined on the basis of the compensation
13 received by him as a State employee or as a school employee, or
14 both.

15 "Full coverage member." Any member who has made or is making
16 regular member contributions, or has paid or has agreed to pay
17 to the fund the actuarial equivalent of regular member
18 contributions over the entire period of his credited service.

19 "Fund." The State Employees' Retirement Fund.

20 "Head of department." The chief administrative officer of
21 the department, the chairman or executive director of the
22 agency, authority, or independent board or commission, the Chief
23 Justice or the President Judge of a court, any justice of the
24 peace, and the Chief Clerk of the Senate, or the Chief Clerk of
25 the House of Representatives.

26 "Inactive member." A member who is not making member
27 contributions, including a member on leave without pay for whom
28 contributions are not authorized, but who has accumulated
29 deductions standing to his credit in the fund and who is not
30 eligible to become or has not elected to become a vestee or has

1 not filed an application for an annuity.

2 "Intervening military service." Active military service of a
3 member who was a State employee immediately preceding his
4 induction into the armed services or forces of the United States
5 in order to meet a military obligation excluding any voluntary
6 extension of such service and who becomes a State employee
7 within ~~90~~ NINETY days of the expiration of such service. <—

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

11 "Joint coverage member contributions." Regular member
12 contributions reduced for a joint coverage member.

13 "Member." Active member, inactive member, annuitant, or
14 vestee.

15 "Member of the judiciary." Any justice of the Supreme Court,
16 any judge of the Superior Court, the Commonwealth Court, any
17 court of common pleas, the Municipal Court and the Traffic Court
18 of Philadelphia, or any community court.

19 "Member's annuity." The single life annuity which is
20 actuarially equivalent, at the effective date of retirement, to
21 the sum of the regular accumulated deductions and the social
22 security integration accumulated deductions standing to the
23 member's credit in the members' savings account.

24 "Military service." All active military service for which a
25 member has received a discharge other than an undesirable, bad
26 conduct, or dishonorable discharge.

27 "Multiple service." Credited service of a member who has
28 elected to combine his credited service in both the State
29 Employees' Retirement System and the Public School Employees'
30 Retirement System.

1 "Previous State service." Service rendered as a State
2 employee prior to his most recent entrance in the system.

3 "Public School Employees' Retirement System." The retirement
4 system established by the act of July 18, 1917, (P.L.1043, No. <—
5 343), and codified by the act of June 1, 1959 (P.L.350, No. 77). <—

6 "Regular accumulated deductions." The total of the regular
7 or joint coverage member contributions paid into the fund on
8 account of current service or previous State or creditable
9 nonstate service, together with the statutory interest credited
10 thereon until the date of termination of service. In the case of
11 a vestee, statutory interest shall be credited until the
12 effective date of retirement. A member's account shall not be
13 credited with statutory interest for more than two years during
14 a leave without pay.

15 "Regular member contributions." The product of the basic
16 contribution rate, the class of service multiplier if greater
17 than one and the compensation of the member.

18 "Retirement counselor." The State employee whose duty it
19 shall be to advise each employee of the department of his rights
20 and duties as a member of the system. Such employee shall be
21 designated by the head of each department with the approval of
22 the board.

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

26 "School service." Service rendered as a public school
27 employee and credited as service in the Public School Employees'
28 Retirement System.

29 "SERVICE CONNECTED DISABILITY." A DISABILITY RESULTING FROM <—
30 AN INJURY ARISING IN THE COURSE OF STATE EMPLOYMENT, AND WHICH

1 IS COMPENSABLE UNDER THE APPLICABLE PROVISIONS OF THE ACT OF
2 JUNE 2, 1915 (P.L.736, NO.338), KNOWN AS THE PENNSYLVANIA
3 WORKMEN'S COMPENSATION ACT, OR THE ACT OF JUNE 21, 1939
4 (P.L.566, NO.284), KNOWN AS THE PENNSYLVANIA OCCUPATIONAL
5 DISEASE ACT.

6 "Social security integration accumulated deductions." The
7 total of the additional member contributions paid into the fund
8 on account of social security integration credit, together with
9 the statutory interest credited thereon until the date of
10 termination of service. In the case of a vestee statutory
11 interest shall be credited until the effective date of
12 retirement. A member's account shall not be credited with
13 statutory interest for more than two years during a leave
14 without pay.

15 "Standard single life annuity." An annuity equal to ~~2%~~ TWO <—
16 PER CENT (2%) of the final average salary, multiplied by the
17 total number of years and fractional part of a year of credited
18 service of a member.

19 "State employee." Any person holding a State office or
20 position under the Commonwealth, employed by the State
21 Government of the Commonwealth, in any capacity whatsoever,
22 except an independent contractor or any person compensated on a
23 fee basis, and shall include members of the General Assembly,
24 and any officer or employee of the following:

25 (1) the Department of Education, State-owned educational
26 institutions, community colleges, and The Pennsylvania State
27 University, except an employee paid wholly from Federal
28 funds;

29 (2) the Pennsylvania Turnpike Commission, the Delaware
30 River Port Authority, the Port Authority Transit Corporation,

1 the Delaware River Joint Toll Bridge Commission, the State
2 Public School Building Authority, The General State
3 Authority, the State Highway and Bridge Authority, the
4 Delaware Valley Regional Planning Commission, ~~and~~ the <—
5 Interstate Commission of the Delaware River Basin, AND THE <—
6 SUSQUEHANNA RIVER BASIN COMMISSION ANY TIME SUBSEQUENT TO ITS
7 CREATION, provided the commission or authority agrees to
8 contribute and does contribute to the fund, from time to
9 time, the moneys required to build up the reserves necessary
10 for the payment of the annuities of such officers and
11 employees without any liability on the part of the
12 Commonwealth to make appropriations for such purposes, and
13 provided in the case of employees of the Interstate
14 Commission of the Delaware River Basin, that the employee
15 shall have been a member of the system for at least ten years
16 prior to January 1, 1963;

17 (3) any separate independent public corporation created
18 by statute, not including any municipal or quasi-municipal
19 corporation, so long as he remains an officer or employee of
20 such public corporation, and provided that such officer or
21 employee of such public corporation was an employee of the
22 Commonwealth immediately prior to his employment by such
23 corporation, and further provided such public corporation
24 shall agree to contribute and contributes to the fund, from
25 time to time, the moneys required to build up the reserves
26 necessary for the payment of the annuities of such officers
27 and employees without any liability on the part of the
28 Commonwealth to make appropriations for such purposes; or

29 (4) any single county department of health or any joint
30 county department of health created under the "Local Health

1 Administration Law," act of August 24, 1951 (P.L.1304, No. <—
2 315).

3 "State service." Service rendered as a State employee.

4 "Statutory interest." Interest at ~~4%~~ FOUR PER CENT (4%) per <—
5 annum, compounded annually.

6 "Superannuation age." Age ~~60~~ SIXTY, except for a member of <—
7 the General Assembly, ~~or of Class C, age 50.~~ AN ENFORCEMENT <—
8 OFFICER OR AN OFFICER OF THE PENNSYLVANIA STATE POLICE, AGE
9 FIFTY.

10 "Superannuation annuitant." An annuitant whose annuity
11 becomes payable on or after the attainment of superannuation
12 age.

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

16 "System." The State Employees' Retirement System of
17 Pennsylvania as established by the act of June 27, 1923
18 (P.L.858, No. 331), and codified by the act of June 1, 1959 <—
19 (P.L.392, No. 78). <—

20 "Total accumulated deductions." The sum of the regular
21 accumulated deductions, the social security integration
22 accumulated deductions, and all other contributions paid into
23 the fund for the purchase of credit for service or other
24 coverage together with all statutory interest credited thereon
25 until the date of termination of service. In the case of a
26 vestee, statutory interest shall be credited until the effective
27 date of retirement. A member's account shall not be credited
28 with statutory interest for more than two years during a leave
29 without pay.

30 "Vestee." A member with ten or more eligibility points who

1 has terminated State service and has elected to leave his total
2 accumulated deductions in the fund and to defer receipt of an
3 annuity.

4 CHAPTER 53
5 MEMBERSHIP, CREDITED SERVICE, CLASSES OF SERVICE
6 AND ELIGIBILITY FOR BENEFITS

7 ~~See.~~

<—

8 ~~5301. Mandatory and optional membership.~~

9 ~~5302. Credited State service.~~

10 ~~5303. Retention and reinstatement of service credits.~~

11 ~~5304. Creditable nonstate service.~~

12 ~~5305. Social security integration credits.~~

13 ~~5306. Classes of service.~~

14 ~~5307. Eligibility points.~~

15 ~~5308. Eligibility for annuities.~~

16 ~~5309. Eligibility for vesting.~~

17 ~~5310. Eligibility for death benefits.~~

18 ~~5311. Eligibility for refunds.~~

19 § 5301. Mandatory and optional membership.

20 (a) Membership in the system shall be mandatory as of the
21 effective date of employment for all State employees except the
22 following:

23 (1) Governor.

24 (2) Lieutenant Governor.

25 (3) Members of the General Assembly.

26 (4) Heads or deputy heads of administrative departments.

27 (5) Members of any independent administrative board or
28 commission.

29 (6) Members of any departmental board or commission.

30 (7) Members of any advisory board or commission.

1 (8) Secretary to the Governor.

2 (9) Budget Secretary.

3 (10) Legislative employees.

4 (11) School employees who have elected membership in the
5 Public School Employees' Retirement System.

6 (12) School employees who have elected membership in an
7 approved independent retirement program, provided that in no
8 case shall the employer contribute on account of such elected
9 membership at a rate greater than the employer normal
10 contribution rate as determined in section 5508(b). ~~of this~~ <—
11 ~~title.~~

12 (13) Persons who have elected to retain membership in
13 the retirement system of the political subdivision by which
14 they were employed prior to becoming eligible for membership
15 in the State Employees' Retirement System.

16 (14) Persons employed on a per diem or hourly basis for
17 less than ~~100 days or 750 hours in a 12 month~~ ONE HUNDRED <—
18 DAYS OR SEVEN HUNDRED FIFTY HOURS IN A TWELVE-MONTH period.

19 (b) The State employees listed in paragraphs (a)(1) through
20 (11) of this section shall have the right to elect membership in
21 the system; once such election is exercised, membership shall
22 continue until the termination of State service.

23 (c) The State employees listed in paragraphs (a)(12), (13)
24 and (14) of this section shall not have the right to elect
25 membership in the system.

26 § 5302. Credited State service.

27 (a) In computing credited State service of a member for the
28 determination of benefits, a full-time salaried State employee
29 including any member of the General Assembly, shall receive
30 credit for service in each period for which he makes

1 contributions as required but in no case shall he receive more
2 than one year's credit for any ~~12~~ TWELVE consecutive months or <—
3 ~~26~~ TWENTY-SIX consecutive biweekly pay periods. A per diem or <—
4 hourly State employee shall receive one year of credited service
5 for each nonoverlapping period of ~~12~~ TWELVE consecutive months <—
6 or ~~26~~ TWENTY-SIX consecutive biweekly pay periods in which he is <—
7 employed and for which he contributes for at least ~~220~~ TWO <—
8 HUNDRED TWENTY days or ~~1,650~~ ONE THOUSAND SIX HUNDRED FIFTY <—
9 hours of employment. If the member was employed and contributed
10 for less than ~~220~~ TWO HUNDRED TWENTY days or ~~1,650~~ ONE THOUSAND <—
11 SIX HUNDRED FIFTY hours, he shall be credited with a fractional
12 portion of a year determined by the ratio of the number of days
13 or hours of service actually rendered to ~~220~~ TWO HUNDRED TWENTY <—
14 days or ~~1,650~~ ONE THOUSAND SIX HUNDRED FIFTY hours, as the case <—
15 may be. A part-time salaried employee shall be credited with the
16 fractional portion of the year which corresponds to the number
17 of hours or days of service actually rendered in relation to
18 ~~1,650~~ ONE THOUSAND SIX HUNDRED FIFTY hours or ~~220~~ TWO HUNDRED <—
19 TWENTY days, as the case may be. In no case shall a member who
20 has elected multiple service receive an aggregate in the two
21 systems of more than one year of credited service for any ~~12~~ <—
22 TWELVE consecutive months. <—

23 (b) A member on leave without pay who is studying under a
24 Federal grant approved by the head of his department or who is
25 engaged up to a maximum of two years of temporary service with
26 the United States Government, another state or a local
27 government under the Intergovernmental Personnel Act of 1970, 5
28 U.S.C. §§ 1304, 3371-3376; 42 U.S.C. §§ 4701-4772, shall be
29 eligible for credit for such service: ~~provided that~~ PROVIDED, <—
30 THAT contributions are made in accordance with ~~section 5501 of~~ <—

1 ~~this title (relating to regular member contributions for current~~
2 ~~service) and section 5507 of this title (relating to~~
3 ~~contributions by the Commonwealth and other employers),~~ SECTIONS <—
4 5501 AND 5507, the member returns from leave without pay to
5 active State service for a period of at least one year, and he
6 is not entitled to retirement benefits for such service under
7 ~~the A retirement system administered by such~~ ANY other <—
8 governmental agency.

9 (c) All credited service shall be cancelled if a member
10 withdraws his total accumulated deductions.

11 § 5303. Retention and reinstatement of service credits.

12 (a) Eligibility points shall be computed in accordance with
13 ~~section 5307 of this title (relating to eligibility points)~~ with <—
14 respect to all credited service accrued as of the effective date
15 of this act.

16 (b) Every active member of the system or a multiple service
17 member who is a school employee and a member of the Public
18 School Employees' Retirement System on or after the effective
19 date of this act shall receive eligibility points in accordance
20 ~~with section 5307 of this title (relating to eligibility points)~~ <—
21 for current State service, previous State service, or creditable
22 nonstate service upon compliance with ~~section 5501 of this title~~ <—
23 ~~(relating to regular member contributions for current service),~~
24 ~~section 5504 of this title (relating to member contributions for~~
25 ~~the purchase of credit for previous State service or to become a~~
26 ~~full coverage member), section 5505 of this title (relating to~~
27 ~~contributions for the purchase of credit for creditable nonstate~~
28 ~~service) or section 5506 of this title (relating to incomplete~~
29 ~~payments)~~ SECTIONS 5501, 5504, 5505 OR 5506. The class or <—
30 classes of service in which the member may be credited for

1 previous State service prior to the effective date of this act
2 shall be the class or classes in which he was or could have at
3 any time elected to be credited for such service. The class of
4 service in which a member shall be credited for service
5 subsequent to the effective date of this act shall be determined
6 in accordance with section 5306. ~~of this title (relating to~~ <—
7 ~~classes of service).~~

8 § 5304. Creditable nonstate service.

9 (a) An active member or a multiple service member who is a
10 school employee and a member of the Public School Employees'
11 Retirement System shall be eligible for Class A service credit
12 for creditable nonstate service as set forth in subsections (b)
13 and (c) of this section except that intervening military service
14 shall be credited in the class of service for which the member
15 was eligible at the time of entering into military service and
16 for which he makes the required contributions.

17 (b) An active member or a multiple service member who is a
18 school employee and a member of the Public School Employees'
19 Retirement System shall be eligible to receive credit for
20 nonstate service provided that he does not have credit for such
21 service in the school system and is not entitled to retirement
22 benefits for such service under ~~the~~ A retirement system <—
23 administered by ~~such~~ ANY other governmental agency, and that <—
24 such service is certified by the previous employer and
25 contributions are agreed upon and made in accordance with
26 section 5505. ~~of this title (relating to contributions for the~~ <—
27 ~~purchase of credit for creditable nonstate service).~~

28 (c) Creditable nonstate service credit shall be limited to:

29 (1) intervening military service;

30 (2) other military service not exceeding five years,

1 provided that the member has five years of credited State
2 service subsequent to such military service;

3 (3) service as an administrator, teacher, or instructor
4 in the field of education for any agency or department of the
5 government of the United States, not exceeding the lesser of
6 ten years or the number of years of active membership in the
7 system, as an officer or employee of the Department of
8 Education or as an administrator, teacher, or instructor
9 employed in any State-owned educational institution or The
10 Pennsylvania State University; or

11 (4) Previous service with a governmental agency other
12 than the Commonwealth which employment with said agency was
13 terminated because of the transfer of the administration of
14 such service or of the entire agency to the Commonwealth.

15 § 5305. Social security integration credits.

16 (a) Any member shall be credited with the social security
17 integration credits which he has accrued up to the effective
18 date of this act, and shall accrue after the effective date of
19 this act one social security integration credit for each year of
20 service and a fractional credit for a corresponding fractional
21 year of service for which he makes appropriate contributions in
22 accordance with section 5502. ~~of this title (relating to social~~ <—
23 ~~security integration member contributions).~~

24 (b) Any active member who, during previous State service,
25 had elected to receive credit for social security integration
26 shall, upon return to State service and election to purchase
27 credit for his total previous State service, reinstate his
28 social security integration credits as they were at the
29 termination of his previous service in accordance with section
30 5504. ~~of this title (relating to member contributions for the~~ <—

1 ~~purchase of credit for previous State service or to become a~~
2 ~~full coverage member).~~

3 § 5306. Classes of service.

4 ~~(a) A State employee who is a member of the system on the~~ <—
5 ~~effective date of this act shall retain his membership in that~~
6 ~~class of service for which his service is being credited on that~~
7 ~~date until he elects to become or becomes a member in some other~~
8 ~~class of service as provided in this section.~~

9 ~~(b)~~ (A) A State employee who is ~~or~~ A MEMBER OF CLASS A ON <—
10 THE EFFECTIVE DATE OF THIS ACT OR WHO becomes a member of the
11 system subsequent to the effective date of this act shall be
12 classified as a Class A member and receive credit for Class A
13 service upon payment of regular member contributions for Class A
14 service. ~~except:~~ <—

15 ~~(1) an officer or employe of the Pennsylvania State~~
16 ~~Police having police power or an enforcement officer of the~~
17 ~~Pennsylvania Liquor Control Board, shall be credited with~~
18 ~~Class C membership for such service upon payment of regular~~
19 ~~member contributions for Class C service;~~

20 ~~(2) a member of the General Assembly who elects to have~~
21 ~~such service credited as Class D 3 service shall be so~~
22 ~~credited upon payment of regular member contributions for~~
23 ~~Class D 3 service;~~

24 ~~(3) a member of the judiciary who elects to have such~~
25 ~~service credited as Class E 1 service shall be so credited~~
26 ~~upon payment of regular member contributions for Class E 1~~
27 ~~service;~~

28 ~~(4) a justice of the peace of a district court who~~
29 ~~elects to have such service credited as Class E 2 service~~
30 ~~shall be so credited upon payment of regular member~~

1 ~~contributions for Class E-2 service; and~~

2 ~~(5) a member of the system on the effective date of this~~
3 ~~act who retains his membership in that class of service for~~
4 ~~which his service is being credited on that date so long as~~
5 ~~he remains eligible and contributes for such class of~~
6 ~~service.~~

7 (B) A STATE EMPLOYEE WHO IS A MEMBER OF A CLASS OF SERVICE <—
8 OTHER THAN CLASS A ON THE EFFECTIVE DATE OF THIS ACT SHALL
9 RETAIN HIS MEMBERSHIP IN THAT CLASS UNTIL SUCH SERVICE IS
10 DISCONTINUED; ANY SERVICE THEREAFTER SHALL BE CREDITED AS CLASS
11 A SERVICE.

