

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1160 Session of
1997

INTRODUCED BY PHILLIPS, STABACK, SEYFERT, ALLEN, LEVDANSKY,
MARKOSEK, LLOYD, FLEAGLE, GODSHALL, SHANER, PETTIT,
LESCOVITZ, CIVERA, BUNT, McCALL, STERN, LaGROTTA, BAKER,
SERAFINI, CAWLEY, BEBKO-JONES, WALKO, PETRARCA AND
WOJNAROSKI, APRIL 3, 1997

AS RE-REPORTED FROM COMMITTEE ON APPROPRIATIONS, HOUSE OF
REPRESENTATIVES, AS AMENDED, JUNE 9, 1997

AN ACT

1 Amending Title 71 (State Government) of the Pennsylvania
2 Consolidated Statutes, further defining "enforcement officer"
3 for purposes of State employees' retirement; AND PROVIDING <—
4 FOR THE ESTABLISHMENT AND TREATMENT OF A SPECIAL VESTEE
5 CLASSIFICATION TO COVER CERTAIN EMPLOYEES AFFECTED BY MERGERS
6 IN THE MEDICAL TREATMENT FIELDS.

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

9 ~~Section 1. The definition of "enforcement officer" in~~ <—
10 ~~section 5102 of Title 71 of the Pennsylvania Consolidated~~
11 ~~Statutes is amended by adding a paragraph to read:~~

12 ~~§ 5102. Definitions.~~

13 ~~The following words and phrases as used in this part, unless~~
14 ~~a different meaning is plainly required by the context, shall~~
15 ~~have the following meanings:~~

16 * * *

17 "Enforcement officer."

18 * * *

~~(4) Waterways conservation officers and other
commissioned law enforcement personnel employed by the
Pennsylvania Fish and Boat Commission who have and exercise
the same law enforcement powers as waterways conservation
officers. This paragraph shall not apply to deputy waterways
conservation officers.~~

~~* * *~~

~~Section 2. This act shall take effect July 1, 1997.~~

SECTION 1. THE DEFINITIONS OF "MEMBER," "REGULAR ACCUMULATED
DEDUCTIONS" AND "TOTAL ACCUMULATED DEDUCTIONS" IN SECTION 5102
OF TITLE 71 OF THE PENNSYLVANIA CONSOLIDATED STATUTES ARE
AMENDED, THE DEFINITION OF "ENFORCEMENT OFFICER" IS AMENDED BY
ADDING A PARAGRAPH AND THE SECTION IS AMENDED BY ADDING A
DEFINITION TO READ:

§ 5102. DEFINITIONS.

THE FOLLOWING WORDS AND PHRASES AS USED IN THIS PART, UNLESS
A DIFFERENT MEANING IS PLAINLY REQUIRED BY THE CONTEXT, SHALL
HAVE THE FOLLOWING MEANINGS:

* * *

"ENFORCEMENT OFFICER."

* * *

(4) WATERWAYS CONSERVATION OFFICERS AND OTHER
COMMISSIONED LAW ENFORCEMENT PERSONNEL EMPLOYED BY THE
PENNSYLVANIA FISH AND BOAT COMMISSION WHO HAVE AND EXERCISE
THE SAME LAW ENFORCEMENT POWERS AS WATERWAYS CONSERVATION
OFFICERS. THIS PARAGRAPH SHALL NOT APPLY TO DEPUTY WATERWAYS
CONSERVATION OFFICERS.

* * *

"MEMBER." ACTIVE MEMBER, INACTIVE MEMBER, ANNUITANT, [OR]
VESTEE OR SPECIAL VESTEE.

1 * * *

2 "REGULAR ACCUMULATED DEDUCTIONS." THE TOTAL OF THE REGULAR
3 OR JOINT COVERAGE MEMBER CONTRIBUTIONS PAID INTO THE FUND ON
4 ACCOUNT OF CURRENT SERVICE OR PREVIOUS STATE OR CREDITABLE
5 NONSTATE SERVICE, TOGETHER WITH THE STATUTORY INTEREST CREDITED
6 THEREON UNTIL THE DATE OF TERMINATION OF SERVICE. IN THE CASE OF
7 A VESTEE OR A SPECIAL VESTEE, STATUTORY INTEREST SHALL BE
8 CREDITED UNTIL THE EFFECTIVE DATE OF RETIREMENT. A MEMBER'S
9 ACCOUNT SHALL NOT BE CREDITED WITH STATUTORY INTEREST FOR MORE
10 THAN TWO YEARS DURING A LEAVE WITHOUT PAY.

