

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL  
No. 1451 Session of  
1983

INTRODUCED BY ITKIN, POTT, COWELL, PISTELLA, CESSAR, MICHLOVIC,  
SEVENTY, OLASZ, PRESTON, DUFFY, DeLUCA, MRKONIC, DAWIDA,  
MURPHY, GAMBLE, PETRONE, MARKOSEK, MAYERNIK, VAN HORNE,  
TRELLO, IRVIS, CLARK, MARMION, BOOK AND MISCEVICH,  
SEPTEMBER 20, 1983

REFERRED TO COMMITTEE ON LOCAL GOVERNMENT, SEPTEMBER 20, 1983

AN ACT

1 Amending the act of July 28, 1953 (P.L.723, No.230), entitled,  
2 as amended, "An act relating to counties of the second class  
3 and second class A; amending, revising, consolidating and  
4 changing the laws relating thereto," providing that a county  
5 of the second class may make pickup contributions to the  
6 retirement system on behalf of county employees.

7 The General Assembly of the Commonwealth of Pennsylvania  
8 hereby enacts as follows:

9 Section 1. Section 1701 of the act of July 28, 1953  
10 (P.L.723, No.230), known as the Second Class County Code,  
11 amended December 10, 1970 (P.L.919, No.291), June 1, 1973  
12 (P.L.37, No.19), June 29, 1976 (P.L.461, No.116) and March 27,  
13 1980 (P.L.56, No.21), is amended to read:

14 Section 1701. Definitions.--The following words and phrases  
15 as used in this article shall be construed to have the following  
16 meaning:

17 "Board," county employes' retirement board.

18 "Compensation," pickup contributions plus salary or wages

1 received per day, weekly, bi-weekly, semi-monthly, monthly,  
2 annually, or during an official term year.

3 "Contributions," pickup contributions and the amount paid  
4 into the retirement fund.

5 "County employe," any person employed by the county,  
6 including all elected or appointed county officers, and  
7 agricultural extension association, county institutions  
8 district, county prison, any county correctional institution,  
9 law library and county retirement board, employes whose  
10 compensation is paid out of county funds, except employes  
11 employed by any board of trustees of a community college of  
12 which the county is a local sponsor pursuant to the act of  
13 August 24, 1963 (P.L.1132, No.484), known as the "Community  
14 College Act of 1963," as amended, county institution district  
15 funds or county retirement system funds or any department  
16 created by the office of the county commissioners, and any  
17 person receiving compensation for accidental injuries in  
18 accordance with the provisions of The Pennsylvania Workmen's  
19 Compensation Act: Provided, That the injured county employe  
20 during the period of his or her disability shall pay each month  
21 a sum equal to the last monthly contribution paid into the  
22 retirement fund when said county employe was in employment and  
23 shall not include any participant in on-the-job training, work  
24 experience or public service employment whose employment with  
25 the county is funded in whole or in part by the Federal  
26 "Comprehensive Employment and Training Act," as amended, unless  
27 the retirement board has provided for the membership of such  
28 participants in accordance with the provisions of section  
29 1710.1. It shall not include any time spent by a county employe  
30 on furlough or leave of absence without compensation, a person

1 reemployed as a county employe subsequent to the thirty-first  
2 day of May, one thousand nine hundred fifty-three, in accordance  
3 with the provisions of subsection (c) of section 1712, except  
4 such county employes who may be in active military service in  
5 accordance with the provisions of subsection (d) of section 1710  
6 and former county employes whose monthly contributions are paid  
7 into the retirement fund in accordance with the provisions of  
8 section 1713. In all cases of doubt the board shall determine  
9 who is an employe within the meaning of this article.

10 "Monthly," calendar month.

11 "Per Annum," twelve calendar months.

12 "Pickup contributions," regular contributions which are made  
13 by the county on behalf of county employes for current service  
14 in accordance with subsection (a.1) of section 1708.

15 "Reemployed," any former county employe who is reemployed as  
16 such, shall thereupon assume the status of a new or future  
17 county employe and may, if eligible, receive credit for previous  
18 service in accordance with the provisions of subsection (b) of  
19 section 1715. It shall not include any person reemployed  
20 subsequent to the thirty-first day of May, one thousand nine  
21 hundred fifty-three, in accordance with the provisions of  
22 subsection (c) of section 1712, nor any county employe who may  
23 be in active military service in accordance with the provisions  
24 of subsection (d) of section 1710.

25 "Retirement Allowance," the amount to which a county employe  
26 is eligible to receive upon retirement from active service not  
27 including the amount he or she is eligible to receive as a  
28 service increment.

29 "Retirement fund or system," fund or system created by this  
30 article.

1 "Vested Interest," future county employees including persons  
2 who are reemployed as such, except as hereinafter provided,  
3 whose contributions as paid into the retirement fund have been  
4 retained therein, or have been refunded by the board, who have  
5 fulfilled all conditions required to qualify such county  
6 employees for a retirement allowance plus a service increment, if  
7 any. It shall not include persons who are reemployed as county  
8 employees in accordance with the provisions of subsection (c) of  
9 section 1712.

10 "Year or service year," twelve calendar months including an  
11 official term year beginning the first Monday of January of a  
12 given year to the first Monday of January of the year following  
13 or twenty-six pay periods if payment is made bi-weekly.

14 "Survivor's Benefit Allowance," a portion of a retirement  
15 allowance, plus a service increment, if any, to be paid to a  
16 surviving spouse of a deceased county employee.

17 "Early Retirement," reduced retirement benefits at age fifty-  
18 five with completion of eight years of service depending upon  
19 the service requirements for normal retirement.

20 "Interest," a determined rate, payable upon refund of  
21 contributions, compounded annually.

22 "Service Increment," the amount a county employee is eligible  
23 to receive in addition to his or her retirement allowance by  
24 reason of his or her extra years of service.

25 Section 2. The heading of section 1708 is amended and a  
26 subsection is added to read:

27 Section 1708. Compulsory Membership; [Employees Payment]

28 Payments Into Fund; Exceptions; Vested Interest.--\* \* \*

29 (a.1) The county may elect to contribute on behalf of each  
30 active member for current service the amount required by

1 subsection (a) beginning the first Monday of January of the year  
2 succeeding the one in which the resolution to do so was adopted  
3 by the commissioners. Contributions made in accordance with this  
4 subsection shall be deemed pickup contributions and shall be  
5 treated as the county's contribution in determining tax  
6 treatment under the act of August 16, 1954, 68A Stat. 5, known  
7 as the Internal Revenue Code of 1954, for Federal tax purposes.  
8 For all other purposes pickup contributions shall be treated as  
9 contributions made by a member in the same manner and to the  
10 same extent as contributions made prior to the implementation of  
11 this subsection. The county on or before January 31 of each year  
12 shall, at the time when the income and withholding information  
13 required by law is furnished to each county employe, also  
14 furnish the amount of the pickup contribution made on the  
15 employe's behalf. Upon the effective date of the implementation  
16 of this subsection, the county shall pick up the required  
17 contributions by an equal reduction in the compensation of the  
18 member.

19 \* \* \*

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