12 § 5307. Eligibility points.

13 An active member of the system shall accrue one eligibility
14 point for each year of credited service as a Class A, Class B,
15 Class C, Class D, Class D-1, Class D-2, Class E, Class E-1,
16 Class E-2, Class T-A, Class T-B or Class T-C member. For each
17 year of Class D-3 credited service, a member shall accrue one
18 and two-thirds eligibility points. In the case of a fractional
19 part of a year of credited service, a member shall accrue the
20 corresponding fractional portion of eligibility points to which
21 the class of service entitles him.

22 § 5308. Eligibility for annuities.

23 (a) Attainment of superannuation age by an active member or
24 an inactive member on leave without pay shall entitle him to
25 receive a superannuation annuity upon termination of State
26 service and compliance with section 5907(g). ~~of this title~~ <—
27 ~~(relating to rights and duties of State employees and members as~~
28 ~~to applications).~~

29 (b) Any vestee or any active member or inactive member on
30 leave without pay who terminates State service having ten or

1 more eligibility points, upon compliance with section 5907(g) or
2 ~~(h) of this title (relating to rights and duties of State~~ <—
3 ~~employees and members as to applications)~~, shall be entitled to
4 receive an annuity.

5 (c) An active member or inactive member on leave without pay
6 who has credit for at least five years of service or any active
7 member or inactive member on leave without pay of ~~Class C~~ WHO IS <—
8 AN OFFICER OF THE PENNSYLVANIA STATE POLICE OR AN ENFORCEMENT
9 OFFICER shall, upon compliance with Section 5907(1) ~~of this~~ <—
10 ~~title (relating to rights and duties of State employees and~~
11 ~~members as to applications)~~, be entitled to a disability annuity
12 if PRIOR TO ATTAINMENT OF SUPERANNUATION AGE he becomes mentally <—
13 or physically incapable of continuing to perform the duties for
14 which he is employed and qualifies in accordance with the
15 provisions of section 5905(c)(1). ~~of this title (relating to~~ <—
16 ~~duties of the board as to medical examinations).~~

17 § 5309. Eligibility for vesting.

18 Any member who terminates State service with ten or more
19 eligibility points shall be eligible until attainment of
20 superannuation age to vest his retirement benefits.

21 § 5310. Eligibility for death benefits.

22 In the event of the death of a member who is eligible for an
23 annuity in accordance with section 5308(a) or (b) ~~of this title~~ <—
24 ~~(relating to eligibility for certain annuities)~~, his beneficiary
25 shall be entitled to a death benefit.

26 § 5311. Eligibility for refunds.

27 Any active member, regardless of eligibility for benefits,
28 may elect to receive his total accumulated deductions upon
29 termination of service in lieu of any benefit to which he is
30 entitled.

CHAPTER 55

CONTRIBUTIONS

~~See.~~

~~5501. Regular member contributions for current service.~~

~~5502. Social security integration member contributions.~~

~~5503. Joint coverage member contributions.~~

~~5504. Member contributions for the purchase of credit for~~

~~previous State service or to become a full coverage~~

~~member.~~

~~5505. Contributions for the purchase of credit for creditable~~

~~nonstate service.~~

~~5506. Incomplete payments.~~

~~5507. Contributions by the Commonwealth and other employers.~~

~~5508. Actuarial cost method.~~

~~5509. Appropriations and assessments by the Commonwealth.~~

§ 5501. Regular member contributions for current service.

Every active member shall make regular member contributions to the fund for current service by salary deductions or some other agreed upon method.

§ 5502. Social security integration member contributions.

A member of any class who has elected social security integration coverage under the provisions of section 5907(c) of this title (relating to certain rights and duties of State employees and members) shall contribute 5% FIVE PER CENT (5%) of that portion of his compensation in excess of the maximum wages taxable under the provisions of the Federal Social Security Act, 42 U.S.C. §§ 301 et seq., in addition to the regular member contributions which, after such election, shall be determined on the basis of the basic contribution rate of 5% FIVE PER CENT (5%): PROVIDED, THAT ON THE FIRST DAY OF JANUARY FOLLOWING THE

1 TIME AT WHICH THE MAXIMUM SINGLE LIFE ANNUITY TO WHICH A MEMBER
2 IS ENTITLED IS FOUND TO BE EQUAL TO OR GREATER THAN HIS HIGHEST
3 COMPENSATION IN ANY TWELVE CONSECUTIVE MONTHS, THE MEMBER'S
4 CONTRIBUTIONS TOWARD SOCIAL SECURITY INTEGRATION CREDITS SHALL
5 CEASE AND NO FURTHER SOCIAL SECURITY INTEGRATION CREDITS SHALL
6 ACCRUE TO HIM.

7 § 5503. Joint coverage member contributions.

8 The regular member contributions for current service of a
9 joint coverage member in any class shall be reduced by ~~40%~~ FORTY <—
10 PER CENT (40%) of the tax on taxable wages prescribed by the
11 Federal Insurance Contributions Act, 26 U.S.C. §§ 3101-3125,
12 exclusive of that portion of such tax attributable to coverage
13 for disability and medical benefits.

14 § 5504. Member contributions for the purchase of credit for
15 previous State service or to become a full coverage
16 member.

17 (a) The contributions to be paid by an active member or
18 eligible school employee for credit for total previous State
19 service or to become a full coverage member shall be sufficient
20 to provide an amount equal to the regular accumulated deductions
21 which would have been standing to the credit of the member for
22 such service had he made regular member contributions with full
23 coverage in the class of service and at the rate of contribution
24 applicable during such period of previous service and had his
25 regular accumulated deductions been credited with statutory
26 interest during all periods of subsequent State or school
27 service up to the date of purchase.

28 (b) Upon election to purchase credit for total previous
29 State service, additional contributions shall be paid by an
30 active member or eligible school employee for reinstatement of

1 creditable previous social security integration credit
2 sufficient to provide an amount equal to the social security
3 integration accumulated deductions which had been standing to
4 his credit at the termination of his service and credited with
5 statutory interest during all periods of subsequent State
6 service up to the date of purchase.

7 (c) The amount payable shall be certified in each case by
8 the board in accordance with methods approved by the actuary and
9 shall be paid in a lump sum within ~~30~~ THIRTY days or in the case <—
10 of an active member may be amortized with statutory interest
11 through salary deductions in amounts agreed upon by the member
12 and the board.

13 § 5505. Contributions for the purchase of credit for
14 creditable nonstate service.

15 (a) The total contributions to purchase credit for
16 creditable nonstate service of an active member or eligible
17 school employee shall be paid either by the member, the member's
18 previous employer, or by some agreed upon combination of the
19 member, his previous employer, and, if specifically provided,
20 the Commonwealth.

21 (b) The amount due for the purchase of credit for military
22 service other than intervening military service shall be
23 determined by applying the member's basic contribution rate plus
24 the Commonwealth normal contribution rate for active members at
25 the time of entry, subsequent to such military service, of the
26 member into State service to his average annual rate of
27 compensation over the first five years of such subsequent State
28 service and multiplying the result by the number of years and
29 fractional part of a year of creditable nonintervening military
30 service being purchased together with statutory interest ~~from~~ <—

1 ~~the date of entry into State~~ DURING ALL PERIODS OF SUBSEQUENT <—
2 STATE OR SCHOOL service to date of purchase. Upon application
3 for credit for such service, payment shall be made in a lump sum
4 within ~~30~~ THIRTY days or in the case of an active member it may <—
5 be amortized with statutory interest through salary deductions
6 in amounts agreed upon by the member and the board. Application
7 may be filed for all such military service credit upon
8 completion of five years of subsequent State service and shall
9 be credited as Class A service.

10 (c) Contributions on account of credit for intervening
11 military service shall be determined by the member's
12 contribution rate and compensation at the time of entry of the
13 member into active military service, together with statutory
14 interest ~~from date of return to~~ DURING ALL PERIODS OF SUBSEQUENT <—
15 State service to date of purchase. Upon application for such
16 credit the amount due shall be certified in the case of each
17 member by the board in accordance with methods approved by the
18 actuary, and contributions may be made by:

19 (1) regular monthly payments during active military
20 service; or

21 (2) a lump sum payment within ~~30~~ THIRTY days of <—
22 certification; or

23 (3) salary deductions in amounts agreed upon by the
24 member and the board.

25 (d) Contributions on account of credit for creditable
26 nonstate service other than military and magisterial service
27 shall be determined by applying the member's basic contribution
28 rate plus the Commonwealth normal contribution rate for active
29 members at the time of entry subsequent to such creditable
30 nonstate service of the member into State service to his

1 compensation at the time of entry into State service and
2 multiplying the result by the number of years and fractional
3 part of a year of creditable nonstate service being purchased
4 together with statutory interest ~~from the date of entry into~~ <—
5 ~~State~~ DURING ALL PERIODS OF SUBSEQUENT STATE OR SCHOOL service <—
6 to the date of purchase. Upon application for credit for such
7 service payment shall be made in a lump sum within ~~30~~ THIRTY <—
8 days or in the case of an active member it may be amortized with
9 statutory interest through salary deductions in amounts agreed
10 upon by the member and the board.

11 (e) Contributions on account of credit for service as a
12 magistrate of the City of Philadelphia shall be determined by
13 the board to be equal to the amount he would have paid as
14 employee contributions together with statutory interest to date
15 of purchase had he been a State employee during his period of
16 service as a magistrate of the City of Philadelphia. The amount
17 so determined by the State Employees' Retirement Board to be paid
18 into the State Employees' Retirement System shall be the
19 obligation of the judge who requested credit for previous
20 service as a magistrate of the City of Philadelphia; in no event
21 shall such amount be an obligation of the City of Philadelphia
22 or the City of Philadelphia retirement system.

23 § 5506. Incomplete payments.

24 In the event that a member terminates State service before
25 the agreed upon payments for credit for previous State service,
26 creditable nonstate service, social security integration, or
27 full coverage membership have been completed, or before any
28 other amount due the fund has been paid, the member shall have
29 the right to pay within ~~30~~ THIRTY days of termination of State <—
30 service the balance due, including interest, in a lump sum and

1 the annuity shall be calculated including full credit for the
2 previous State service, creditable nonstate service, social
3 security integration, or full coverage membership. A disability
4 annuitant who does not return to State service shall have the
5 right to pay such amount within ~~30~~ THIRTY days of termination of <—
6 his disability annuity. In the event a member does not pay the
7 balance due within ~~30~~ THIRTY days of termination of State <—
8 service or termination of disability payments or in the event a
9 member dies in State service or within ~~30~~ THIRTY days of <—
10 termination of State service or termination of disability
11 payments and before the agreed upon payments have been
12 completed, the present value of the benefit otherwise payable
13 shall be reduced by the balance due, including interest, and the
14 benefit payable shall be calculated as the actuarial equivalent
15 of such reduced present value.

16 § 5507. Contributions by the Commonwealth and other employers.

17 (a) The Commonwealth and other employers whose employees are
18 members of the system shall make contributions to the fund on
19 behalf of all active members in such amounts as shall be
20 certified by the board as necessary to provide, together with
21 the members' total accumulated deductions, annuity reserves on
22 account of prospective annuities other than those provided in
23 section 5708 ~~of this title (relating to supplemental annuities),~~ <—
24 in accordance with the actuarial cost method provided in section
25 5508(a), (b), (c) and (d). ~~of this title (relating to actuarial~~ <—
26 ~~cost method).~~

27 (b) The Commonwealth shall make contributions on behalf of
28 all superannuation and disability annuitants in such amounts as
29 shall be certified by the board as necessary to fund the
30 liabilities for supplemental annuities in accordance with the

1 actuarial cost method provided in section 5508(e). ~~of this title~~ <—
2 ~~(relating to actuarial cost method)~~.

3 § 5508. Actuarial cost method.

4 (a) The amount of the Commonwealth and other employer
5 contributions on behalf of all active members shall be computed
6 by the actuary as a percentage of the total compensation of all
7 active members during the period for which the amount is
8 determined and shall be so certified by the board. The total
9 employer contribution rate on behalf of all active members shall
10 consist of the employer normal contribution rate and the accrued
11 liability contribution rate.

12 (b) The employer normal contribution rate shall be
13 determined after each actuarial valuation on the basis of an
14 annual ~~5%~~ FIVE AND ONE-HALF PER CENT (5 1/2%) interest rate and <—
15 such mortality and other tables as shall be adopted by the
16 board. Until all accrued liability contributions have been
17 completed, the employer normal contribution rate shall be
18 determined as a level percentage of the compensation of the
19 average new active member, which percentage, if contributed on
20 the basis of his prospective compensation through his entire
21 period of active State service, would be sufficient to fund the
22 liability for any prospective benefit payable to him, except a
23 supplemental benefit as provided in section 5708 ~~of this title~~ <—
24 ~~(relating to supplemental annuities)~~, in excess of that portion
25 funded by his prospective member contributions. After all
26 accrued liability contributions have been completed, the
27 employer normal contribution rate shall be determined by
28 deducting from the present value of the liabilities for all
29 prospective benefits, except supplemental benefits as provided
30 in section 5708 ~~of this title (relating to supplemental~~ <—

1 ~~annuities~~), the sum of the total assets in the fund on the
2 valuation date, excluding the balance in the supplemental
3 annuity account, and the present value of prospective member
4 contributions, and dividing the remainder by the present value
5 of the future compensation of all active members.

6 (c) For the fiscal year beginning July 1, 1969, the accrued
7 liability contribution rate shall be computed as the rate of
8 total compensation of all active members which shall be
9 certified by the actuary as sufficient to fund over a period of
10 ~~30~~ THIRTY years from such date the present value of the
11 liabilities for all prospective benefits, except supplemental
12 benefits as provided in section 5708 ~~of this title (relating to~~
13 ~~supplemental annuities)~~, in excess of the total assets in the
14 fund, excluding the balance in the supplemental annuity account,
15 and the present value of employer normal contributions and of
16 member contributions payable with respect to all active members
17 on such date during the remainder of their active service,

18 assuming that the total compensation of all active members will
19 increase at the annual rate of ~~4%~~ FOUR PER CENTS (4%) compounded
20 annually. Thereafter, the amount of each annual accrued
21 liability contribution shall be at least ~~4%~~ FOUR PER CENT (4%)
22 greater than the amount of such contribution for the previous
23 fiscal year, except that, if the accrued liability is increased
24 by legislation enacted subsequent to July 1, 1969, such
25 additional liability shall be funded over a period of ~~30~~ THIRTY
26 years from the ~~July 1,~~ FIRST DAY OF JULY, coincident with or
27 next following the effective date of the increase assuming that
28 the total compensation of all active members will increase at
29 the annual rate of ~~4%~~ FOUR PER CENT (4%) compounded annually.

30 The accrued liability contributions under this section shall be

1 discontinued as soon as the total assets in the fund, excluding
2 the balance in the supplemental annuity account, equals the
3 present value of the liability for all prospective benefits,
4 except the supplemental benefits as provided in section 5708 of ~~this title (relating to supplemental annuities)~~, less the
5 present value of the prospective employer normal contributions
6 and of member contributions payable with respect to all active
7 members on such date during the remainder of their active
8 service.

10 (d) In calculating the contributions required by subsections
11 (a), (b) and (c) of this section, the active members of Class C
12 shall be considered to be members of Class A. In addition, the
13 actuary shall determine the Commonwealth or other employer
14 contributions required for active members of Class C to finance
15 their benefits in excess of those to which they would have been
16 entitled as members of Class A. Such additional contributions
17 for members of Class C shall be determined separately for
18 officers and employees of the Pennsylvania State Police and for
19 enforcement officers and investigators of the Pennsylvania
20 Liquor Control Board. Such contributions payable on behalf of
21 officers and employees of the Pennsylvania State Police shall
22 include the amounts received by the system under the provisions
23 of the act of May 12, 1943 (P.L.259, No. 120), and on behalf of ~~enforcement officers or investigators of the Pennsylvania Liquor~~
24 Control Board, the amounts received by the system under the
25 provisions of the "Liquor Code," act of April 12, 1951 (P.L.90,
26 No. 21).

28 (e) Contributions from the Commonwealth required to provide
29 for the payment of supplemental annuities to disability and
30 superannuation annuitants as provided in section 5708 ~~of this~~

1 ~~title (relating to supplemental annuities)~~ shall be determined
2 as a percentage of the total compensation of all active members
3 during the period for which the amount is certified as
4 sufficient to fund the liabilities of the supplemental annuity
5 account as of July 1, 1969, as a level percentage over a period
6 of ~~20~~ TWENTY years from such date. In the event that <—
7 supplemental annuities are increased by legislation enacted
8 subsequent to July 1, 1969, the additional liability for the
9 increase in benefits shall be funded as a level percentage over
10 a period of ~~20~~ TWENTY years from the July 1, coincident with or <—
11 next following the effective date of such legislation.

12 § 5509. Appropriations and assessments by the Commonwealth.

13 (a) The board shall prepare and submit annually an itemized
14 budget consisting of the amounts necessary to be appropriated by
15 the Commonwealth out of the General Fund and special operating
16 funds and the amounts to be assessed the other employers
17 required to meet the obligations accruing during the fiscal
18 period beginning ~~July 1~~ THE FIRST DAY OF JULY of the following <—
19 year.