11 * * *

12 "SPECIAL VESTEE." AN EMPLOYEE OF THE PENNSYLVANIA STATE
13 UNIVERSITY WHO IS A MEMBER OF THE STATE EMPLOYEES' RETIREMENT
14 SYSTEM WITH FIVE OR MORE BUT LESS THAN TEN ELIGIBILITY POINTS
15 AND WHO HAS A DATE OF TERMINATION OF SERVICE FROM THE
16 PENNSYLVANIA STATE UNIVERSITY OF JUNE 30, 1997, BECAUSE OF THE
17 TRANSFER OF HIS JOB POSITION OR DUTIES TO A CONTROLLED
18 ORGANIZATION OF THE PENN STATE GEISINGER HEALTH SYSTEM OR
19 BECAUSE OF THE ELIMINATION OF HIS JOB POSITION OR DUTIES DUE TO
20 THE TRANSFER OF OTHER JOB POSITIONS OR DUTIES TO A CONTROLLED
21 ORGANIZATION OF THE PENN STATE GEISINGER HEALTH SYSTEM, PROVIDED
22 THAT:

23 (1) SUBSEQUENT TO TERMINATION OF STATE SERVICE AS AN
24 EMPLOYEE OF THE PENNSYLVANIA STATE UNIVERSITY, THE MEMBER HAS
25 NOT RETURNED TO STATE SERVICE IN ANY OTHER CAPACITY OR
26 POSITION AS A STATE EMPLOYEE;

27 (2) THE PENNSYLVANIA STATE UNIVERSITY CERTIFIES TO THE
28 BOARD THAT THE MEMBER IS ELIGIBLE TO BE A SPECIAL VESTEE;

29 (3) THE MEMBER FILES AN APPLICATION TO VEST THE MEMBER'S
30 RETIREMENT RIGHTS PURSUANT TO SECTION 5907(F) (RELATING TO

1 RIGHTS AND DUTIES OF STATE EMPLOYEES AND MEMBERS) ON OR
2 BEFORE SEPTEMBER 30, 1997; AND

3 (4) THE MEMBER ELECTS TO LEAVE THE MEMBER'S TOTAL
4 ACCUMULATED DEDUCTIONS IN THE FUND AND TO DEFER RECEIPT OF AN
5 ANNUITY UNTIL ATTAINMENT OF SUPERANNUATION AGE.

6 * * *

7 "TOTAL ACCUMULATED DEDUCTIONS." THE SUM OF THE REGULAR
8 ACCUMULATED DEDUCTIONS, ADDITIONAL ACCUMULATED DEDUCTIONS, THE
9 SOCIAL SECURITY INTEGRATION ACCUMULATED DEDUCTIONS, AND ALL
10 OTHER CONTRIBUTIONS PAID INTO THE FUND FOR THE PURCHASE OF
11 CREDIT FOR SERVICE OR OTHER COVERAGE TOGETHER WITH ALL STATUTORY
12 INTEREST CREDITED THEREON UNTIL THE DATE OF TERMINATION OF
13 SERVICE. IN THE CASE OF A VESTEE OR A SPECIAL VESTEE, STATUTORY
14 INTEREST SHALL BE CREDITED UNTIL THE EFFECTIVE DATE OF
15 RETIREMENT. A MEMBER'S ACCOUNT SHALL NOT BE CREDITED WITH
16 STATUTORY INTEREST FOR MORE THAN TWO YEARS DURING A LEAVE
17 WITHOUT PAY.

