

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 124

Session of
1983

INTRODUCED BY GALLAGHER, BURNS, J. L. WRIGHT, E. Z. TAYLOR AND
MICOZZIE, FEBRUARY 1, 1983

AS AMENDED ON THIRD CONSIDERATION, HOUSE OF REPRESENTATIVES,
NOVEMBER 30, 1983

AN ACT

1 Amending Title 24 (Education) of the Pennsylvania Consolidated
2 Statutes, providing an additional limitation on creditable
3 nonschool service.

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

6 Section 1. Section 8304(a) of Title 24 of the Pennsylvania
7 Consolidated Statutes is amended and subsection (b) is amended
8 by adding a paragraph to read:

9 § 8304. Creditable nonschool service.

10 (a) Eligibility.--An active member or a multiple service
11 member who is an active member of the State Employees'
12 Retirement System shall be eligible to receive Class T-C service
13 credit for creditable nonschool service as set forth in
14 subsection (b) provided that he is not [entitled to receive,
15 eligible to receive now or in the future, or is] currently
16 vested or receiving retirement benefits for such service under a
17 retirement system administered and wholly or partially paid for

1 by any other governmental agency or by any private employer, or
2 a retirement program approved by the employer in accordance with
3 section 8301(a)(1) (relating to mandatory and optional
4 membership), and further provided that such service is certified
5 by the previous employer and the manner of payment of the amount
6 due is agreed upon by the member, the employer, and the board.
7 However, an active member who is not actually receiving benefits
8 from a retirement system of another state may divest himself of
9 his entitlement or eligibility for future benefits in that
10 system in order to receive creditable nonschool service credit
11 under subsection (b)(3). The divestiture shall be certified to
12 the board by the out-of-state system before the member applies
13 for the creditable nonschool service credit. CONTRIBUTIONS FOR <—
14 THE PURCHASE OF CREDIT IN THE EVENT OF A DIVESTITURE OF
15 ENTITLEMENT OR ELIGIBILITY FOR FUTURE BENEFITS SHALL BE
16 CALCULATED AND PAID PURSUANT TO SECTION 8324(E) (RELATING TO
17 CONTRIBUTIONS FOR PURCHASE OF CREDIT FOR CREDITABLE NONSCHOOL
18 SERVICE).

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

21 * * *

22 (6) Previous service in an accredited Pennsylvania
23 nonpublic elementary or secondary school or institution of
24 higher education if the member was entitled to a provisional
25 or permanent professional certificate to teach in the public
26 schools of this Commonwealth at the time the service was
27 rendered. For every three years or major fraction thereof in
28 previous work experience, an individual can buy one year of
29 creditable service, not to exceed a total of five years. The
30 purchase of this service shall begin within three years of

1 the employee's eligibility to purchase this creditable
2 service. The Department of Education may charge an applicant
3 a fee necessary to cover administrative costs incurred in
4 verifying the applicant's eligibility for certification.

5 * * *

6 Section 2. Section 8324 of Title 24 is amended by adding a
7 subsection to read:

8 § 8324. Contributions for purchase of credit for creditable
9 nonschool service.

10 * * *

11 (e) Creditable work experience.--Contributions on account of
12 CLASS T-C credit for creditable work experience described in <—
13 section 8304(b)(3) AND (6) (relating to creditable nonschool <—
14 service) shall be the present value of the full actuarial cost
15 of the increase in the projected superannuation annuity caused
16 by the additional service credited on account of the purchase of
17 creditable work experience. The amount paid for the purchase of
18 credit for creditable work experience under section 8304(b)(3) <—
19 AND (6) shall not be payable as a lump sum under section
20 8345(a)(4)(iii) (relating to member's options). HOWEVER, WITH <—
21 REGARD TO CREDITABLE WORK EXPERIENCE DESCRIBED IN SECTION
22 8304(B)(3), THIS SUBSECTION SHALL APPLY ONLY TO THOSE INSTANCES
23 IN WHICH DIVESTITURE OF ENTITLEMENT OR ELIGIBILITY FOR FUTURE
24 BENEFITS IS UTILIZED IN ORDER TO RECEIVE CREDITABLE NONSCHOOL
25 SERVICE CREDIT UNDER THAT SECTION.

26 Section 3. This act shall take effect in 60 days.