20 (b) The General Assembly shall make an appropriation
21 sufficient to provide for the obligations of the Commonwealth.
22 Such amount shall be paid by the State Treasurer through the
23 Department of Revenue into the fund in accordance with
24 requisitions presented by the board. The contributions by the
25 Commonwealth on behalf of active members ~~of Class C~~ who are <—
26 officers ~~and employees~~ of the Pennsylvania State Police shall be <—
27 charged to the General Fund and to the Motor License Fund in the
28 same ratios as used to apportion the appropriations for salaries
29 of members of the Pennsylvania State Police. The contributions
30 by the Commonwealth on behalf of active members ~~of Class C~~ who <—

1 are enforcement officers and investigators of the Pennsylvania
2 Liquor Control Board shall be charged to the General Fund and to
3 the State Stores Fund.

4 (c) The amounts assessed other employers who are required to
5 make the necessary contributions out of funds other than the
6 General Fund shall be paid by such employers into the fund in
7 accordance with requisitions presented by the board. The General
8 Fund of the Commonwealth shall not be held liable to appropriate
9 the moneys required to build up the reserves necessary for the
10 payment of benefits to employees of such other employers. In
11 case any such other employer shall fail to provide the moneys
12 necessary for such purpose, then the service of such members for
13 such period for which money is not so provided shall be credited
14 and payroll deductions shall continue from such members to be
15 credited to the members' savings account. The annuity to which
16 such member is entitled shall be determined as actuarially
17 equivalent to the present value of the maximum single life
18 annuity of each such member reduced by the amount of employer
19 contributions payable on account and attributable to his
20 compensation during such service.

21 CHAPTER 57

22 BENEFITS

23 ~~See.~~

24 ~~5701. Return of total accumulated deductions.~~

25 ~~5702. Maximum single life annuity.~~

26 ~~5703. Reduction of annuities on account of social security~~
27 ~~——old age insurance benefits.~~

28 ~~5704. Disability annuities.~~

29 ~~5705. Member's options.~~

30 ~~5706. Termination of annuities.~~

1 ~~5707. Death benefits.~~

2 ~~5708. Supplemental annuities.~~

3 ~~5709. Payment of benefits.~~

4 ~~5710. Payments under other laws.~~

5 § 5701. Return of total accumulated deductions.

6 Any member upon termination of service may, in lieu of all
7 benefits payable under this chapter to which he may be entitled,
8 elect to receive his total accumulated deductions.

9 § 5702. Maximum single life annuity.

10 (a) Any full coverage member who is eligible to receive an
11 annuity pursuant to the provisions of section 5308(a) or (b) of ~~of~~ <—
12 ~~this title (relating to eligibility for certain annuities)~~ shall
13 be entitled to receive a maximum single life annuity equal to
14 the sum of the following single life annuities beginning at the
15 effective date of retirement:

16 (1) A standard single life annuity multiplied by the sum
17 of the products, determined separately for each class of
18 service, obtained by multiplying the appropriate class of
19 service multiplier by the ratio of years of service credited
20 in that class to the total credited service. In case the
21 member on the effective date of retirement is under
22 superannuation age for any service, a reduction factor
23 calculated to provide benefits actuarially equivalent to an
24 annuity starting at superannuation age shall be applied to
25 the product determined for that service. ~~For any period of~~ <—
26 ~~concurrent service the class of service multipliers shall be~~
27 ~~prorated by the proportionate compensation in each class~~
28 ~~during the total period of concurrent service.~~ THE CLASS OF <—
29 SERVICE MULTIPLIER FOR ANY PERIOD OF CONCURRENT SERVICE SHALL
30 BE THE AVERAGE OF THE CLASS OF SERVICE MULTIPLIERS WEIGHTED

1 BY THE PROPORTION OF COMPENSATION ATTRIBUTABLE TO EACH CLASS
2 OF SERVICE. IN THE EVENT A MEMBER HAS TWO MULTIPLIERS FOR ONE
3 CLASS OF SERVICE THE CLASS OF SERVICE MULTIPLIER TO BE USED
4 FOR CALCULATING BENEFITS FOR THAT CLASS SHALL BE THE AVERAGE
5 OF THE TWO MULTIPLIERS WEIGHTED BY THE PROPORTION OF
6 COMPENSATION ATTRIBUTABLE TO EACH MULTIPLIER DURING THE THREE
7 YEARS OF HIGHEST ANNUAL COMPENSATION IN THAT CLASS OF
8 SERVICE.

9 (2) If eligible, a single life annuity of ~~2%~~ TWO PER <—
10 CENT (2%) of his average noncovered salary for each year of
11 social security integration credit as provided for in section
12 5305 ~~of this title (relating to social security integration~~ <—
13 ~~credits)~~ multiplied, if on the effective date of retirement
14 the member is under superannuation age for any service, by
15 the actuarially determined reduction factor for that service.

16 (3) If eligible, a single life annuity which is
17 actuarially equivalent to the regular accumulated deductions
18 attributable to contributions as a member of Class C, but not
19 less than such annuity determined as if the member were age
20 60 on the effective date of retirement, actuarially reduced
21 in the event the member is under superannuation age on the
22 effective date of retirement.

23 (4) If eligible, a single life annuity which is
24 actuarially equivalent to the amount by which his regular
25 accumulated deductions attributable to any credited service
26 other than as a member of Class C are greater than one-half
27 of the actuarially equivalent value on the effective date of
28 retirement of the annuity as provided in paragraph(a)(1) of
29 this section attributable to service other than Class C for
30 which regular or joint coverage member contributions were

made.

(5) If eligible, a single life annuity which is actuarially equivalent to the amount by which his social security integration accumulated deductions are greater than one-half of the actuarially equivalent value on the effective date of retirement of the annuity provided for under paragraph(a)(2) of this section.

(6) If eligible, a single life annuity sufficient together with the annuity provided for in paragraph(a)(1) of this section as a Class A member and the highest annuity provided for in paragraph(a)(2) of this section to which he is entitled, or at his option could have been entitled, to produce that percentage of a standard single life annuity on the effective date of retirement as determined by his total years of credited service as a member of Class A and by the following table:

Total Years of Credited Service as a Member of Class A	Percentage of Standard Single Life Annuity
35-40	100%
41	102
42	104
43	106
44	108
45 or more	110

(b) The present value of the maximum single life annuity as calculated in accordance with subsection(a) of this section shall be determined by multiplying the maximum single life annuity by the cost of a dollar annuity on the effective date of

1 retirement. Such present value shall be decreased only as
2 required under the provisions of ~~section 5506 of this title~~ <—
3 ~~(relating to incomplete payments), section 5509(c) of this title~~
4 ~~(relating to appropriations and assessments by the Commonwealth~~
5 ~~as to payments due from other employers), section 5703 of this~~
6 ~~title (relating to reduction of annuities on account of social~~
7 ~~security old age insurance benefits) or, section 5706(b)~~
8 ~~(relating to termination of annuities).~~ SECTIONS 5506, 5509(C), <—
9 5703, 5706(B) OR 5953.

10 (c) ~~That portion of any~~ THE annuity paid to a member ~~on~~ <—
11 ~~account of Class D-3 service under paragraph(a)(1) UNDER~~ <—
12 SUBSECTION (A) of this section and reduced in accordance with
13 the option elected under section 5705 ~~of this title (relating to~~ <—
14 ~~member's options)~~ shall not exceed \$12,000 ~~except in the case of~~ <—
15 ~~a member who has served as a constitutional officer of the~~
16 ~~General Assembly.~~ THE HIGHEST COMPENSATION RECEIVED DURING ANY <—
17 PERIOD OF TWELVE CONSECUTIVE MONTHS OF CREDITED SERVICE EXCEPT
18 IN THE CASE OF A MEMBER WHO SERVED AS A CONSTITUTIONAL OFFICER
19 OF THE GENERAL ASSEMBLY PRIOR TO JANUARY 1, 1973.

20 § 5703. Reduction of annuities on account of social security
21 old-age insurance benefits.

22 (a) A joint coverage member who is eligible to receive an
23 annuity under section 5308(a) or (b) ~~of this title (relating to~~ <—
24 ~~eligibility for annuities)~~ shall be entitled to receive the
25 annuity provided for in section 5702 ~~of this title (relating to~~ <—
26 ~~maximum single life annuity)~~ which shall be reduced at the time
27 at which the member would be entitled to receive full social
28 security old-age insurance benefits whether or not he has
29 applied for such benefits. The reduction shall be an amount
30 equal to ~~40%~~ FORTY PER CENT (40%) of the primary insurance <—

1 amount paid or payable to him and subject to the following
2 provisions:

3 (1) The eligibility of such member for the old-age
4 insurance benefit and the amount of such benefit upon which
5 the reduction in his annuity shall be based shall be
6 determined by the board in accordance with the provisions of
7 the Federal Social Security Act, 42 U.S.C. §§ 301 et seq., in
8 effect on the effective date of retirement, except that in
9 determining such eligibility and such amount only wages or
10 compensation for services covered by the system shall be
11 included.

12 (2) The reduction shall not be more than one-half of the
13 standard single life annuity multiplied by the ratio of the
14 sum of the five years of highest taxable wages to an amount
15 equal to five times the final average salary and by the ratio
16 of the years of credited service after December 31, 1955 to
17 total years of credited service.

18 (3) Whenever the amount of the reduction from the
19 annuity shall have been once determined, it shall remain
20 fixed for the duration of the annuity except that any
21 decrease in the old-age insurance benefit under the Federal
22 Social Security Act, 42 U.S.C. §§301 et seq., shall result in
23 a corresponding decrease in the amount of the reduction from
24 the annuity.

25 (b) The reduction provided for in subsection (a) of this
26 section shall not apply to annuities payable under the
27 provisions of section 5704(a). ~~of this title (relating to~~
28 ~~disability annuities).~~

29 § 5704. Disability annuities.

30 (a) A member who has made application for a disability

1 annuity and has been found to be eligible in accordance with the
2 provisions of section 5905(c)(1) ~~of this title (relating to~~ <—
3 ~~duties of the board as to medical examinations)~~ shall receive a
4 disability annuity payable from the effective date of disability
5 as determined by the board and continued until a subsequent
6 determination by the board that the annuitant is no longer
7 entitled to a disability annuity. The disability annuity shall
8 be equal to a standard single life annuity multiplied by the
9 class of service multiplier APPLICABLE TO THE CLASS OF SERVICE <—
10 AT THE TIME OF DISABILITY if the product of ~~the~~ SUCH class of <—
11 service multiplier and the total number of years of credited
12 service is greater than 16.667, otherwise the standard single
13 life annuity shall be multiplied by the lesser of the following
14 ratios:

15
$$MY^*/Y \text{ or } 16.667/Y$$

16 where Y = number of years of credited service, Y* = total years
17 of credited service if the member were to continue as a State
18 employee until attaining superannuation age AS APPLICABLE AT THE <—
19 TIME OF DISABILITY, and M = the class of service multiplier AS <—
20 APPLICABLE AT THE TIME OF DISABILITY. A member of Class C shall
21 receive, in addition, any annuity to which he may be eligible
22 under section 5702(a)(3). ~~of this title (relating to a certain~~ <—
23 ~~single life annuity)).~~

24 (b) If the member has been found to be eligible for a
25 disability annuity and has social security integration credits
26 as provided in section 5305 ~~of this title (relating to social~~ <—
27 ~~security integration credits)~~, he may elect to withdraw his
28 social security integration accumulated deductions or if he has
29 ten or more eligibility points to his credit and does not
30 withdraw his social security integration accumulated deductions

1 he may execute an application to be filed with the board to
2 receive, in addition to his disability annuity, an annuity
3 calculated in accordance with section 5702(a)(2). ~~of this title~~ <—
4 ~~(relating to a certain single life annuity).~~

5 (c) ~~Payments~~ SUBSEQUENT TO JANUARY 1, 1972, PAYMENTS on <—
6 account of disability shall be reduced by that amount by which
7 the earned income of the annuitant, as reported in accordance
8 with section 5908(b) ~~of this title (relating to certain rights~~ <—
9 ~~and duties of annuitants)~~ for the preceding calendar quarter
10 together with the disability annuity payments, ~~excluding~~ <—
11 ~~payments under~~ PROVIDED IN THIS SECTION OTHER THAN subsection <—
12 (b) ~~of this section~~, for the quarter, exceeds ~~the greater of~~ <—
13 ~~\$1,250 or one quarter of the last year's salary of the annuitant~~
14 ~~as a State employee, provided that~~ THE PRODUCT OF: <—

15 (I) THE GREATER OF ONE THOUSAND TWO HUNDRED FIFTY
16 DOLLARS (\$1,250) OR ONE-QUARTER OF THE LAST YEAR'S SALARY
17 OF THE ANNUITANT AS A STATE EMPLOYEE;

18 (II) THE RATIO OF THE CURRENT MONTHLY PAYMENT TO THE
19 MONTHLY PAYMENT AT THE EFFECTIVE DATE OF DISABILITY; AND

20 (III) THE PERCENTAGE FACTOR DETERMINED BY THE
21 FOLLOWING TABLE FOR THE CALENDAR YEAR OF THE MEMBER'S
22 EFFECTIVE DATE OF DISABILITY:

23	CALENDAR YEAR OF	
24	EFFECTIVE DATE OF	PERCENTAGE
25	DISABILITY	FACTOR
26	1966 OR EARLIER	135%
27	1967	130
28	1968	125
29	1969	120
30	1970	115

1 1971 110

2 1972 105

3 PROVIDED, THAT the annuitant shall not receive less than the
4 amount to which he may be entitled under section 5702. ~~of this~~ <—
5 ~~title (relating to maximum single life annuity).~~

6 (d) Payment of that portion of the disability annuity in
7 excess of the annuity to which the annuitant was entitled at the
8 effective date of disability calculated in accordance with
9 section 5702 ~~of this title (relating to maximum single life~~ <—
10 ~~annuity)~~ shall cease if the annuitant is no longer eligible
11 under the provisions of ~~section 5905(c)(2) of this title~~ <—
12 ~~(relating to duties of the board as to the results of certain~~
13 ~~medical examinations) or section 5908(b) or (c) of this title~~
14 ~~(relating to certain rights and duties of annuitants).~~ SECTIONS <—
15 5905(C)(2) OR 5908(B) OR (C).

16 (e) Upon termination of disability annuity payments in
17 excess of an annuity calculated in accordance with section 5702
18 ~~of this title (relating to maximum single life annuity), a~~ <—
19 disability annuitant who does not return to State service may
20 file an application with the board for an amount equal to the
21 excess, if any, of the regular accumulated deductions standing
22 to his credit at the effective date of disability over one-third
23 of the total disability annuity payments received. If the
24 annuitant on the date of termination of service was eligible for
25 an annuity as provided in section 5308(b) ~~of this title~~ <—
26 ~~(relating to certain eligibility for annuities),~~ he may file an
27 application with the board for an election of an optional
28 modification of his annuity.

29 (F) IF A MEMBER HAS BEEN FOUND TO BE ELIGIBLE FOR A <—
30 DISABILITY ANNUITY AND IF THE DISABILITY HAS BEEN FOUND TO BE A

1 SERVICE CONNECTED DISABILITY, SUCH MEMBER SHALL RECEIVE A
2 SUPPLEMENT EQUAL TO SEVENTY PER CENT (70%) OF HIS FINAL AVERAGE
3 SALARY LESS THE SUM OF THE ANNUITY AS DETERMINED UNDER
4 SUBSECTION (A) OF THIS SECTION AND ANY PAYMENTS PAID OR PAYABLE
5 ON ACCOUNT OF SUCH DISABILITY UNDER THE PENNSYLVANIA WORKMEN'S
6 COMPENSATION ACT, THE PENNSYLVANIA OCCUPATIONAL DISEASE ACT AND
7 THE FEDERAL SOCIAL SECURITY ACT. SUCH SUPPLEMENT SHALL CONTINUE
8 AS LONG AS HE IS DETERMINED TO BE DISABLED ON ACCOUNT OF HIS
9 SERVICE CONNECTED DISABILITY.

10 § 5705. Member's options.

11 (a) Any vestee having ten or more eligibility points or any
12 other eligible member upon termination of State service who has
13 not withdrawn his total accumulated deductions as provided in
14 section 5701 ~~of this title (relating to return of total~~ <—
15 ~~accumulated deductions)~~ may apply for and elect to receive
16 either a maximum single life annuity, as calculated in
17 accordance with the provisions of section 5702 ~~of this title~~ <—
18 ~~(relating to maximum single life annuity)~~, or a reduced annuity
19 certified by the actuary to be actuarially equivalent to the
20 maximum single life annuity and in accordance with one of the
21 following options:

22 (1) Option 1. A life annuity to the member with a
23 guaranteed total payment equal to the present value of the
24 maximum single life annuity on the effective date of
25 retirement with the provision that, if, at his death, he has
26 received less than such present value, the unpaid balance
27 shall be payable to his beneficiary.

28 (2) Option 2. A joint and survivor annuity payable
29 during the lifetime of the member with the full amount of
30 such annuity payable thereafter to his survivor annuitant, if

1 living at his death.

2 (3) Option 3. A joint and ~~50%~~ FIFTY PER CENT (50%) <—
3 survivor annuity payable during the lifetime of the member
4 with one-half of such annuity payable thereafter to his
5 survivor annuitant, if living at his death.

6 (4) Option 4. Some other benefit which shall be
7 certified by the actuary to be actuarially equivalent to the
8 maximum single life annuity, subject to the following
9 restrictions:

10 (i) any annuity shall be payable without reduction
11 during the lifetime of the member except as the result of
12 the member's election to receive an annuity reduced upon
13 attainment of age ~~65~~, SIXTY-FIVE, in anticipation of the <—
14 receipt of a social security benefit;

15 (ii) the sum of all annuities payable to the
16 designated survivor annuitants shall not be greater than
17 one and one-half times the annuity payable to the member;
18 and

19 (iii) a portion of the benefit may be payable as a
20 lump sum, except that such lump sum payment shall be
21 limited to one such payment and it shall not exceed an
22 amount equal to the total accumulated deductions standing
23 to the credit of the member. The balance of the present
24 value of the maximum single life annuity adjusted in
25 accordance with section 5702(b) ~~of this title (relating~~ <—
26 ~~to a certain maximum single life annuity)~~ shall be paid
27 in the form of an annuity with a guaranteed total
28 payment, a single life annuity, or a joint and survivor
29 annuity or any combination thereof but subject to the
30 restrictions of (i) and (ii) under this option.