18 * * *

19 SECTION 2. SECTION 5303(B) OF TITLE 71 IS AMENDED TO READ:
20 § 5303. RETENTION AND REINSTATEMENT OF SERVICE CREDITS.

21 * * *

22 (B) ELIGIBILITY POINTS FOR PROSPECTIVE CREDITED SERVICE.--

23 (1) EVERY ACTIVE MEMBER OF THE SYSTEM OR A MULTIPLE
24 SERVICE MEMBER WHO IS A SCHOOL EMPLOYEE AND A MEMBER OF THE
25 PUBLIC SCHOOL EMPLOYEES' RETIREMENT SYSTEM ON OR AFTER THE
26 EFFECTIVE DATE OF THIS PART SHALL RECEIVE ELIGIBILITY POINTS
27 IN ACCORDANCE WITH SECTION 5307 FOR CURRENT STATE SERVICE,
28 PREVIOUS STATE SERVICE, OR CREDITABLE NONSTATE SERVICE UPON
29 COMPLIANCE WITH SECTIONS 5501 (RELATING TO REGULAR MEMBER
30 CONTRIBUTIONS FOR CURRENT SERVICE), 5504 (RELATING TO MEMBER

1 CONTRIBUTIONS FOR THE PURCHASE OF CREDIT FOR PREVIOUS STATE
2 SERVICE OR TO BECOME A FULL COVERAGE MEMBER), 5505 (RELATING
3 TO CONTRIBUTIONS FOR THE PURCHASE OF CREDIT FOR CREDITABLE
4 NONSTATE SERVICE), 5505.1 (RELATING TO ADDITIONAL MEMBER
5 CONTRIBUTIONS) OR 5506 (RELATING TO INCOMPLETE PAYMENTS). THE
6 CLASS OR CLASSES OF SERVICE IN WHICH THE MEMBER MAY BE
7 CREDITED FOR PREVIOUS STATE SERVICE PRIOR TO THE EFFECTIVE
8 DATE OF THIS PART SHALL BE THE CLASS OR CLASSES IN WHICH HE
9 WAS OR COULD HAVE AT ANY TIME ELECTED TO BE CREDITED FOR SUCH
10 SERVICE. THE CLASS OF SERVICE IN WHICH A MEMBER SHALL BE
11 CREDITED FOR SERVICE SUBSEQUENT TO THE EFFECTIVE DATE OF THIS
12 PART SHALL BE DETERMINED IN ACCORDANCE WITH SECTION 5306
13 (RELATING TO CLASSES OF SERVICE).

14 (2) A SPECIAL VESTEE OR PERSON OTHERWISE ELIGIBLE TO BE
15 A SPECIAL VESTEE WHO RETURNS TO STATE SERVICE OR WITHDRAWS
16 HIS ACCUMULATED DEDUCTIONS PURSUANT TO SECTION 5311 (RELATING
17 TO ELIGIBILITY FOR REFUNDS) OR 5701 (RELATING TO RETURN OF
18 TOTAL ACCUMULATED DEDUCTIONS) SHALL RECEIVE OR RETAIN
19 ELIGIBILITY POINTS IN ACCORDANCE WITH PARAGRAPH (1), BUT UPON
20 SUBSEQUENT TERMINATION OF STATE SERVICE SHALL ONLY BE
21 ELIGIBLE TO BE AN ANNUITANT, VESTEE OR INACTIVE MEMBER,
22 WITHOUT REGARD TO PREVIOUS STATUS AS A SPECIAL VESTEE AND
23 WITHOUT REGARD TO THE PROVISIONS OF THIS PART PROVIDING FOR
24 SPECIAL VESTEES.

25 (3) A SPECIAL VESTEE OR PERSON OTHERWISE ELIGIBLE TO BE
26 A SPECIAL VESTEE WHO BECOMES AN ACTIVE MEMBER OF THE PUBLIC
27 SCHOOL EMPLOYEES' RETIREMENT SYSTEM AND ELECTS MULTIPLE
28 SERVICE SHALL RECEIVE OR RETAIN ELIGIBILITY POINTS AS
29 OTHERWISE PROVIDED FOR IN THIS PART AND 24 PA.C.S. PT. IV
30 (RELATING TO RETIREMENT FOR SCHOOL EMPLOYEES), BUT UPON

1 SUBSEQUENT TERMINATION OF SCHOOL SERVICE SHALL ONLY BE
2 ELIGIBLE TO BE AN ANNUITANT, VESTEE OR INACTIVE MEMBER AS
3 OTHERWISE ELIGIBLE AS A MULTIPLE SERVICE MEMBER WITHOUT
4 REGARD TO PREVIOUS STATUS AS A SPECIAL VESTEE AND WITHOUT
5 REGARD TO THE PROVISIONS OF THIS PART PROVIDING FOR SPECIAL
6 VESTEES.