1 (b) In calculating an annuity payable to a member of the
2 joint coverage group, the present value of such adjusted annuity
3 shall be determined by taking into account prospectively the
4 reduction applicable upon the attainment of the age at which
5 full social security benefits are payable.

6 § 5706. Termination of annuities.

7 (a) Any annuity payable under this code shall cease if the
8 annuitant returns to State service or enters school service and
9 elects multiple service membership until subsequent
10 discontinuance of service: ~~provided,~~ PROVIDED, however, ~~that~~ <—
11 THAT this provision shall not apply in the case of any annuitant <—
12 who may render services to the Commonwealth in the capacity of
13 an independent contractor, and provided further that when, in
14 the judgment of the head of the department, an emergency creates
15 an increase in the work load such that there is serious
16 impairment of service to the public, an annuitant may, with the
17 approval of the Governor, be returned to State service in a
18 classification in which he had at least two years' experience
19 and without loss of annuity shall receive the pay for such
20 classification for a period not to exceed ~~60~~ SIXTY days in any <—
21 calendar year.

22 (b) Upon subsequent discontinuance of service, the annuity
23 of an active member whose former annuity as provided by the
24 system had been discontinued, shall be computed with respect to
25 total credited service and reduced by an annuity actuarially
26 equivalent to the benefit payments received as an annuitant
27 prior to attainment of superannuation age.

28 § 5707. Death benefits.

29 (a) Any active member, inactive member on leave without pay
30 or vestee who dies and was eligible for an annuity in accordance

1 with section 5308(a) or (b) ~~of this title (relating to~~
2 ~~eligibility for certain annuities)~~, shall be considered as
3 having applied for an annuity to become effective the day before
4 his death and in the event he has not elected an option or such
5 election has not been approved prior to his death, it shall be
6 assumed that he elected Option 1.

7 (b) In the event of the death of an active member or an
8 inactive member on leave without pay who is not entitled to a
9 death benefit as provided in subsection(a) of this section, his
10 designated beneficiary shall be paid the full amount of his
11 total accumulated deductions.

12 (c) In the event of the death of a disability annuitant
13 before he has received in annuity payments an amount equal to
14 the present value, on the effective date of disability, of the
15 benefits to which he would have been entitled under
16 subsection(a) of this section had he died while in State
17 service, the balance of such amount shall be paid to his
18 designated beneficiary.

19 (d) In the event of the death of a disability annuitant who
20 was not entitled to receive benefits under subsection(a) of this
21 section, his beneficiary shall be paid the excess of the regular
22 accumulated deductions standing to his credit on the effective
23 date of disability over one-third of the total disability
24 payments received.

25 (e) In the event of the death of an annuitant who has
26 elected to receive the maximum single life annuity before he has
27 received in annuity payments the full amount of the total
28 accumulated deductions standing to his credit on the effective
29 date of retirement, the balance shall be paid to his designated
30 beneficiary.

1 § 5708. Supplemental annuities.

2 (a) Any annuitant receiving a supplemental annuity prior to
3 the effective date of this act in accordance with the State
4 Employees' Retirement Code of 1959, as amended to the effective
5 date of this act shall continue to receive such supplement.

6 (b) Any superannuation or disability annuitant retiring on
7 or after the effective date of this act shall receive a
8 supplement such that the total annuity prior to any optional
9 modification shall be at least ~~\$65~~ SIXTY-FIVE DOLLARS (\$65) for <—
10 each full year of credited service.

11 (C) EVERY ANNUITANT WHO IS IN RECEIPT OF A SUPERANNUATION, <—
12 WITHDRAWAL OR DISABILITY ANNUITY WHICH BECAME EFFECTIVE PRIOR TO
13 JULY 1, 1972 SHALL RECEIVE, BEGINNING JANUARY 1, 1974 AND
14 ANNUALLY THEREAFTER, IN MONTHLY INSTALLMENTS, A COST-OF-LIVING
15 INCREASE WHICH SHALL BE THE PRODUCT OF THE RETIREMENT ANNUITY
16 PAYABLE AS OF DECEMBER 31, 1973, INCLUDING ANY SUPPLEMENTAL
17 ANNUITIES UNDER SUBSECTIONS (A) OR (B) OF THIS SECTION AND THE
18 FOLLOWING PERCENTAGES AS DETERMINED BY THE FISCAL YEAR IN WHICH
19 RETIREMENT BECAME EFFECTIVE:

20	FISCAL YEAR OF RETIREMENT	PERCENTAGE FACTOR
21	JULY 1, 1971 TO JUNE 30, 1972.....	5%
22	JULY 1, 1970 TO JUNE 30, 1971.....	10%
23	JULY 1, 1969 TO JUNE 30, 1970.....	15%
24	JULY 1, 1968 TO JUNE 30, 1969.....	20%
25	JULY 1, 1967 TO JUNE 30, 1968.....	25%
26	PRIOR TO JULY 1, 1967.....	30%

27 PROVIDED, HOWEVER, THAT SUCH COST-OF-LIVING INCREASE AS
28 DETERMINED ABOVE SHALL NOT BE PAYABLE TO AN ANNUITANT RECEIVING
29 A WITHDRAWAL ANNUITY PRIOR TO THE FIRST DAY OF JULY COINCIDENT
30 WITH OR FOLLOWING HIS ATTAINMENT OF SUPERANNUATION AGE.

1 § 5709. Payment of benefits.

2 (a) Any annuity granted under the provisions of this code
3 shall be paid in equal monthly installments.

4 (b) If the amount of a death benefit payable to a
5 beneficiary under section 5707 ~~of this title (relating to death~~ <—
6 ~~benefits)~~ or under the provisions of Option 1 of section
7 5705(a)(1) ~~of this title (relating to Option 1 of member's~~ <—
8 ~~options) is \$5,000~~ IS FIVE THOUSAND DOLLARS (\$5,000) or more, <—
9 such beneficiary may elect to receive payment according to one
10 of the following options:

11 (1) a lump sum payment;

12 (2) an annuity actuarially equivalent to the amount
13 payable; or

14 (3) a lump sum payment and an annuity such that the
15 annuity is actuarially equivalent to the amount payable less
16 the lump sum payment specified by the beneficiary.

17 (c) If the beneficiary designated by a member should
18 predecease him or die within ~~30~~ THIRTY days of his death, or if <—
19 a valid nomination of a beneficiary is not in effect at his
20 death, any money payable to a beneficiary shall be made to the
21 estate of the member.

22 § 5710. Payments under other laws.

23 No payment provided for in this code shall be reduced on
24 account of any other benefits, now or hereafter provided for,
25 under any workmen's compensation law or any other law, except as
26 otherwise herein provided.

27 CHAPTER 59

28 ADMINISTRATION, FUNDS, ACCOUNTS, GENERAL PROVISIONS

29 ~~Subchapter~~ <—

30 ~~A. Administration~~

~~C. State Employees' Retirement Fund and Accounts~~

~~E. General Provisions~~

SUBCHAPTER A

ADMINISTRATION

~~See.~~

<—

~~5901. The State Employees' Retirement Board.~~

~~5902. Administrative duties of the board.~~

~~5903. Duties of the board to advise and report to heads of
departments and members.~~

~~5904. Duties of the board to report to the Public School
Employees' Retirement Board.~~

~~5905. Duties of the board regarding applications and elections
of members.~~

~~5906. Duties of heads of departments.~~

~~5907. Rights and duties of State employees and members.~~

~~5908. Rights and duties of annuitants.~~

§ 5901. The State Employees' Retirement Board.

(a) The board shall be an independent administrative board and consist of seven members: the State Treasurer, ex officio, and six members appointed by the Governor for terms of four years, subject to confirmation by the Senate. At least five board members shall be active members of the system, and at least two shall have ten or more years of credited State service. The chairman of the board shall be designated by the Governor from among the members of the board.

(b) The two members elected by the board and serving on the effective date of this act shall continue to serve until the expiration of their respective terms. Of the remaining four appointees, one shall be appointed for an initial term of two years, one for an initial term of three years, and two for an

1 initial term of four years. A vacancy occurring during the term
2 of an appointed member shall be filled for the unexpired term by
3 the appointment and confirmation of a successor in the same
4 manner as his predecessor. No appointed member shall serve more
5 than two consecutive full terms.

6 (c) Each member of the board shall take an oath of office
7 that he will, so far as it devolves upon him, diligently and
8 honestly, administer the affairs of said board and that he will
9 not knowingly violate or wilfully permit to be violated any of
10 the provisions of law applicable to this code. Such oath shall
11 be subscribed by the member taking it and certified by the
12 officer before whom it is taken and shall be immediately filed
13 in the Office of the Secretary of the Commonwealth.

14 (d) The members of the board who are members of the system
15 shall serve without compensation but shall not suffer loss of
16 salary or wages through serving on the board. The members of the
17 board who are not members of the system shall receive ~~\$100~~ ONE <—
18 HUNDRED DOLLARS (\$100) per day when attending meetings and all
19 board members shall be reimbursed for any necessary expenses.
20 However, when the duties of the board as mandated are not
21 executed, no compensation or reimbursement for expenses of board
22 members shall be paid or payable during the period in which such
23 duties are not executed.

24 (e) For the purposes of this code, the board shall possess
25 the power and privileges of a corporation. The Attorney General
26 of the Commonwealth shall be the legal advisor of the board.
27 § 5902. Administrative duties of the board.

28 (a) The secretary, clerical, and other employees of the
29 board and their successors whose positions on the effective date
30 of this act are under the classified service provisions of the

1 "Civil Service Act" of August 5, 1941 (P.L.752, No.286), shall <—
2 continue under such provisions. The compensation of all other
3 persons appointed shall be determined by the board and shall be
4 consistent with the standards established by the Executive Board
5 of this Commonwealth.

6 (b) The board shall contract for the services of a chief
7 medical examiner, an actuary, an investment counselor, and such
8 other professional personnel as it deems advisable.

9 (c) The board shall, through the Governor, submit to the
10 General Assembly annually a budget covering the administrative
11 expenses of this code. Such expenses as approved by the General
12 Assembly in an appropriation bill shall be paid from interest
13 earnings of the fund in excess of statutory interest, except
14 that if in any year such earnings are not sufficient the balance
15 required, after pro rata assessments payable by any other
16 employer whose employees are members of the system, shall be
17 appropriated from the General Fund and the special operating
18 funds.

19 (d) The board shall hold at least six regular meetings
20 annually and such other meetings as it may deem necessary.

21 (e) The board shall keep a record of all its proceedings
22 which shall be open to inspection by the public.

23 (f) The board shall perform such other functions as are
24 required for the execution of the provisions of this code.

25 (g) In the event the head of the department fails to comply
26 with the procedures as mandated in section 5906 of this title <—
27 ~~(relating to duties of heads of departments)~~, the board shall
28 perform such duties and bill the department for the cost of
29 same.

30 (h) The board shall, with the advice of the Attorney General

1 and the actuary, adopt and promulgate rules and regulations for
2 the uniform administration of the system. The actuary shall
3 approve in writing all computational procedures used in the
4 calculation of contributions and benefits prior to their
5 application by the board.

6 (i) The board shall keep in convenient form such data as are
7 stipulated by the actuary in order that an annual actuarial
8 valuation of the various accounts can be completed within six
9 months of the close of each calendar year.

10 (j) The board shall have the actuary make an annual
11 valuation of the various accounts within six months of the close
12 of each calendar year. In the year 1975 and in every fifth year
13 thereafter the board shall have the actuary conduct an actuarial
14 investigation and evaluation of the system based on data
15 including the mortality, service, and compensation experience
16 provided by the board annually during the preceding five years
17 concerning the members and beneficiaries. The board shall adopt
18 such tables as are necessary for the actuarial valuation of the
19 fund and calculation of contributions, annuities and benefits
20 based on the reports and recommendations of the actuary.

21 (k) The board shall, each year in addition to the itemized
22 budget required under section 5509 ~~of this title (relating to~~ <—
23 ~~appropriations and assessments by the Commonwealth)~~, certify, as
24 a percentage of the members' payroll, the employers'
25 contributions necessary for the funding of prospective annuities
26 for active members and certify the rates and amounts of the
27 employers' normal contributions and accrued liability
28 contributions which shall be paid to the fund and credited to
29 the appropriate accounts. These certifications shall be regarded
30 as final and not subject to modification by the Budget

1 Secretary.

2 (l) The board shall cause each payroll deduction to be
3 credited to the account of the member from whose compensation
4 the deduction was made and shall pay all such amounts into the
5 fund.

6 (m) The board shall prepare and have published, on or before
7 July ~~±~~ FIRST of each year, a financial statement as of the <—
8 calendar year ending December ~~31~~ THIRTY-FIRST of the previous <—
9 year showing the condition of the fund and the various accounts
10 and setting forth such other facts, recommendations, and data as
11 may be of use in the advancement of knowledge concerning
12 annuities and other benefits provided by this code. The board
13 shall submit said financial statement to the Governor and shall
14 file copies with the head of each department for the use of the
15 State employees and the public.

16 § 5903. Duties of the board to advise and report to heads of
17 departments and members.

18 (a) The board shall, with the advice of the Attorney General
19 and the actuary, prepare and provide, within ~~90~~ NINETY days of <—
20 the effective date of this act, a manual incorporating rules and
21 regulations consistent with the provisions of this code to the
22 heads of departments and their respective retirement counselors
23 who shall make the information contained therein available to
24 the general membership. The board shall thereafter advise the
25 heads of departments within ~~90~~ NINETY days of any changes in <—
26 such rules and regulations due to changes in the law or due to
27 changes in administrative policies.

28 (b) The board shall furnish annually to the head of each
29 department on or before April 1, a statement for each member
30 employed in such department showing the total accumulated

1 deductions standing to his credit as of December 31 of the
2 previous year and requesting the member to make any necessary
3 corrections or revisions regarding his designated beneficiary.
4 In addition, for each member employed in any department and for
5 whom the retirement counselor has furnished the necessary
6 information, the board shall certify the number of years and
7 fractional part of a year of credited service attributable to
8 each class of service, the number of years and fractional part
9 of a year attributable to social security integration credits in
10 each class of service and, in the case of a member eligible to
11 receive an annuity, the benefit to which he is entitled upon the
12 attainment of superannuation age.

13 (c) Upon receipt of an application from an active member or
14 eligible school employee to purchase credit for previous State
15 or creditable nonstate service, ~~or of a notice of election of a~~ <—
16 ~~member of Class A to become a member of another class for~~
17 ~~service in which he is eligible to receive credit, or an~~
18 election to become a full coverage member, the board shall
19 determine and certify to the member the amount required to be
20 paid by the member. When necessary, the board shall certify to
21 the previous employer the amount due in accordance with sections
22 5504 and 5505. ~~of this title (relating to contributions for~~ <—
23 ~~previous State service and nonstate service).~~

24 (d) Upon receipt of an application from ~~a member of Class B~~ <—
25 ~~to become a member of Class A or from a member of Class A who is~~
26 ~~eligible and elects to become a member of either Class D-3,~~
27 ~~Class E-1, or Class E-2 or a joint coverage member who elects to~~
28 become a full coverage member, the board shall certify to the
29 member the effective date of such transfer and the prospective
30 rate for regular member contributions.

1 § 5904. Duties of the board to report to the Public School
2 Employees' Retirement Board.

3 (a) Upon receipt of an application for membership in the
4 system of a State employee who is a former public school
5 employee and who has elected multiple service membership, the
6 board shall advise the Public School Employees' Retirement Board
7 accordingly.

8 (b) Upon receipt of notification from the Public School
9 Employees' Retirement Board that a former State employee has
10 become an active member in the Public School Employees'
11 Retirement System and has elected to receive credit for multiple
12 service, the board shall certify to the Public School Employees'
13 Retirement Board and concurrently to the member:

14 (1) the total credited service in the system and the
15 number of years and fractional part of a year of service
16 credited in each class of service;

17 (2) the annual compensation received each calendar year
18 by the member for credited State service; and

19 (3) the social security integration credited service to
20 which the member is entitled and the average noncovered
21 salary upon which the single life annuity attributable to
22 such service will be computed.

23 (c) Upon receipt of notification and the required data from
24 the Public School Employees' Retirement Board that a former State
25 employee who elected multiple service has applied for a public
26 school employees' retirement benefit or, in the event of his
27 death, his legally constituted representative has applied for
28 such benefit, the board shall:

29 (1) certify to the Public School Employees' Retirement
30 Board;

1 (i) the salary history as a member of the State
2 Employes' Retirement System and the final average salary
3 as calculated on the basis of the compensation received
4 as a State and school employee; and

5 (ii) the annuity or benefit to which the member or
6 his beneficiary is entitled as modified according to the
7 option selected; and

8 (2) transfer to the Public School Employees' Retirement
9 Fund the total accumulated deductions standing to such
10 member's credit and the actuarial reserve required on account
11 of years of credited service in the State system, final
12 average salary and the average noncovered salary ~~as an active~~ <—
13 ~~member in the system~~ to be charged to the State accumulation
14 account, the State Police benefit account or the enforcement
15 officers' benefit account, as each case may require.

16 § 5905. Duties of the board regarding applications and
17 elections of members.

18 (a) As soon as practicable after each member shall have
19 become an active member in the system, the board shall issue to
20 the member a statement certifying his class of service, his
21 member contribution rate, and the aggregate length of total
22 previous State service and creditable nonstate service for which
23 he may receive credit.

24 (b) Upon receipt of notification from the Public School
25 Employes' Retirement Board that a former State employee has
26 become an active member in the Public School Employees'
27 Retirement System and has elected to become a member with
28 multiple service status the board shall:

29 (1) in case of a member receiving an annuity from the
30 system, discontinue payments, transfer the present value, at

1 that time, of the member's annuity from the annuity reserve
2 account to the members' savings account and resume crediting
3 of statutory interest on the amount restored to his credit
4 and transfer the balance of the present value of the total
5 annuity from the annuity reserve account to the State
6 accumulation account; or

7 (2) in case of a member who is not receiving an annuity
8 and has not withdrawn his total accumulated deductions,
9 continue or resume the crediting of statutory interest on his
10 total accumulated deductions during the period his total
11 accumulated deductions remain in the fund; or

12 (3) in case of a former State employee who is not
13 receiving an annuity from the system and his total
14 accumulated deductions were withdrawn, certify to the former
15 State employee the accumulated deductions as they would have
16 been at the time of his separation had he been a full
17 coverage member together with statutory interest for all
18 periods of subsequent State and school service to the date of
19 repayment. Such amount shall be restored by him and shall be
20 credited with statutory interest as such payments are
21 restored.

22 (c) In every case where the board has received an
23 application for a disability annuity based upon physical or
24 mental incapacity for the performance of the job for which the
25 member is employed, TAKING INTO ACCOUNT RELEVANT DECISIONS BY
26 THE PENNSYLVANIA WORKMEN'S COMPENSATION BOARD, the board shall:

27 (1) through the chief medical examiner, have the
28 applicant examined and on the basis of said examination, and
29 the subsequent recommendation by the chief medical examiner
30 regarding the applicant's medical qualification for a

<—

1 disability annuity along with such other recommendations
2 which he may make with respect to the permanency of
3 disability or the need for subsequent reexaminations, make a
4 finding of disability AND WHETHER OR NOT THE DISABILITY IS <—
5 SERVICE CONNECTED or nondisability and in the case of
6 disability establish an effective date of disability and the
7 terms and conditions regarding subsequent reexaminations;

8 (2) upon the recommendation of the chief medical
9 examiner on the basis of subsequent medical examinations,
10 ~~make a finding of disability or nondisability, and in the~~ <—
11 MAKE A FINDING OF CONTINUED DISABILITY AND WHETHER OR NOT THE <—
12 DISABILITY CONTINUES TO BE SERVICE CONNECTED, OR A FINDING OF
13 NONDISABILITY; AND IN THE CASE OF A FINDING THAT THE
14 DISABILITY IS NO LONGER SERVICE CONNECTED, DISCONTINUE ANY
15 SUPPLEMENTAL PAYMENTS ON ACCOUNT OF SUCH SERVICE CONNECTED
16 DISABILITY AS OF THE DATE OF THE FINDING; AND IN THE case of
17 a finding of nondisability establish the date of termination
18 of disability and at that time discontinue any annuity
19 payments in excess of an annuity calculated in accordance
20 with section 5702 ~~(relating to maximum single life annuity);~~ <—
21 and

22 (3) upon receipt of a written statement from a
23 disability annuitant of his earned income of the previous
24 quarter, adjust the payments of the disability annuity for
25 the following quarter in accordance with the provisions of
26 section 5704(c). ~~of this title (relating to reductions in~~ <—
27 ~~disability annuities).~~

28 (d) Upon receipt of a member's application to withdraw his
29 total accumulated deductions and any data required from the head
30 of the department, the board shall pay to such member within 60 <—

1 SIXTY days after filing the application or termination of State <—
2 service whichever is later the total accumulated deductions
3 standing to his credit.

4 (e) The board shall certify to a vestee within one year of
5 termination of State service of such member:

6 (1) the total accumulated deductions standing to his
7 credit at the date of termination of service;

8 (2) the number of years and fractional part of a year of
9 credit in each class of service; and

10 (3) the maximum single life annuity to which the vestee
11 shall become entitled upon the attainment of superannuation
12 age and the filing of an application for such annuity.

13 (f) The board shall make the first monthly payment to a
14 member who is eligible for an annuity within 60 days of the
15 filing of his application for an annuity and receipt of the
16 required data from the head of the department. Concurrently the
17 board shall certify to such member:

18 (1) the total accumulated deductions standing to his
19 credit showing separately the amount contributed and the
20 interest credited to the date of termination of service;

21 (2) the number of years and fractional part of a year
22 credited in each class of service;

23 (3) the final average salary on which his annuity is
24 based as well as any applicable reduction factors due to age
25 and/or election of an option; and

26 (4) the total annuity payable under the option elected
27 and the amount and effective date of any future reduction
28 under section 5703. ~~of this title (relating to reduction of~~ <—
29 ~~annuities on account of social security old age insurance~~
30 ~~benefits).~~

1 (g) Upon receipt of notification from the head of a
2 department of the death of an active member or a member on leave
3 without pay, the board shall advise the designated beneficiary
4 of the benefits to which he is entitled, and shall make the
5 first payment to the beneficiary within ~~60~~ SIXTY days of receipt <—
6 of certification of death.

7 (h) Upon receipt of the election by an eligible member to
8 convert his medical, major medical, and hospitalization
9 insurance coverage to the plan for State annuitants, the board
10 shall notify the insurance carrier of such election and shall
11 deduct the appropriate annual charges in equal monthly
12 installments. Such deductions shall be transmitted to the
13 designated fiscal officer of the Commonwealth having
14 jurisdiction over the payment of such group charges on behalf of
15 the annuitant.

16 (i) The board shall notify in writing each joint coverage
17 annuitant who retired prior to July 1, 1962 that he may elect
18 any time prior to ~~January~~ JULY 1, 1974 to receive his annuity <—
19 without reduction attributable to social security coverage upon
20 payment in a lump sum of the amount which shall be certified by
21 the board within ~~60~~ SIXTY days of such election. Upon receipt of <—
22 such payment the board shall recompute the annuity payable to
23 such annuitant and the annuity and/or lump sum, if any, payable
24 upon his death to his beneficiary or survivor annuitant as
25 though he had been a full coverage member on the effective date
26 of retirement. Such recomputed annuity shall be paid beginning
27 with the second monthly payment next following the month in
28 which the lump sum payment is received.

29 § 5906. Duties of heads of departments.

30 (a) The head of department shall, at the end of each pay

1 period, notify the board in a manner prescribed by the board of
2 salary changes effective during that period for any members of
3 the department, the date of all removals from the payroll, and
4 the type of leave of any members of the department who have been
5 removed from the payroll for any time during that period, and:

6 (1) if the removal is due to leave without pay, he shall
7 furnish the board with the date of beginning leave and the
8 date of return to service, and the reason for leave; or

9 (2) if the removal is due to a transfer to another
10 department, he shall furnish such department and the board
11 with a complete State service record, including past State
12 service in other departments or agencies, or creditable
13 nonstate service; or

14 (3) if the removal is due to termination of State
15 service, he shall furnish the board with a complete State
16 service record, including service in other departments or
17 agencies, or creditable nonstate service and; ~~in the case of~~ <—
18 ~~death of the member the head of the department shall so~~
19 ~~notify the board.~~

20 (I) IN THE CASE OF DEATH OF THE MEMBER THE HEAD OF <—
21 THE DEPARTMENT SHALL SO NOTIFY THE BOARD;

22 (II) IN THE CASE OF A SERVICE CONNECTED DISABILITY
23 THE HEAD OF DEPARTMENT SHALL, TO THE BEST OF HIS ABILITY,
24 INVESTIGATE THE CIRCUMSTANCES SURROUNDING THE DISABLEMENT
25 OF THE MEMBER AND SUBMIT IN WRITING TO THE BOARD
26 INFORMATION WHICH SHALL INCLUDE BUT NOT NECESSARILY BE
27 LIMITED TO THE FOLLOWING: DATE, PLACE AND TIME OF
28 DISABLEMENT TO THE EXTENT ASCERTAINABLE; NATURE OF DUTIES
29 BEING PERFORMED AT SUCH TIME; AND WHETHER OR NOT THE
30 DUTIES BEING PERFORMED WERE AUTHORIZED AND INCLUDED AMONG

1 THE MEMBER'S REGULAR DUTIES. IN ADDITION, THE HEAD OF
2 DEPARTMENT SHALL FURNISH IN WRITING TO THE BOARD ALL SUCH
3 OTHER INFORMATION AS MAY BE RELATED TO THE MEMBER'S
4 DISABLEMENT.

5 (b) At any time at the request of the board and at
6 termination of service of a member, the head of department shall
7 furnish service and compensation records and such other
8 information as the board may require and shall maintain and
9 preserve such records as the board may direct for the
10 expeditious discharge of its duties.

11 (c) The head of department shall cause to be deducted the
12 required member contributions from each payroll. The head of
13 department shall certify to the State Treasurer the amounts
14 deducted and shall send the total amount deducted together with
15 a duplicate of such voucher to the secretary of the board every
16 pay period.

17 (d) Upon the assumption of duties of each new State employee
18 whose membership in the system is mandatory, the head of
19 department shall cause an application for membership and a
20 nomination of beneficiary to be made by such employee and filed
21 with the board and shall make payroll deductions from the
22 effective date of State employment. The head of department shall
23 inform such employee of his right to elect to make additional
24 contributions on account of social security integration credit.

25 (e) The head of department shall, upon the employment or
26 entering into office of any State employee whose membership in
27 the system is not mandatory, inform such employee of his
28 opportunity to become a member of the system and of his right to
29 elect to make additional contributions on account of social
30 security integration credit. If such employee so elects, the

1 head of department shall cause an application for membership and
2 a nomination of beneficiary to be made by him and filed with the
3 board and shall make payroll deductions from the effective date
4 of membership.

5 (f) The head of department shall designate an employee of
6 his department to serve as a retirement counselor subject to
7 approval by the board. Such retirement counselor shall assist
8 the head of department in advising the employees of the
9 department of their rights and duties as members of the system.

10 (g) The head of department shall, upon the employment of a
11 former contributor to the Public School Employees' Retirement
12 System who is not an annuitant of the Public School Employees'
13 Retirement System, advise such employee of his right to elect to
14 become a multiple service member, and in the case of any such
15 employee who has withdrawn his accumulated deductions, advise
16 him of his right at any time prior to termination of service as
17 a State employee to reinstate his credit in the Public School
18 Employees' Retirement System by restoring his accumulated
19 deductions. The head of the department shall advise the board of
20 such election.

21 (h) The head of department shall, upon the employment of an
22 annuitant of the Public School Employees' Retirement System who
23 applies for membership in the system, advise such employee that
24 he may elect multiple service membership and if he so elects his
25 public school employee's annuity will be discontinued and, upon
26 termination of State service and application for retirement, the
27 annuity will be recomputed and paid on the basis of his total
28 school and State service. The head of department shall advise
29 the board of such election.

30 (i) Annually, upon receipt from the board, the head of

1 department shall furnish to each member the statement specified
2 in section 5903(b). ~~of this title (relating to duties of the~~ <—
3 ~~board to furnish statements for members).~~

4 (j) The head of department shall, in the case of any member
5 terminating State service, advise such member in writing of any
6 benefits to which he may be entitled under the provisions of
7 this code and shall have the member prepare, on or before the
8 date of termination of State service one of the following three
9 forms, a copy of which shall be given to the member and the
10 original of which shall be filed with the board:

11 (1) an application for the return of total accumulated
12 deductions; or

13 (2) an election to vest his retirement rights, and if he
14 is a joint coverage member and so desires, elect to become a
15 full coverage member and agree to pay within ~~30~~ THIRTY days <—
16 of the date of termination of service the lump sum required;
17 or

18 (3) an application for an immediate annuity; and if he
19 desires,

20 (i) an election to convert his medical, major
21 medical, and hospitalization insurance coverage to the
22 plan for State annuitants; and

23 (ii) if he is a joint coverage member, an election
24 to become a full coverage member and an agreement to pay
25 within ~~30~~ THIRTY days of date of termination of service <—
26 the lump sum required.

27 (k) Any application properly executed and filed under
28 subsection (j) with the department and not filed with the board
29 within ~~30~~ THIRTY days shall be deemed to have been filed with <—
30 the board on the date filed with the department and in such case

1 all required data shall be furnished to the board immediately.

2 § 5907. Rights and duties of State employees and members.

3 (a) Upon his assumption of duties each new State employee
4 shall furnish the head of department with a complete record of
5 his previous State service, his school service or creditable
6 nonstate service, and proof of his date of birth and current
7 status in the system and in the Public School Employees'
8 Retirement System. Wilful failure to provide the information
9 required by this subsection to the extent available upon
10 entrance into the system shall result in the forfeiture of the
11 right of the member to subsequently assert any right to benefits
12 based on any of the required information which he failed to
13 provide. In any case in which the board finds that a member is
14 receiving an annuity based on false information, the total
15 amount received predicated on such false information together
16 with statutory interest doubled and compounded shall be deducted
17 from the present value of any remaining benefits to which the
18 member is legally entitled.

19 (b) In the case of a new employee who is not currently a
20 member of the system, and whose membership is mandatory or in
21 the case of a new employee whose membership in the system is not
22 mandatory but who desires to become a member of the system, the
23 new employee shall execute an application for membership and a
24 nomination of beneficiary and shall make the proper
25 contributions.

26 (c) Any member who has not elected to receive social
27 security integration credit may elect to receive such credit
28 prospectively by written notice filed with the board and shall
29 agree in such notice to make the required additional
30 contributions during all prospective periods of active State

1 service.

2 (d) Any active member who was formerly an active member in
3 the Public School Employees' Retirement System may elect to
4 become a multiple service member.

5 (e) Any active member or eligible school employee who
6 desires to receive credit for his total previous State service
7 or creditable nonstate service to which he is entitled, or a
8 ~~member of Class A or Class B who desires to become a member of~~ <—
9 ~~another class of service in which he is eligible to receive~~
10 ~~credit, or a joint coverage member who desires to become a full~~
11 ~~coverage member, shall so notify the board and upon written~~
12 ~~agreement by the member and the board as to the manner of~~
13 ~~payment of the amount due, the member shall receive credit for~~
14 ~~such service as of the date of such agreement. Provided, That~~ <—
15 ~~any State employee who on January 1, 1969, became a Judge of the~~
16 ~~Municipal Court of Philadelphia or the Traffic Court of~~
17 ~~Philadelphia pursuant to Article V of the Constitution of~~
18 ~~Pennsylvania and its schedule and who desires to receive~~
19 ~~nonstate service credit for former service as a magistrate of~~
20 ~~the City of Philadelphia shall, on or before March 28, 1973:~~

21 ~~(1) withdraw from the City of Philadelphia retirement~~
22 ~~system all contributions made thereto by him;~~

23 ~~(2) furnish the retirement board with a statement from~~
24 ~~the City of Philadelphia Board of Pensions and Retirement~~
25 ~~certifying,~~

26 ~~(i) all such service heretofore credited to him as a~~
27 ~~magistrate in the City of Philadelphia retirement system;~~
28 ~~and~~

29 ~~(ii) that he was a contributor as a magistrate to~~
30 ~~the City of Philadelphia retirement system on December~~

1 ~~31, 1968;~~

2 ~~(3) a statement that he is not receiving or entitled to~~
3 ~~receive presently or at any time in the future a pension or~~
4 ~~other benefit under the City of Philadelphia retirement~~
5 ~~system for such service; and~~

6 ~~(4) pay to the fund the amount required as certified by~~
7 ~~the board.~~

8 (f) Every member shall nominate a beneficiary by written
9 designation duly acknowledged and filed with the board as
10 provided in section 5906(d) or (e) ~~of this title (relating to~~ <—
11 ~~certain duties of heads of departments)~~ to receive the death
12 benefit payable under section 5707 ~~of this title (relating to~~ <—
13 ~~death benefits)~~ or the benefit payable under the provisions of
14 Option 1 of section 5705(a)(1). ~~of this title (relating to~~ <—
15 ~~Option 1 of member's options).~~ Such nomination may be changed at
16 any time by the member by written designation duly acknowledged
17 and filed with the board. A member may also nominate a
18 contingent beneficiary or beneficiaries to receive the death
19 benefit provided under section 5707 ~~of this title (relating to~~ <—
20 ~~death benefits)~~ or the benefit payable under the provisions of
21 Option 1 of section 5705(a)(1). ~~of this title (relating to~~ <—
22 ~~Option 1 of member's options).~~

23 (g) Each member who terminates State service shall execute
24 on or before the date of termination of service the appropriate
25 application, duly attested by the member or his legally
26 constituted representative, electing to:

27 (1) withdraw his total accumulated deductions; or

28 (2) vest his retirement rights; and if he is a joint
29 coverage member, and so desires, elect to become a full

30 coverage member and agree to pay within ~~30~~ THIRTY days of the <—

1 date of termination of service the lump sum required; or

2 (3) receive an immediate annuity, and may,

3 (i) if eligible, elect to convert his medical, major
4 medical, and hospitalization coverage to the plan for
5 State annuitants; and

6 (ii) if he is a joint coverage member, elect to
7 become a full coverage member and agree to pay within 30
8 days of date of termination of service the lump sum
9 required.

10 (h) If a member elects to vest his retirement rights he
11 shall nominate a beneficiary by written designation duly
12 acknowledged and filed with the board and he may anytime
13 thereafter, withdraw the total accumulated deductions standing
14 to his credit or apply for an annuity.

15 (i) Upon attainment of superannuation age a vestee shall
16 execute and file an application for an annuity. Any such
17 application filed within ~~90~~ NINETY days after attaining <—
18 superannuation age shall be effective as of the date of
19 attainment of superannuation age. Any application filed after
20 such period shall be effective as of the date it is filed with
21 the board. If a vestee does not file an application within seven
22 years after attaining superannuation age, he shall be deemed to
23 have elected to receive his total accumulated deductions upon
24 attainment of superannuation age.

25 (j) If a member is eligible to receive an annuity and does
26 not file a proper application within ~~90~~ NINETY days of <—
27 termination of service, his annuity will become effective as of
28 the date the application is filed with the board or the date
29 designated on the application whichever is later.

30 (k) A member who is eligible and elects to receive a reduced

1 annuity under Option 1, 2, 3, or 4, shall nominate a beneficiary
2 or a survivor annuitant, as the case may be, by written
3 designation duly acknowledged and filed with the board at the
4 time of his retirement. A member having designated a survivor
5 annuitant at the time of retirement shall not be permitted to
6 nominate a new survivor annuitant unless such survivor annuitant
7 predeceases him. In such event, the annuitant shall have the
8 right to reelect an option and to nominate a beneficiary or a
9 new survivor annuitant and to have his annuity recomputed to be
10 actuarially equivalent as of the date of recomputation to a
11 single life annuity in the amount of the reduced annuity which
12 he was receiving immediately prior to the recomputation.

13 (1) If service of a member WHO IS UNDER SUPERANNUATION AGE <—
14 is terminated due to his physical or mental incapacity for the
15 performance of duty, an application for a disability annuity
16 WITH OR WITHOUT A SUPPLEMENT FOR A SERVICE CONNECTED DISABILITY <—
17 may be executed by him or by a person legally authorized to act
18 on his behalf.

19 § 5908. Rights and duties of annuitants.