7 * * *

8 SECTION 3. TITLE 71 IS AMENDED BY ADDING A SECTION TO READ:

9 § 5309.1. ELIGIBILITY FOR SPECIAL VESTING.

10 ANY EMPLOYEE OF THE PENNSYLVANIA STATE UNIVERSITY WHO IS A
11 MEMBER OF THE SYSTEM WITH FIVE OR MORE BUT LESS THAN TEN
12 ELIGIBILITY POINTS AND WHO HAS A DATE OF TERMINATION OF SERVICE
13 FROM THE PENNSYLVANIA STATE UNIVERSITY OF JUNE 30, 1997, BECAUSE
14 OF THE TRANSFER OF HIS JOB POSITION OR DUTIES TO A CONTROLLED
15 ORGANIZATION OF THE PENN STATE GEISINGER HEALTH SYSTEM OR
16 BECAUSE OF THE ELIMINATION OF HIS JOB POSITION OR DUTIES DUE TO
17 THE TRANSFER OF OTHER JOB POSITIONS OR DUTIES TO A CONTROLLED
18 ORGANIZATION OF THE PENN STATE GEISINGER HEALTH SYSTEM SHALL BE
19 ELIGIBLE UNTIL THE ATTAINMENT OF SUPERANNUATION AGE TO VEST HIS
20 RETIREMENT BENEFITS ACCORDING TO THE TERMS AND CONDITIONS OF
21 THIS PART.

22 SECTION 4. SECTION 5508 OF TITLE 71 IS AMENDED BY ADDING A
23 SUBSECTION TO READ:

24 § 5508. ACTUARIAL COST METHOD.

25 * * *

26 (G) DETERMINATION OF LIABILITY FOR SPECIAL VESTEE.--
27 NOTWITHSTANDING ANY OTHER PROVISION OF THIS PART OR OTHER LAW,
28 THE TOTAL ADDITIONAL ACCRUED ACTUARIAL LIABILITY RESULTING FROM
29 ELIGIBILITY OF SPECIAL VESTEES FOR BENEFITS UPON THE ATTAINMENT
30 OF SUPERANNUATION AGE SHALL BE DETERMINED BY THE ACTUARY AS PART

1 OF THE FIRST ANNUAL VALUATION MADE AFTER JUNE 30, 1997. THE
2 RESULTING ADDITIONAL ACCRUED ACTUARIAL LIABILITY SHALL BE PAID
3 BY THE PENNSYLVANIA STATE UNIVERSITY TO THE BOARD IN ONE LUMP
4 SUM PAYMENT WITHIN 90 DAYS OF THE BOARD'S CERTIFICATION OF THE
5 AMOUNT TO THE PENNSYLVANIA STATE UNIVERSITY.

6 SECTION 5. SECTIONS 5705(A), 5707(A) AND (B), 5905(E), (E.1)
7 AND (F), 5905.1(D), 5906(A) AND (J) AND 5907(H) OF TITLE 71 ARE
8 AMENDED TO READ:

9 § 5705. MEMBER'S OPTIONS.

10 (A) GENERAL RULE.--ANY SPECIAL VESTEE WHO HAS ATTAINED
11 SUPERANNUATION AGE, ANY VESTEE HAVING TEN OR MORE ELIGIBILITY
12 POINTS OR ANY OTHER ELIGIBLE MEMBER UPON TERMINATION OF STATE
13 SERVICE WHO HAS NOT WITHDRAWN HIS TOTAL ACCUMULATED DEDUCTIONS
14 AS PROVIDED IN SECTION 5701 (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 (RELATING TO
18 MAXIMUM SINGLE LIFE ANNUITY), OR A REDUCED ANNUITY CERTIFIED BY
19 THE ACTUARY TO BE ACTUARIALLY EQUIVALENT TO THE MAXIMUM SINGLE
20 LIFE ANNUITY AND IN ACCORDANCE WITH ONE OF THE FOLLOWING
21 OPTIONS; EXCEPT THAT NO MEMBER SHALL ELECT AN ANNUITY PAYABLE TO
22 ONE OR MORE SURVIVOR ANNUITANTS OTHER THAN HIS SPOUSE OR
23 ALTERNATE PAYEE OF SUCH A MAGNITUDE THAT THE PRESENT VALUE OF
24 THE ANNUITY PAYABLE TO HIM FOR LIFE PLUS ANY LUMP SUM PAYMENT HE
25 MAY HAVE ELECTED TO RECEIVE IS LESS THAN 50% OF THE PRESENT
26 VALUE OF HIS MAXIMUM SINGLE LIFE ANNUITY:

27 (1) OPTION 1.--A LIFE ANNUITY TO THE MEMBER WITH A
28 GUARANTEED TOTAL PAYMENT EQUAL TO THE PRESENT VALUE OF THE
29 MAXIMUM SINGLE LIFE ANNUITY ON THE EFFECTIVE DATE OF
30 RETIREMENT WITH THE PROVISION THAT, IF, AT HIS DEATH, HE HAS

1 RECEIVED LESS THAN SUCH PRESENT VALUE, THE UNPAID BALANCE
2 SHALL BE PAYABLE TO HIS BENEFICIARY.

3 (2) OPTION 2.--A JOINT AND SURVIVOR ANNUITY PAYABLE
4 DURING THE LIFETIME OF THE MEMBER WITH THE FULL AMOUNT OF
5 SUCH ANNUITY PAYABLE THEREAFTER TO HIS SURVIVOR ANNUITANT, IF
6 LIVING AT HIS DEATH.

7 (3) OPTION 3.--A JOINT AND FIFTY PERCENT (50%) SURVIVOR
8 ANNUITY PAYABLE DURING THE LIFETIME OF THE MEMBER WITH ONE-
9 HALF OF SUCH ANNUITY PAYABLE THEREAFTER TO HIS SURVIVOR
10 ANNUITANT, IF LIVING AT HIS DEATH.

11 (4) OPTION 4.--SOME OTHER BENEFIT WHICH SHALL BE
12 CERTIFIED BY THE ACTUARY TO BE ACTUARIALLY EQUIVALENT TO THE
13 MAXIMUM SINGLE LIFE ANNUITY, SUBJECT TO THE FOLLOWING
14 RESTRICTIONS:

15 (I) ANY ANNUITY SHALL BE PAYABLE WITHOUT REDUCTION
16 DURING THE LIFETIME OF THE MEMBER;

17 (II) THE SUM OF ALL ANNUITIES PAYABLE TO THE
18 DESIGNATED SURVIVOR ANNUITANTS SHALL NOT BE GREATER THAN
19 ONE AND ONE-HALF TIMES THE ANNUITY PAYABLE TO THE MEMBER;
20 AND

21 (III) A PORTION OF THE BENEFIT MAY BE PAYABLE AS A
22 LUMP SUM, EXCEPT THAT SUCH LUMP SUM PAYMENT SHALL NOT
23 EXCEED AN AMOUNT EQUAL TO THE TOTAL ACCUMULATED
24 DEDUCTIONS STANDING TO THE CREDIT OF THE MEMBER. THE
25 BALANCE OF THE PRESENT VALUE OF THE MAXIMUM SINGLE LIFE
26 ANNUITY ADJUSTED IN ACCORDANCE WITH SECTION 5702(B) SHALL
27 BE PAID 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 SUBPARAGRAPHS (I) AND (II) UNDER THIS

1 OPTION.

2 * * *

3 § 5707. DEATH BENEFITS.

4 (A) MEMBERS ELIGIBLE FOR ANNUITIES.--ANY ACTIVE MEMBER,
5 INACTIVE MEMBER ON LEAVE WITHOUT PAY OR VESTEE WHO DIES AND WAS
6 ELIGIBLE FOR AN ANNUITY IN ACCORDANCE WITH SECTION 5308(A) OR
7 (B) (RELATING TO ELIGIBILITY FOR ANNUITIES), OR SPECIAL VESTEE
8 WHO HAS ATTAINED SUPERANNUATION AGE AND DIES BEFORE APPLYING FOR
9 A SUPERANNUATION ANNUITY, SHALL BE CONSIDERED AS HAVING APPLIED
10 FOR AN ANNUITY TO BECOME EFFECTIVE THE DAY BEFORE HIS DEATH AND
11 IN THE EVENT HE HAS NOT ELECTED AN OPTION OR SUCH ELECTION HAS
12 NOT BEEN APPROVED PRIOR TO HIS DEATH, IT SHALL BE ASSUMED THAT
13 HE ELECTED OPTION 1.