20 (a) Any annuitant who is a joint coverage member who was
21 receiving an annuity prior to July 1, 1962, may elect to receive
22 his annuity without reduction on account of social security old-
23 age insurance benefits: Provided, That he shall file such
24 election with the board prior to ~~January~~ JULY 1, 1974 and shall <—
25 make a lump sum payment within 60 days of receipt of the
26 certification of the amount due.

27 (b) It shall be the duty of an annuitant receiving a
28 disability annuity ~~while still under superannuation age~~ PRIOR TO <—
29 THE ATTAINMENT OF AGE FIFTY to furnish a written statement
30 within ~~30~~ THIRTY days of the close of each calendar quarter of <—

1 all earned income during that quarter and information showing
2 whether or not he is able to engage in a gainful occupation and
3 such other information as may be required by the board. On
4 failure, neglect, or refusal to furnish such information for the
5 period of the preceding quarter, the board may refuse to make
6 further payments due to disability to such annuitant until he
7 has furnished such information to the satisfaction of the board.
8 Should such refusal continue for six months, all of his rights
9 to the disability annuity payments in excess of any annuity to
10 which he is otherwise entitled shall be forfeited from the date
11 of his last written statement to the board. Any moneys received
12 in excess of those to which he was entitled shall be deducted
13 from the present value of the annuity to which he is otherwise
14 entitled.

15 (c) Should any annuitant receiving a disability annuity
16 while still under superannuation age refuse to submit to a
17 medical examination by a physician or physicians at the request
18 of the board, his payments due to disability shall be
19 discontinued until the withdrawal of such refusal. Should such
20 refusal continue for a period of six months, all of his rights
21 to the disability annuity payments in excess of any annuity to
22 which he is otherwise entitled shall be forfeited.

23 SUBCHAPTER C

24 STATE EMPLOYES' RETIREMENT FUND AND ACCOUNTS

25 ~~See.~~

<—

26 ~~5931. Management of fund and accounts.~~

27 ~~5932. State Employees' Retirement Fund.~~

28 ~~5933. Members' savings account.~~

29 ~~5934. State accumulation account.~~

30 ~~5935. Annuity reserve account.~~

1 ~~5936. State Police benefit account.~~

2 ~~5937. Enforcement officers' benefit account.~~

3 ~~5938. Supplemental annuity account.~~

4 ~~5939. Interest reserve account.~~

5 § 5931. Management of fund and accounts.

6 (a) The members of the board shall be the trustees of the
7 fund and shall have exclusive control and management of the said
8 fund and full power to invest the same, subject, however, to all
9 the terms, conditions, limitations and restrictions imposed by
10 this code or other law upon the making of investments. Subject
11 to like terms, conditions, limitations and restrictions, said
12 trustees shall have the power to hold, purchase, sell, assign,
13 transfer or dispose of any of the securities and investments in
14 which any of the moneys in the fund shall have been invested as
15 well as of the proceeds of said investments and of any moneys
16 belonging to said fund.

17 (b) The board, annually, shall allow statutory interest on
18 the mean amount for the preceding year to the credit of each of
19 the accounts. The amount so allowed shall be credited thereto by
20 the board and transferred from the interest reserve account.

21 (c) The State Treasurer shall be the custodian of the fund.

22 (d) All payments from the fund shall be made by the State
23 Treasurer in accordance with requisitions signed by the
24 secretary of the board and ratified by resolution of the board.

25 (e) The members of the board, employees of the board and
26 agents thereof shall stand in a fiduciary relationship to the
27 members of the system regarding the investments and
28 disbursements of any of the moneys of the fund and shall not
29 profit either directly or indirectly with respect thereto.

30 (f) By the name of "The State Employees' Retirement System"

1 all of the business of the system shall be transacted, its fund
2 invested, all requisitions for money drawn and payments made,
3 and all of its cash and securities and other property shall be
4 held.

5 (g) For the purpose of meeting disbursements for annuities
6 and other payments in excess of the receipts, there shall be
7 kept available by the State Treasurer an amount, not exceeding
8 10% of the total amount in the fund, on deposit in any bank or
9 banks in this Commonwealth organized under the laws thereof or
10 under the laws of the United States or with any trust company or
11 companies incorporated by any law of this Commonwealth, provided
12 any of such banks or trust companies shall furnish adequate
13 security for said deposit, and provided that the sum so
14 deposited in any one bank or trust company shall not exceed ~~25%~~ <—
15 TWENTY-FIVE PER CENT (25%) of the paid-up capital and surplus of <—
16 said bank or trust company.

17 (h) Preferred and common stock as defined in subsection (i)
18 of any corporation as defined in subsection (j) organized under
19 the laws of the United States or of any commonwealth or state
20 thereof or of the District of Columbia shall be an authorized
21 investment of the fund, regardless of any other provision of law
22 provided that:

23 (1) such stock be purchased with the exercise of that
24 degree of judgment and care under the circumstances then
25 prevailing which men of prudence, discretion and intelligence
26 exercise in the management of their own affairs not in regard
27 to speculation, but in regard to the permanent disposition of
28 the funds, considering the probable income to be derived
29 therefrom as well as the probable safety of their capital;

30 (2) in the case of any stock other than stock of a bank

1 or insurance company, the stock be listed or traded (or if
2 unlisted or not entitled to trading privileges shall be
3 eligible for listing and application for such listing shall
4 have been made) on the New York Stock Exchange or any other
5 exchange approved by the Secretary of Banking;

6 (3) no investment in common stock be made which at that
7 time would cause the book value of the investments in common
8 stock to exceed ~~10%~~ TEN PER CENT (10%) of the total assets of <—
9 the fund;

10 (4) no more than ~~2%~~ TWO PER CENT (2%) of the total <—
11 assets of the fund be invested in common stocks in any one
12 year, provided that any unused portion may be used in
13 subsequent years, but in no event shall more than ~~8%~~ EIGHT <—
14 PER CENT (8%) of such assets be invested in common stocks in
15 any one year;

16 (5) the amount invested in the common stock of any one
17 company not exceed at cost ~~1%~~ ONE PER CENT (1%) of the book <—
18 value of the assets of the fund at the time of purchase and
19 shall not exceed ~~2-1/2%~~ TWO AND ONE-HALF PER CENT (2 1/2%) of <—
20 the issued and outstanding common stock of that company;

21 (6) in no event the total amount invested in common
22 stocks at any time be in excess of ~~50%~~ FIFTY PER CENT (50%) <—
23 of the total amount of the fund invested in mortgage loans on
24 real estate located in the Commonwealth of Pennsylvania which
25 are insured by the Federal Housing Administration or the
26 Veterans' Administration; and

27 (7) no sale or other liquidation of any investment be
28 required solely because of any change in market values
29 whereby the percentages of stocks hereinabove set forth are
30 exceeded.

1 (i) "Common stock" as used in subsection (h) shall include
2 the stock certificates, certificates of beneficial interests or
3 trust participation certificates issued by any corporation or
4 unincorporated association included under the definition of
5 "corporation" in the following paragraph.

6 (j) "Corporation" as used in subsection (h) shall include a
7 voluntary association, a joint-stock association or company, a
8 business trust, a Massachusetts trust, a common-law trust and
9 any other organization organized and existing for any lawful
10 purpose and which like a corporation, continues to exist,
11 notwithstanding changes in the personnel of its members or
12 participants and conducts its affairs through a committee, a
13 board or some other group acting in a representative capacity.

14 § 5932. State Employees' Retirement Fund.

15 The fund shall consist of all moneys in the several separate
16 funds in the State Treasury, set apart to be used under the
17 direction of the board for the benefit of members of the system;
18 and the Treasury Department shall credit to the fund all moneys
19 received from the Department of Revenue arising from the

20 contributions required under the provisions of Chapter 55, of <—
21 ~~this title (relating to contributions)~~, and all interest earned
22 by the investments or moneys of said fund. There shall be
23 established and maintained by the board the several ledger
24 accounts specified in ~~section 5933 of this title (relating to <—~~
25 ~~members' savings account)~~, ~~section 5934 of this title (relating~~
26 ~~to State accumulation account)~~, ~~section 5935 of this title~~
27 ~~(relating to annuity reserve account)~~, ~~section 5936 of this~~
28 ~~title (relating to State Police benefit account)~~, ~~section 5937~~
29 ~~of this title (relating to enforcement officers' benefit~~
30 ~~account)~~, ~~section 5938 of this title (relating to supplemental~~

1 ~~annuity account), and section 5939 of this title (relating to~~
2 ~~interest reserve account).~~ SECTIONS 5933, 5934, 5935, 5936, <—
3 5937, 5938 AND 5939.

4 § 5933. Members' savings account.

5 (a) The members' savings account shall be the ledger account
6 to which shall be credited the amounts of the contributions or
7 lump sum payments made by active members in accordance with the
8 ~~provisions of section 5501 of this title (relating to regular~~ <—
9 ~~member contributions for current service), section 5502 of this~~
10 ~~title (relating to social security integration member~~
11 ~~contributions), section 5503 of this title (relating to joint~~
12 ~~coverage member contributions), section 5504 of this title~~
13 ~~(relating to member contributions for the purchase of credit for~~
14 ~~previous State service or to become a full coverage member), and~~
15 ~~section 5505 of this title (relating to contributions for the~~
16 ~~purchase of credit for creditable nonstate service).~~ SECTIONS <—
17 5501, 5502, 5503, 5504 AND 5505.

18 (b) The members' savings account in total and the individual
19 member accounts shall be credited with statutory interest. The
20 total accumulated deductions credited to a member whose
21 application for an annuity has been approved shall be
22 transferred from the members' savings account to the annuity
23 reserve account provided for in section 5935, ~~of this title~~ <—
24 ~~(relating to annuity reserve account),~~ except in the case of a
25 member ~~of Class C~~ WHO IS AN OFFICER OF THE PENNSYLVANIA STATE <—
26 POLICE OR AN ENFORCEMENT OFFICER the total accumulated
27 deductions to his credit shall be transferred from the members'
28 savings account to the State Police benefit account provided for
29 in section 5936 ~~of this title (relating to State Police benefit~~ <—
30 ~~account)~~ or to the enforcement officers benefit account provided

1 for in section 5937, ~~of this title (relating to enforcement~~ <—
2 ~~officers' benefit account)~~, as the case may be.

3 (c) Upon the election of a member to withdraw his total
4 accumulated deductions, the payment of such amount shall be
5 charged to the members' savings account.

6 § 5934. State accumulation account.

7 The State accumulation account shall be the ledger account to
8 which shall be credited all contributions of the Commonwealth or
9 other employers whose employees are members of the system and
10 made in accordance with the provisions of section 5507(a) ~~of~~ <—
11 ~~this title (relating to contributions by the Commonwealth and~~
12 ~~other employers)~~ except that the amounts received under the
13 provisions of the act of May 12, 1943 (P.L.259, No. 120), and <—
14 the amounts received under the provisions of the "Liquor Code,"
15 act of April 12, 1951 (P.L.90, No.21), ~~on behalf of members of~~ <—
16 ~~Class C~~ shall be credited to the State Police benefit account or
17 the enforcement officers' benefit account as the case may be.

18 The State accumulation account shall be credited with statutory
19 interest. The reserves necessary for the payment of annuities
20 and death benefits as approved by the board and as provided in
21 Chapter 57 ~~of this title (relating to benefits)~~ shall be <—
22 transferred from the State accumulation account to the annuity
23 reserve account provided for in section 5935, ~~of this title~~ <—
24 ~~(relating to annuity reserve account)~~, except that the reserves
25 necessary on account of a member ~~of Class C~~ WHO IS AN OFFICER OF <—
26 THE PENNSYLVANIA STATE POLICE OR AN ENFORCEMENT OFFICER shall be
27 transferred from the State accumulation account to the State
28 Police benefit account provided for in section 5936 ~~of this~~ <—
29 ~~title (relating to State Police benefit account)~~ or to the
30 enforcement officers' benefit account as provided for in section

1 ~~5937 of this title (relating to enforcement officers benefit~~ <—
2 ~~account)~~, as the case may be.

3 § 5935. Annuity reserve account.

4 (a) The annuity reserve account shall be the ledger account
5 to which shall be credited the reserves held for payment of
6 annuities and death benefits on account of all annuitants except
7 in the case of members ~~of Class C.~~ WHO ARE OFFICERS OF THE <—
8 PENNSYLVANIA STATE POLICE OR ENFORCEMENT OFFICERS. The annuity
9 reserve account shall be credited with statutory interest. After
10 the transfers provided in ~~section 5933 of this title (relating~~ <—
11 ~~to members' savings account)~~, ~~section 5934 of this title~~
12 ~~(relating to State accumulation account)~~, and ~~section 5938 of~~
13 ~~this title (relating to supplemental annuity account)~~, SECTIONS <—
14 5933, 5934 AND 5938, all annuity and death benefit payments
15 except those ~~applicable to Class C service~~ PAYABLE TO ANY MEMBER <—
16 WHO RETIRES AS AN OFFICER OF THE PENNSYLVANIA STATE POLICE OR AN
17 ENFORCEMENT OFFICER shall be charged to the annuity reserve
18 account and paid from the fund.

19 (b) Should an annuitant other than a member ~~of Class C~~ WHO <—
20 WAS RETIRED AS AN OFFICER OF THE PENNSYLVANIA STATE POLICE OR AN
21 ENFORCEMENT OFFICER be subsequently restored to active service,
22 the present value of his member's annuity at the time of reentry
23 into State service shall be transferred from the annuity reserve
24 account and placed to his individual credit in the members'
25 savings account. In addition, the actuarial reserve for his
26 annuity less the amount transferred to the members' savings
27 account shall be transferred from the annuity reserve account to
28 the State accumulation account.

29 § 5936. State Police benefit account.

30 (a) The State Police benefit account shall be the ledger

1 account to which shall be credited all contributions received
2 under the provisions of the act of May 12, 1943 (P.L.259, No. <—
3 120), and any additional Commonwealth or other employer
4 contributions provided for in section 5507 ~~of this title~~ <—
5 ~~(relating to contributions by the Commonwealth and other~~
6 ~~employers)~~, which are creditable to the State Police benefit
7 account. The State Police benefit account shall be credited with
8 statutory interest. In addition, upon the filing of an
9 application for an annuity by a member ~~of Class C~~ who is an <—
10 officer ~~or employee~~ of the Pennsylvania State Police, the total <—
11 accumulated deductions standing to the credit of the member in
12 the members' savings account and the necessary reserves from the
13 State accumulation account shall be transferred to the State
14 Police benefit account. Thereafter, the total annuity of such
15 annuitant shall be charged to the State Police benefit account
16 and paid from the fund.

17 (b) Should the said annuitant be subsequently restored to
18 active service, the present value of the member's annuity at the
19 time of reentry into State service shall be transferred from the
20 State Police benefit account and placed to his individual credit
21 in the members' savings account. In addition, the actuarial
22 reserve for his annuity calculated as if he had been a member of
23 Class A less the amount transferred to the members' savings
24 account shall be transferred from the State Police benefit
25 account to the State accumulation account. UPON SUBSEQUENT <—
26 RETIREMENT OTHER THAN AS AN OFFICER OF THE PENNSYLVANIA STATE
27 POLICE THE ACTUARIAL RESERVE REMAINING IN THE STATE POLICE
28 BENEFIT ACCOUNT SHALL BE TRANSFERRED TO THE APPROPRIATE RESERVE
29 ACCOUNT.

30 § 5937. Enforcement officers' benefit account.

1 (a) The enforcement officers' benefit account shall be the
2 ledger account to which shall be credited moneys transferred
3 from the Enforcement Officers' Retirement Account ~~to~~ IN the <—
4 State Stores Fund according to the provisions of the "Liquor
5 Code," act of April 12, 1951 (P.L.90, No. 21), and any <—
6 additional Commonwealth or other employer contributions provided
7 for in section 5507 ~~of this title (relating to contributions by~~ <—
8 ~~the Commonwealth and other employers)~~ which are creditable to
9 the enforcement officers' benefit account. The enforcement
10 officers' benefit account shall be credited with statutory
11 interest. In addition, upon the filing of an application for an
12 annuity by a member ~~of Class C~~ who is an enforcement officer of <—
13 the Pennsylvania Liquor Control Board, the total accumulated
14 deductions standing to the credit of the member in the members'
15 savings account and the necessary reserves from the State
16 accumulation account shall be transferred to the enforcement
17 officers' benefit account. Thereafter, the total annuity of such
18 annuitant shall be charged to the enforcement officers' benefit
19 account and paid from the fund.

20 (b) Should the said annuitant be subsequently restored to
21 active service, the present value of the member's annuity at the
22 time of reentry into State service shall be transferred from the
23 enforcement officers' benefit account and placed to his
24 individual credit in the members' savings account. In addition,
25 the actuarial reserve for his annuity calculated as if he had
26 been a member of Class A less the amount transferred to the
27 members' savings account shall be transferred from the
28 enforcement officers' benefit account to the State accumulation
29 account. UPON SUBSEQUENT RETIREMENT OTHER THAN AS AN ENFORCEMENT <—
30 OFFICER THE ACTUARIAL RESERVE REMAINING IN THE ENFORCEMENT

1 OFFICERS' BENEFIT ACCOUNT SHALL BE TRANSFERRED TO THE
2 APPROPRIATE RESERVE ACCOUNT.

3 § 5938. Supplemental annuity account.

4 The supplemental annuity account shall be the ledger account
5 to which shall be credited all contributions from the
6 Commonwealth in accordance with section 5507(b) ~~of this title~~ <—
7 ~~(relating to certain contributions by the Commonwealth and other~~
8 ~~employers)~~ for the payment of the supplemental annuities
9 provided in section 5708. ~~of this title (relating to minimum and~~ <—
10 ~~supplemental annuities)~~. The supplemental annuity account shall
11 be credited with statutory interest. The reserves necessary for
12 the payment of such supplemental annuities shall be transferred
13 from the supplemental annuity account to the annuity reserve
14 account as provided in section 5935. ~~of this title (relating to~~ <—
15 ~~annuity reserve account)~~.

16 § 5939. Interest reserve account.

17 The interest reserve account shall be the ledger account to
18 which shall be credited all moneys earned by the fund. At the
19 end of each year statutory interest shall be transferred from
20 the interest reserve account to the credit of each of the
21 accounts in accordance with the provisions of this ~~article~~. <—

22 SUBCHAPTER. The administrative expenses of the board shall be <—
23 charged to the interest reserve account and paid from the fund
24 out of earnings in excess of the total statutory interest
25 required for all accounts. Any balance remaining in the interest
26 reserve account at the end of each year shall be transferred to
27 the State accumulation account.

28 SUBCHAPTER E

29 GENERAL PROVISIONS

30 ~~See.~~ <—

- 1 ~~5951. State guarantee.~~
2 ~~5952. State supervision.~~
3 ~~5953. Exemption from execution.~~
4 ~~5954. Fraud and adjustment of errors.~~
5 ~~5955. Construction of code.~~
6 ~~5956. Provisions severable.~~

7 § 5951. State guarantee.

8 Statutory interest charges payable, the maintenance of
9 reserves in the fund, and the payment of all annuities and other
10 benefits granted by the board under the provisions of this code
11 are hereby made obligations of the Commonwealth. All income,
12 interest, and dividends derived from deposits and investments
13 authorized by this code shall be used for the payment of the
14 said obligations of the Commonwealth.

15 § 5952. State supervision.

16 The fund and ledger accounts provided for by this code shall
17 be subject to the supervision of the State Insurance Department.

18 § 5953. Exemption from execution; ASSIGNMENT OF RIGHTS.

<—

19 (A) The right of a person to any benefit or right accrued or <—
20 accruing under the provisions of this code and the moneys in the
21 fund are hereby exempt from any State or municipal tax, levy and
22 sale, garnishment, attachment, spouse's election, or any other
23 process whatsoever, and shall be unassignable except: in the <—
24 case of a member who is terminating State service and has been
25 determined to be obligated to the Commonwealth for the repayment
26 of money. After certification by the head of the department that
27 a member is so obligated, and certification of the amount
28 thereof, and after review and approval by the department or
29 agency's legal representative and upon receipt of an assignment
30 from the member in the amount so certified, the board shall be

~~authorized to pay from the fund the amount so certified and
assigned to the appropriate fiscal officer of the certifying
department or agency.~~

(1) TO THE COMMONWEALTH IN THE CASE OF A MEMBER WHO IS
TERMINATING STATE SERVICE AND HAS BEEN DETERMINED TO BE
OBLIGATED TO THE COMMONWEALTH FOR THE REPAYMENT OF MONEY;

(2) TO A CREDIT UNION AS SECURITY FOR A LOAN NOT TO
EXCEED SEVEN HUNDRED FIFTY DOLLARS (\$750) AND INTEREST NOT TO
EXCEED SIX PER CENT (6%) PER ANNUM DISCOUNTED AND/OR FINES
THEREON PROVIDED THAT THE CREDIT UNION IS NOW OR HEREAFTER
ORGANIZED AND INCORPORATED UNDER THE LAWS OF THE COMMONWEALTH
AND THE MEMBERSHIP OF SUCH CREDIT UNION IS LIMITED SOLELY TO
OFFICIALS AND EMPLOYEES OF THE COMMONWEALTH.

(B) THE BOARD SHALL BE AUTHORIZED TO PAY FROM THE FUND:

(1) IN THE CASE OF A MEMBER WHO IS TERMINATING SERVICE,
THE AMOUNT DETERMINED AFTER CERTIFICATION BY THE HEAD OF THE
DEPARTMENT THAT THE MEMBER IS SO OBLIGATED, AND AFTER REVIEW
AND APPROVAL BY THE DEPARTMENT OR AGENCY'S LEGAL
REPRESENTATIVE AND UPON RECEIPT OF AN ASSIGNMENT FROM THE
MEMBER IN THE AMOUNT SO CERTIFIED;

(2) IN THE CASE OF A LOAN THE AMOUNT OF THE LOAN AND ANY
FINE OR INTEREST DUE THEREON TO THE CREDIT UNION:

(I) IF THE MEMBER OBTAINING THE LOAN SHALL HAVE BEEN
IN DEFAULT IN REQUIRED PAYMENTS FOR A PERIOD OF NOT LESS
THAN TWO YEARS; OR

(II) AT SUCH TIME AS THE DEPARTMENT OF BANKING SHALL
REQUIRE THE CREDIT UNION TO CHARGE THE AMOUNT OF THE LOAN
AGAINST THE RESERVE FUND OF SUCH CREDIT UNION. ANY MEMBER
WHO SHALL HAVE PLEDGED SUCH RIGHTS AS SECURITY FOR A LOAN
FROM A CREDIT UNION AND, ON WHOSE BEHALF THE BOARD SHALL

1 HAVE MADE ANY PAYMENT BY REASON OF THAT MEMBER'S DEFAULT,
2 MAY NOT THEREAFTER PLEDGE OR ASSIGN SUCH RIGHTS TO A
3 CREDIT UNION.

4 § 5954. Fraud and adjustment of errors.

5 Any person who shall knowingly make any false statement or
6 shall falsify or permit to be falsified any record or records of
7 this system in any attempt to defraud the system as a result of
8 such act shall be guilty of a misdemeanor ~~and subject to~~ <—
9 ~~prosecution under the provisions of section 328 of "The Penal~~
10 ~~Code," act of June 24, 1939 (No. 375).~~ OF THE SECOND DEGREE. <—

11 Should such change or mistake in records result in any member,
12 beneficiary or survivor annuitant receiving from the system more
13 or less than he would have been entitled to receive had the
14 records been correct, then on the discovery of any such error,
15 the board shall correct such error and so far as practicable
16 shall adjust the payments which may be made for and to such
17 person in such a manner that the actuarial equivalent of the
18 benefit to which he was correctly entitled shall be paid.

19 § 5955. COLLECTIVE BARGAINING ON SUBJECT MATTER PROHIBITED. <—

20 COLLECTIVE BARGAINING WITH THE COMMONWEALTH CONCERNING ANY OF
21 THE SUBJECT MATTER OF THIS ACT IS PROHIBITED.

22 § ~~5955~~. 5956. Construction of code. <—

23 The provisions of this code insofar as they are the same as
24 those of existing law are intended as a continuation of such
25 laws and not as new enactments. The provisions of this code
26 shall not affect any act done, liability incurred, right accrued
27 or vested, or any suit or prosecution pending or to be
28 instituted to enforce any right or penalty or to punish any
29 offense under the authority of any repealed laws.

30 § ~~5956~~. 5957. Provisions severable. <—

1 The provisions of this code are severable and if any of its
2 provisions shall be held to be unconstitutional, the decision of
3 the court shall not affect or impair any of the remaining
4 provisions. It is hereby declared to be the legislative intent
5 that this code would have been adopted had such unconstitutional
6 provisions not been included.

7 Section 2. Repeals.--(a) The following acts or parts of acts
8 are repealed absolutely.

9 Act of May 24, 1923 (P.L.436, No. 231), entitled "An act
10 relating to the retirement of certain officers and employes of
11 the State Government, and their compensation, including officers
12 and employes heretofore retired."

13 Act of June 27, 1923 (P.L.858, No. 331), entitled "An act
14 establishing a State employes' retirement system, and creating a
15 retirement board for the administration thereof; establishing
16 certain funds from contributions by the Commonwealth and
17 contributing State employes, defining the uses and purposes
18 thereof and the manner of payments therefrom, and providing for
19 the guaranty by the Commonwealth of certain of said funds;
20 imposing powers and duties upon the heads of departments in
21 which State employes serve; excepting annuities, allowances,
22 returns, benefits, and rights from taxation and judicial
23 process; and providing penalties."

24 Act of July 3, 1941 (P.L.244, No. 116), entitled "A
25 supplement to the act, approved the twenty-seventh day of June,
26 one thousand nine hundred twenty-three (Pamphlet Laws, eight
27 hundred fifty-eight), as amended, entitled 'An act establishing
28 a State employes' retirement system, and creating a retirement
29 board for the administration thereof; establishing certain funds
30 from contributions by the Commonwealth and contributing State

1 employees, defining the uses and purposes thereof and the manner
2 of payments therefrom, and providing for the guaranty by the
3 Commonwealth of certain said funds; imposing powers and duties
4 upon the heads of departments in which State employees serve;
5 excepting annuities, allowances, returns, benefits, and rights
6 from taxation and judicial process; and providing penalties.'" "

7 Act of May 23, 1945 (P.L.930, No. 370), entitled "An act to
8 amend sections three, four and five, and to repeal sections six,
9 seven, eight, nine and ten, of a supplementary act, approved the
10 third day of July, one thousand nine hundred forty-one (Pamphlet
11 Laws, two hundred forty-four), entitled 'A supplement to the
12 act, approved the twenty-seventh day of June, one thousand nine
13 hundred twenty-three (Pamphlet Laws, eight hundred fifty-eight),
14 as amended, entitled, "An act establishing a State employees'
15 retirement system, and creating a retirement board for the
16 administration thereof; establishing certain funds from
17 contributions by the Commonwealth and contributing State
18 employees, defining the uses and purposes thereof and the manner
19 of payments therefrom, and providing for the guaranty by the
20 Commonwealth of certain of said funds; imposing powers and
21 duties upon the heads of departments in which State employees
22 serve; excepting annuities, allowances, returns, benefits, and
23 rights from taxation and judicial process; and providing
24 penalties,'" by extending the time of State employees to rejoin
25 the State employees' retirement association after completion of
26 active military service; and removing the requirement for a
27 physical examination in certain cases."

28 Act of May 31, 1947 (P.L.377, No. 172), entitled "A
29 supplement to the act, approved the twenty-seventh day of June,
30 one thousand nine hundred twenty-three (Pamphlet Laws 858),

1 entitled 'An act establishing a State employees' retirement
2 system, and creating a retirement board for the administration
3 thereof; establishing certain funds from contributions by the
4 Commonwealth and contributing State employees, defining the uses
5 and purposes thereof and the manner of payments therefrom, and
6 providing for the guaranty by the Commonwealth of certain of
7 said funds; imposing powers and duties upon the heads of
8 departments in which State employees serve; excepting annuities,
9 allowances, returns, benefits, and rights from taxation and
10 judicial process; and providing penalties,' permitting certain
11 State employees, who during the war were loaned to the United
12 States Government and who have now returned to State employment,
13 to pay into the retirement fund the amount of the contributions
14 they would have made during such period, with interest, and
15 prescribing how the Commonwealth shall build up the necessary
16 State annuity reserves."

17 Act of August 16, 1951 (P.L.1240, No. 286), entitled "A
18 supplement to the act, approved the twenty-seventh day of June,
19 one thousand nine hundred twenty-three (Pamphlet Laws 858),
20 entitled 'An act establishing a State employees' retirement
21 system, and creating a retirement board for the administration
22 thereof; establishing certain funds from contributions by the
23 Commonwealth and contributing State employees, defining the uses
24 and purposes thereof and the manner of payments therefrom, and
25 providing for the guaranty by the Commonwealth of certain of
26 said funds; imposing powers and duties upon the heads of
27 departments in which State employees serve; excepting annuities,
28 allowances, returns, benefits, and rights from taxation and
29 judicial process; and providing penalties,' by permitting
30 certain members to obtain credit for military service who were

1 not eligible members at time of entry into military service."

2 Act of August 19, 1953 (P.L.1098, No. 295), entitled "A
3 supplement to the act, approved the twenty-seventh day of June,
4 one thousand nine hundred twenty-three (Pamphlet Laws 858),
5 entitled 'An act establishing a State employes' retirement
6 system, and creating a retirement board for the administration
7 thereof; establishing certain funds from contributions by the
8 Commonwealth and contributing State employes, defining the uses
9 and purposes thereof and the manner of payments therefrom, and
10 providing for the guaranty by the Commonwealth of certain of
11 said funds; imposing powers and duties upon the heads of
12 departments in which State employes serve; excepting annuities,
13 allowances, returns, benefits, and rights from taxation and
14 judicial process; and providing penalties,' by permitting any
15 State employe, as a contributor under the provisions of the
16 State employes' retirement system, and who was an employe under
17 the public school system of the Commonwealth and made
18 contributions to the Public School Employes' Retirement Fund on
19 account of such public school service, to obtain credit for such
20 service in State employes' retirement system under certain
21 conditions."

22 Act of May 17, 1956 (P.L.1625, No. 540), entitled "A
23 supplement to the act, approved the twenty-seventh day of June,
24 one thousand nine hundred twenty-three (Pamphlet Laws 858),
25 entitled 'An act establishing a State employes' retirement
26 system, and creating a retirement board for the administration
27 thereof; establishing certain funds from contributions by the
28 Commonwealth and contributing State employes, defining the uses
29 and purposes thereof and the manner of payments therefrom and
30 providing for the guaranty by the Commonwealth of certain of

1 said funds; imposing powers and duties upon the heads of
2 departments in which State employes serve; excepting annuities,
3 allowances, returns, benefits, and rights from taxation and
4 judicial process; and providing penalties,' by permitting former
5 contributors who have become public school employes and members
6 of the Public School Employes' Retirement System to restore
7 membership in the State Employes' Retirement Association, and
8 authorizing the transfer of monetary credits in the State
9 Employes' Retirement Association to the Public School Employes'
10 Retirement Association under certain conditions."

11 Act of May 17, 1956 (P.L.1626, No. 542), entitled "An act
12 amending the act of May thirty-one, one thousand nine hundred
13 forty-seven (Pamphlet Laws 377), entitled 'A supplement to the
14 act, approved the twenty-seventh day of June one thousand nine
15 hundred twenty-three (Pamphlet Laws 858), entitled "An act
16 establishing a State employes' retirement system, and creating a
17 retirement board for the administration thereof; establishing
18 certain funds from contributions by the Commonwealth and
19 contributing State employes, defining the uses and purposes
20 thereof and the manner of payments therefrom, and providing for
21 the guaranty by the Commonwealth of certain of said funds;
22 imposing powers and duties upon the heads of departments in
23 which State employes serve; excepting annuities, allowances,
24 returns, benefits, and rights from taxation and judicial
25 process; and providing penalties," permitting certain State
26 employes, who during the war were loaned to the United States
27 Government and who have now returned to State employment, to pay
28 into the retirement fund the amount of the contributions they
29 would have made during such period, with interest, and
30 prescribing how the Commonwealth shall build up the necessary

1 State annuity reserves,' providing for credit for time spent by
2 employees of the Bureau of Unemployment Security in the
3 Department of Labor and Industry as employees of the United
4 States Government."

5 Act of June 1, 1956 (P.L.2016, No. 674), entitled "A
6 supplement to the act approved the twenty-seventh day of June,
7 one thousand nine hundred twenty-three (Pamphlet Laws 858),
8 entitled 'An act establishing a State employees' retirement
9 system, and creating a retirement board for the administration
10 thereof; establishing certain funds from contributions by the
11 Commonwealth and contributing State employees, defining the uses
12 and purposes thereof and the manner of payments therefrom, and
13 providing for the guaranty by the Commonwealth of certain of
14 said funds; imposing powers and duties upon the heads of
15 departments in which State employees serve; excepting annuities,
16 allowances, returns, benefits, and rights from taxation and
17 judicial process; and providing penalties,' by permitting any
18 State employe as a contributor under the provisions of the State
19 employees' retirement system and who was an employe under the
20 public school system of the Commonwealth and made contributions
21 to the Public School Employees' Retirement Fund on account of
22 such public school service to obtain credit for such service in
23 the State employees' retirement system under certain conditions."

24 Act of June 14, 1957 (P.L.320, No. 168), entitled "A
25 supplement to the act of June 27, 1923 (P.L.858), entitled 'An
26 act establishing a State employees' retirement system, and
27 creating a retirement board for the administration thereof;
28 establishing certain funds from contributions by the
29 Commonwealth and contributing State employees, defining the uses
30 and purposes thereof and the manner of payments therefrom, and

1 providing for the guaranty by the Commonwealth of certain of
2 said funds; imposing powers and duties upon the heads of
3 departments in which State employes serve; excepting annuities,
4 allowances, returns, benefits, and rights from taxation and
5 judicial process; and providing penalties,' authorizing the
6 Public School Employes' Retirement Board to realow credit for
7 service of certain State and Pennsylvania State University
8 employes."

9 Act of June 29, 1937 (P.L.2423, No. 453), entitled, as
10 amended, "An act establishing a Pennsylvania State Police
11 Retirement System; providing for payments upon retirement,
12 death, disability, involuntary retirement, and of certain
13 medical expenses from the State Employes' Retirement Fund, under
14 the Administration of the State Employes' Retirement Board;
15 providing for contributions by members of the Pennsylvania State
16 Police and the Commonwealth; providing for the guarantee by the
17 Commonwealth of certain of said funds; providing for the
18 subrogation of the Commonwealth to the rights of the member or
19 dependents against certain third parties; exempting annuities,
20 allowances, returns, benefits, and rights from taxation and
21 judicial process; and providing penalties."

22 Act of July 3, 1941 (P.L.249, No. 117), entitled, as amended,
23 "A supplement to the act, approved the twenty-ninth day of June
24 one thousand nine hundred thirty-seven (Pamphlet Laws, two
25 thousand four hundred twenty-three), as amended, entitled 'An
26 act establishing a Pennsylvania State Police Retirement System;
27 providing for payments upon retirement, death, disability,
28 involuntary retirement, and of certain medical expenses from the
29 State Employes' Retirement Fund, under the Administration of the
30 State Employes' Retirement Board; providing for contributions by

1 members of the Pennsylvania State Police and the Commonwealth;
2 providing for the guarantee by the Commonwealth of certain of
3 said funds; providing for the subrogation of the Commonwealth to
4 the rights of the member or dependents against certain third
5 parties; exempting annuities, allowances, returns, benefits, and
6 rights from taxation and judicial process; and providing
7 penalties.'" "

8 Act of May 22, 1945 (P.L.834, No. 336), entitled "An act to
9 amend section three, and to further amend sections four and five
10 of a supplementary act, approved the third day of July, one
11 thousand nine hundred forty-one (Pamphlet Laws, two hundred
12 forty-nine), entitled, as amended 'A supplement to the act,
13 approved the twenty-ninth day of June, one thousand nine hundred
14 thirty seven (Pamphlet Laws, two thousand four hundred twenty-
15 three), as amended, entitled "An act establishing a Pennsylvania
16 State Police Retirement System; providing for payments upon
17 retirement, death, disability, involuntary retirement, and of
18 certain medical expenses from the State Employees' Retirement
19 Fund, under the Administration of the State Employees' Retirement
20 Board; providing for contributions by members of the
21 Pennsylvania State Police and the Commonwealth; providing for
22 the guarantee by the Commonwealth of certain of said funds;
23 providing for the subrogation of the Commonwealth to the rights
24 of the member or dependents against certain third parties;
25 exempting annuities, allowances, returns, benefits, and rights
26 from taxation and judicial processes; and providing penalties.'" "
27 by extending the time for State employees to rejoin the State
28 Employees' Retirement Association after completion of active
29 military service; and removing the requirement for a physical
30 examination in certain cases."