14 (B) MEMBERS INELIGIBLE FOR ANNUITIES.--IN THE EVENT OF THE
15 DEATH OF A SPECIAL VESTEE, AN ACTIVE MEMBER OR AN INACTIVE
16 MEMBER ON LEAVE WITHOUT PAY WHO IS NOT ENTITLED TO A DEATH
17 BENEFIT AS PROVIDED IN SUBSECTION (A), HIS DESIGNATED
18 BENEFICIARY SHALL BE PAID THE FULL AMOUNT OF HIS TOTAL
19 ACCUMULATED DEDUCTIONS.

20 * * *

21 § 5905. DUTIES OF THE BOARD REGARDING APPLICATIONS AND
22 ELECTIONS OF MEMBERS.

23 * * *

24 (E) CERTIFICATION TO VESTEES AND SPECIAL VESTEES TERMINATING
25 SERVICE.--THE BOARD SHALL CERTIFY TO A VESTEE OR TO A SPECIAL
26 VESTEE WITHIN ONE YEAR OF TERMINATION OF STATE SERVICE OF SUCH
27 MEMBER:

28 (1) THE TOTAL ACCUMULATED DEDUCTIONS STANDING TO HIS
29 CREDIT AT THE DATE OF TERMINATION OF SERVICE;

30 (2) THE NUMBER OF YEARS AND FRACTIONAL PART OF A YEAR OF

CREDIT IN EACH CLASS OF SERVICE; AND

(3) THE MAXIMUM SINGLE LIFE ANNUITY TO WHICH THE VESTEE
OR SPECIAL VESTEE SHALL BECOME ENTITLED UPON THE ATTAINMENT
OF SUPERANNUATION AGE AND THE FILING OF AN APPLICATION FOR
SUCH ANNUITY.

(E.1) NOTIFICATION TO VESTEES AND SPECIAL VESTEES
APPROACHING SUPERANNUATION AGE.--THE BOARD SHALL NOTIFY EACH
VESTEE AND SPECIAL VESTEE IN WRITING 90 DAYS PRIOR TO HIS
ATTAINMENT OF SUPERANNUATION AGE THAT HE SHALL APPLY FOR HIS
ANNUITY WITHIN 90 DAYS OF ATTAINMENT OF SUPERANNUATION AGE;
THAT, IF HE DOES SO APPLY, HIS EFFECTIVE DATE OF RETIREMENT WILL
BE THE DATE OF ATTAINMENT OF SUPERANNUATION AGE; THAT, IF HE
DOES NOT SO APPLY BUT DEFERS HIS APPLICATION TO A LATER DATE,
HIS EFFECTIVE DATE OF RETIREMENT WILL BE THE DATE OF FILING SUCH
APPLICATION OR THE DATE SPECIFIED ON THE APPLICATION, WHICHEVER
IS LATER; AND THAT, IF HE DOES NOT FILE AN APPLICATION WITHIN
SEVEN YEARS AFTER ATTAINING SUPERANNUATION AGE, HE SHALL BE
DEEMED TO HAVE ELECTED TO RECEIVE HIS TOTAL ACCUMULATED
DEDUCTIONS UPON ATTAINMENT OF SUPERANNUATION AGE.

(F) INITIAL ANNUITY PAYMENT AND CERTIFICATION.--THE BOARD
SHALL MAKE THE FIRST MONTHLY PAYMENT TO A MEMBER WHO IS ELIGIBLE
FOR AN ANNUITY WITHIN 60 DAYS OF THE FILING OF HIS APPLICATION
FOR AN ANNUITY OR, IN THE CASE OF A VESTEE OR SPECIAL VESTEE WHO
HAS DEFERRED THE FILING OF HIS APPLICATION TO A DATE LATER THAN
90 DAYS FOLLOWING ATTAINMENT OF SUPERANNUATION AGE, WITHIN 60
DAYS OF THE EFFECTIVE DATE OF RETIREMENT, AND RECEIPT OF THE
REQUIRED DATA FROM THE HEAD OF THE DEPARTMENT. CONCURRENTLY THE
BOARD SHALL CERTIFY TO SUCH MEMBER:

(1) THE TOTAL ACCUMULATED DEDUCTIONS STANDING TO HIS
CREDIT SHOWING SEPARATELY THE AMOUNT CONTRIBUTED BY THE

MEMBER, THE PICKUP CONTRIBUTION AND THE INTEREST CREDITED TO
THE DATE OF TERMINATION OF SERVICE;