1 Act of June 1, 1959 (P.L.392, No. 78), known as the "State
2 Employees' Retirement Code of 1959."

3 As much of section 202 of the act of April 9, 1929 (P.L.177,
4 No. 175), known as "The Administrative Code of 1929," as relates
5 to the State Employees Retirement Board in the Department of
6 State.

7 Section 402 of the act of April 9, 1929 (P.L.177, No. 175),
8 known as "The Administrative Code of 1929."

9 Section 808 of the act of April 9, 1929 (P.L.177, No. 175),
10 known as "The Administrative Code of 1929."

11 (b) All other acts or parts of acts inconsistent with the <—
12 THIS act are hereby repealed to the extent of such <—
13 inconsistency.

14 (C) IN THE CASE OF ANY MEMBER TERMINATING SERVICE ON OR <—
15 AFTER THE EFFECTIVE DATE OF THIS ACT ANY LIMITATIONS ON SALARIES
16 AS DETERMINED FOR RETIREMENT PURPOSES PURSUANT TO THE ACT OF
17 JUNE 16, 1971 (P.L.157, NO.8), ARE REPEALED RETROACTIVE TO
18 JANUARY 1, 1973.

19 (D) THE FOLLOWING ACTS ARE REPEALED IN SO FAR AS
20 INCONSISTENT WITH THE PROVISIONS OF § 5955 (RELATING TO
21 PROHIBITION OF COLLECTIVE BARGAINING ON SUBJECT MATTER):

22 ACT OF JUNE 24, 1968 (P.L.237, NO.111), ENTITLED "AN ACT
23 SPECIFICALLY AUTHORIZING COLLECTIVE BARGAINING BETWEEN POLICEMEN
24 AND FIREMEN AND THEIR PUBLIC EMPLOYERS; PROVIDING FOR
25 ARBITRATION IN ORDER TO SETTLE DISPUTES, AND REQUIRING
26 COMPLIANCE WITH COLLECTIVE BARGAINING AGREEMENTS AND FINDINGS OF
27 ARBITRATORS."

28 ACT OF JULY 23, 1970 (P.L.563, NO.195), KNOWN AS THE "PUBLIC
29 EMPLOYE RELATIONS ACT."

30 Section 3. Savings Clause.--In order to assure an orderly

1 transition, the following provisions of repealed law shall be
2 saved and applicable ~~until the date~~ AS specified: <—

3 ~~(1) That provision of section 803 of the act of June 1,~~ <—
4 ~~1959 (No. 78), relating to the assignment of a member's right~~
5 ~~to an annuity or return of contributions as security for~~
6 ~~credit union loans and interest shall continue in effect with~~
7 ~~respect to all loans made prior to July 1, 1973, but no such~~
8 ~~rights shall thereafter be assignable.~~

9 ~~(2)~~ (1) The rights provided in section 401(4) of the act
10 of June 1, 1959 (No. 78), relating to additional retirement
11 benefits for certain judges, shall continue to apply to those
12 members of Class E or E-1 who have exercised the option
13 therein contained prior to ~~July 1, 1973.~~ THE EFFECTIVE DATE <—
14 OF THIS ACT.

15 ~~(3)~~ (2) The provisions of section 301 of the act of June <—
16 1, 1959 (No. 78), relating to the contribution rate of a
17 member shall be applicable until the first day of his first
18 full pay period following the effective date of this act.

19 (3) ANY MEMBER MAY ELECT TO HAVE HIS RETIREMENT BENEFITS <—
20 ATTRIBUTABLE TO SERVICE PRIOR TO JANUARY 1, 1973 CALCULATED
21 ON THE BASIS OF ANY LIMITATIONS ON SALARIES AS DETERMINED FOR
22 RETIREMENT PURPOSES PURSUANT TO THE ACT OF JUNE 16, 1971
23 (P.L.157, NO.8) AND THE BENEFIT RATES WHICH ARE APPLICABLE TO
24 THE APPROPRIATE CLASS OF SERVICE PRIOR TO JANUARY 1, 1973.
25 ALL BENEFITS ATTRIBUTABLE TO SERVICE SUBSEQUENT TO JANUARY 1,
26 1973 SHALL BE CALCULATED ON THE COMPENSATION AND BENEFIT
27 RATES EFFECTIVE SUBSEQUENT TO JANUARY 1, 1973.

28 Section 4. Effective Date.--This act shall take effect
29 immediately, except that: ~~in order to assure an orderly~~ <—
30 ~~transition.~~

1 (1) Its provisions relating to the crediting of
2 statutory interest to the accounts of members on leave
3 without pay shall become effective on ~~July 1, 1973.~~ JANUARY <—
4 1, 1974.

5 (2) The provisions of section 5706(b), relating to the
6 calculation of annuities of annuitants who return to State
7 service and subsequently retire, shall not apply to former
8 annuitants who are active members of the system on ~~July 1,~~ <—
9 ~~1973.~~ THE EFFECTIVE DATE OF THIS ACT. <—

10 (3) AS APPLICABLE TO OFFICERS OF THE PENNSYLVANIA STATE
11 POLICE THE PROVISIONS OF SECTION 5102 RELATING TO "FINAL
12 AVERAGE SALARY" AND SECTION 5704(F) RELATING TO SERVICE
13 CONNECTED DISABILITY SHALL BE EFFECTIVE JULY 1, 1973.

14 (4) THE PROVISIONS OF SECTION 5306(A) NOTWITHSTANDING,
15 OFFICIALS ELECTED TO OFFICE ON NOVEMBER 6, 1973 MAY, PRIOR TO
16 FEBRUARY 1, 1974, ELECT TO JOIN THE CLASS OF SERVICE TO WHICH
17 THEY WOULD HAVE BEEN ENTITLED HAD THEY ASSUMED OFFICE PRIOR
18 TO THE EFFECTIVE DATE OF THIS ACT.

SOURCE NOTES

(As Supplied by the Joint State Government Commission)

Part XXV of Title 71 is derived, unless new, in its entirety from the act of June 1, 1959 (P.L.392) which is the source of all references. Corresponding references in Purdon's Pennsylvania Statutes Annotated are in 71 Pa. S. § 1725-101 et seq.

71 Pa. S. § 5101: Derived from § 101.

71 Pa. S. § 5102: "Active member." New.

"Actuarially equivalent." Derived from § 102(23).

"Actuary." New.

"Annuitant." Derived from § 102(9).

"Average noncovered salary." Derived from § 102(19.1).

"Basic contribution rate." New.

"Beneficiary." Derived from § 102(10).

"Board." Derived from § 102(4).

"Class of service multiplier." Derived from §§ 202(1); (301(1)(a),(c),(d.3),(e.1),(e.2).

"Compensation." Derived from § 102(15) and the report of the Commonwealth Compensation Commission of June 22, 1972.

"Concurrent service." New.

"Creditable nonstate service." New.

"Credited service." Derived from § 102(13).

"Date of termination of service." New.

"Effective date of retirement." New.

"Eligibility points." New.

"Enforcement officer." Derived from § 102(6.1).

"Final average salary." Derived from § 102(19).

"Full coverage member." Derived from § 203(3).

"Fund." Derived from § 102(2)

"Head of department." Derived from § 102(7).

"Inactive member." New.

"Intervening military service." New.

"Joint coverage member." Derived from § 203(1).

"Joint coverage member contributions." New.

"Member." New.

"Member of the judiciary." New.

"Member's annuity." Derived from § 102(21).

"Military service." Derived from § 207(3).

"Multiple service." Derived from § 102(12.1).

"Previous State service." New.

"Public School Employees' Retirement System." Derived from § 102(5).

"Regular accumulated deductions." Derived from § 102(17).

"Regular member contributions." New.

"Retirement counselor." New.

"Salary deductions." Derived from § 102(16).

"School service." New.

"Social security integration accumulated deductions." Derived from § 102(17.1).

"Standard single life annuity." New.

"State employee." Derived from § 102(6)(a)(iii),(iv),(v),(vii),(viii),(ix).

(1) Derived from § 102(6)(a)(vi),(b).

(2) Derived from § 102(6)(d).

1 (3) Derived from § 102(6)(e).
 2 (4) Derived from § 102(6)(c).
 3 "State service." New.
 4 "Statutory interest." Derived from § 102(18).
 5 "Superannuation age." Derived from § 102(14).
 6 "Superannuation annuitant." New.
 7 "Survivor annuitant." New.
 8 "System." Derived from § 102(1).
 9 "Total accumulated deductions." Derived from §
 10 102(17),(17.1).
 11 "Vestee." Derived from § 102(23.1).

 12 71 Pa. S. § 5301: (a) Derived from §§ 102(6); 201(1),(3).
 13 (b) Derived from §§ 201(2),(3); 301(2)(f).
 14 (c) Derived from § 201(2).

 15 71 Pa. S. § 5302: Derived from §§ 204(1); 208(1),(2).

 16 71 Pa. S. § 5303: Derived from §§
 17 204(2),(2.1),(3),(4),(5),(5.1),(5.2),(5.3),(6),(6.1),(6.2);
 18 208(1),(2).

 19 71 Pa. S. § 5304: (a) Derived from §§
 20 204(4),(5),(5.1),(5.2),(5.3),(6),(6.1),(6.2);
 21 207(1),(2),(4),(5).
 22 (b) Derived from §§
 23 204(4),(5),(5.1),(5.2),(5.3),(6),(6.1),(6.2);
 24 207(1),(2),(4),(5).
 25 (c) (1) Derived from § 207(2).
 26 (2) Derived from § 207(1),(4),(5).
 27 (3) Derived from § 204(6.2).
 28 (4) Derived from §
 29 204(4),(5),(5.1),(5.2),(5.3),(6),(6.1).

 30 71 Pa. S. § 5305: Derived from §§ 204(8); 208(4).

 31 71 Pa. S. § 5306: (a) New.
 32 (b) Derived from § 202(1)(a).
 33 (1) Derived from § 202(1)(c).
 34 (2) Derived from § 202(1)(d.3).
 35 (3) Derived from § 202(1)(e.1).
 36 (4) Derived from § 202(1)(e.2).
 37 (5) New.

 38 71 Pa. S. § 5307: Derived from § 402(2.1).

 39 71 Pa. S. § 5308: (a) Derived from § 401(1).
 40 (b) Derived from § 402 (2),(2.1).
 41 (c) Derived from § 405(1),(3.1).

 42 71 Pa. S. § 5309: Derived from §§ 102(23.1); 401(5),(7).

 43 71 Pa. S. § 5310: Derived from § 407(2),(3),(4).

 44 71 Pa. S. § 5311: Derived from § 404(1)(b).

 45 71 Pa. S. § 5501: Derived from §
 46 301(1)(a),(c),(d.3),(e.1),(e.2).

1 71 Pa. S. § 5502: Derived from § 301(6).

2 71 Pa. S. § 5503: Derived from § 301(4).

3 71 Pa. S. § 5504: Derived from §§ 208(1),(2),(4);
4 302(1),(2),(3).

5 71 Pa. S. § 5505: (a) Derived from §§ 301(3); 302(1),(2).
6 (b) Derived from § 302(2)(k).
7 (c) Derived from §§ 301(3), 302(2)(j).
8 (d) Derived from § 302(2)(h.1).
9 (e) Derived from § 506(4.5).

10 71 Pa. S. § 5506: Derived from §§ 204(6.2); 208(3),(5);
11 302(1).

12 71 Pa. S. § 5507: (a) Derived from § 304(1)(a),(2).
13 (b) Derived from § 304(1)(b),(3).

14 71 Pa. S. § 5508: (a), (b), (c) Derived from § 304(1)(a).
15 (d) Derived from § 304(2).
16 (e) Derived from § 304(1)(b),(3).

17 71 Pa. S. § 5509: (a), (b) Derived from § 306(1).
18 (c) Derived from § 306(2).

19 71 Pa. S. § 5701: Derived from §§ 402(1)(a); 404(1)(b).

20 71 Pa. S. § 5702: (a) Derived from § 401(1).
21 (1) through (5). Derived from §§
22 401(1)(a),(b),(c),(d),(d.1),(d.2),(d.3),(e),(e.1),(e.2),(1.1),(6);
23 402(2),(2.1),(4),(5).
24 (6) Derived from §§ 401(8); 402(6).
25 (b) Derived from § 401(2.1).
26 (c) Derived from § 401(1)(d.3).

27 71 Pa. S. § 5703: (a) Derived from §§ 401(3); 402(4);
28 403(1)(a),(e).
29 (1) Derived from § 403(1)(a).
30 (2) Derived from § 403(1)(b),(c),(d),(f),(g).
31 (3) Derived from § 403(1)(i).
32 (b) Derived from § 403(2).

33 71 Pa. S. § 5704: (a) Derived from § 405(1)(a),(b).
34 (b) Derived from § 405(6).
35 (c) Derived from § 405(4).
36 (d) Derived from § 405(4).
37 (e) New.

38 71 Pa. S. § 5705: (a) Derived from §§ 401(5),(7);
39 404(1)(a),(b),(c).
40 (1) Derived from § 404(1)(c), Option 1.
41 (2) Derived from § 404(1)(c), Option 2.
42 (3) Derived from § 404(1)(c), Option 3.
43 (4) Derived from § 404(1)(c), Option 4.
44 (b) Derived from § 404(2).

45 71 Pa. S. § 5706: (a) Derived from § 405.1(1).
46 (b) Derived from § 405.1(2).

1 71 Pa. S. § 5707: (a) Derived from § 407(2),(3),(7).
2 (b) Derived from § 407(4).
3 (c) Derived from § 407(5).
4 (d) Derived from § 407(5).
5 (e) Derived from § 407(4.1).

6 71 Pa. S. § 5708: Derived from § 409(4),(5).

7 71 Pa. S. § 5709: (a) Derived from § 410.
8 (b) Derived from § 404(1)(c), Option 1.
9 (c) New.

10 71 Pa. S. § 5710: Derived from § 412.

11 71 Pa. S. § 5901: (a) Derived from § 501(1).
12 (b) Derived from § 501(1).
13 (c) Derived from § 501(2).
14 (d) New.
15 (e) Derived from § 501(6).

16 71 Pa. S. § 5902: (a) Derived from § 501(5).
17 (b) Derived from § 501(4).
18 (c) Derived from § 501(3).
19 (d) New.
20 (e) Derived from § 503(10).
21 (f) Derived from § 503(11).
22 (g) New.
23 (h) Derived from § 503(1).
24 (i) Derived from § 503(2).
25 (j) Derived from § 503(3)(a),(b).
26 (k) Derived from §§ 306(1); 503(3)(c),(4).
27 (l) Derived from § 505.
28 (m) Derived from § 503(5).

29 71 Pa. S. § 5903: (a) New.
30 (b) Derived from § 503(9).
31 (c) Derived from §
32 503(6.1),(6.2),(6.3),(9.2),(9.7),(9.9).
33 (d) Derived from § 503(9.2),(9.9).

34 71 Pa. S. § 5904: (a) New.
35 (b) Derived from § 503(9.1).
36 (c) Derived from § 503(8.2),(8.3).

37 71 Pa. S. § 5905: (a) Derived from § 503(6),
38 (6.1),(6.2),(6.3),(9.7),(9.9).
39 (b) Derived from § 503(8.1).
40 (c) Derived from § 503(7),(8).
41 (d) New.
42 (e) New.
43 (f) New.
44 (g) New.
45 (h) Derived from § 503(9.4).
46 (i) Derived from § 503(9.6).

47 71 Pa. S. § 5906: (a) Derived from § 504(3).
48 (b) Derived from § 504(4).
49 (c) Derived from §§ 301(1); 504(5).
50 (d) Derived from § 504(1).

1 (e) Derived from § 504(2).
2 (f) New.
3 (g) Derived from § 504(7).
4 (h) New.
5 (i) Derived from § 504(6).
6 (j) Derived from § 504(8),(9).
7 (k) New.

8 71 Pa. S. § 5907: (a) Derived from § 506(5).
9 (b) Derived from §§ 201(3); 506(13).
10 (c) Derived from § 506(14).
11 (d) Derived from § 506(5).
12 (e) Derived from §
13 506(4.1),(4.2),(4.4),(4.5),(10),(10.1),(12).
14 (f) Derived from § 411.
15 (g) Derived from § 506(1),(1.1),(11),(12).
16 (h) Derived from § 506(1).
17 (i) Derived from § 506(1).
18 (j) Derived from § 506(1).
19 (k) Derived from § 411.
20 (l) Derived from § 506(2).

21 71 Pa. S. § 5908: (a) Derived from §§ 302(4); 506(4.3).
22 (b) Derived from § 506(3).
23 (c) Derived from §§ 506(4); 507

24 71 Pa. S. § 5931: (a) Derived from § 502(1).
25 (b) Derived from § 502(2).
26 (c) Derived from § 502(3).
27 (d) Derived from § 502(4).
28 (e) Derived from § 502(6).
29 (f) Derived from § 502(7).
30 (g) Derived from § 502(5).
31 (h) Derived from § 502(8).
32 (i) Derived from § 502(8).
33 (j) Derived from § 502(8).

34 71 Pa. S. § 5932: Derived from § 602.

35 71 Pa. S. § 5933: Derived from §§ 607; 611.

36 71 Pa. S. § 5934: Derived from § 603.

37 71 Pa. S. § 5935: Derived from §§ 604; 608.

38 71 Pa. S. § 5936: Derived from §§ 606; 609.

39 71 Pa. S. § 5937: Derived from §§ 606.1; 608.

40 71 Pa. S. § 5938: Derived from § 610.

41 71 Pa. S. § 5939: New.

42 71 Pa. S. § 5951: Derived from § 801.

43 71 Pa. S. § 5952: Derived from § 802.

44 71 Pa. S. § 5953: Derived from § 803.

- 1 71 Pa. S. § 5954: Derived from § 805.
- 2 71 Pa. S. § 5955: Derived from § 806.
- 3 71 Pa. S. § 5956: Derived from § 807.