(2) THE NUMBER OF YEARS AND FRACTIONAL PART OF A YEAR
CREDITED IN EACH CLASS OF SERVICE;

(3) THE FINAL AVERAGE SALARY ON WHICH HIS ANNUITY IS
BASED AS WELL AS ANY APPLICABLE REDUCTION FACTORS DUE TO AGE
AND/OR ELECTION OF AN OPTION; AND

(4) THE TOTAL ANNUITY PAYABLE UNDER THE OPTION ELECTED
AND THE AMOUNT AND EFFECTIVE DATE OF ANY FUTURE REDUCTION
UNDER SECTION 5703 (RELATING TO REDUCTION OF ANNUITIES ON
ACCOUNT OF SOCIAL SECURITY OLD-AGE INSURANCE BENEFITS).

* * *

§ 5905.1. INSTALLMENT PAYMENTS OF ACCUMULATED DEDUCTIONS.

* * *

(D) STATUTORY INTEREST.--ANY LUMP SUM OR INSTALLMENT PAYABLE
SHALL INCLUDE STATUTORY INTEREST CREDITED TO THE DATE OF
PAYMENT, EXCEPT IN THE CASE OF A MEMBER, OTHER THAN A VESTEE OR
SPECIAL VESTEE, WHO HAS NOT FILED HIS APPLICATION PRIOR TO 90
DAYS FOLLOWING HIS TERMINATION OF SERVICE.

§ 5906. DUTIES OF HEADS OF DEPARTMENTS.

(A) STATUS OF MEMBERS.--THE HEAD OF DEPARTMENT SHALL, AT THE
END OF EACH PAY PERIOD, NOTIFY THE BOARD IN A MANNER PRESCRIBED
BY THE BOARD OF SALARY CHANGES EFFECTIVE DURING THAT PERIOD FOR
ANY MEMBERS OF THE DEPARTMENT, THE DATE OF ALL REMOVALS FROM THE
PAYROLL, AND THE TYPE OF LEAVE OF ANY MEMBERS OF THE DEPARTMENT
WHO HAVE BEEN REMOVED FROM THE PAYROLL FOR ANY TIME DURING THAT
PERIOD, AND:

(1) IF THE REMOVAL IS DUE TO LEAVE WITHOUT PAY, HE SHALL
FURNISH THE BOARD WITH THE DATE OF BEGINNING LEAVE AND THE
DATE OF RETURN TO SERVICE, AND THE REASON FOR LEAVE; OR

1 (2) IF THE REMOVAL IS DUE TO A TRANSFER TO ANOTHER
2 DEPARTMENT, HE SHALL FURNISH SUCH DEPARTMENT AND THE BOARD
3 WITH A COMPLETE STATE SERVICE RECORD, INCLUDING PAST STATE
4 SERVICE IN OTHER DEPARTMENTS OR AGENCIES, OR CREDITABLE
5 NONSTATE SERVICE; OR

6 (3) IF THE REMOVAL IS DUE TO TERMINATION OF STATE
7 SERVICE, HE SHALL FURNISH THE BOARD WITH A COMPLETE STATE
8 SERVICE RECORD, INCLUDING SERVICE IN OTHER DEPARTMENTS OR
9 AGENCIES, OR CREDITABLE NONSTATE SERVICE AND;

10 (I) IN THE CASE OF DEATH OF THE MEMBER THE HEAD OF
11 THE DEPARTMENT SHALL SO NOTIFY THE BOARD;

12 (II) IN THE CASE OF A SERVICE CONNECTED DISABILITY
13 THE HEAD OF DEPARTMENT SHALL, TO THE BEST OF HIS ABILITY,
14 INVESTIGATE THE CIRCUMSTANCES SURROUNDING THE DISABLEMENT
15 OF THE MEMBER AND SUBMIT IN WRITING TO THE BOARD
16 INFORMATION WHICH SHALL INCLUDE BUT NOT NECESSARILY BE
17 LIMITED TO THE FOLLOWING: DATE, PLACE AND TIME OF
18 DISABLEMENT TO THE EXTENT ASCERTAINABLE; NATURE OF DUTIES
19 BEING PERFORMED AT SUCH TIME; AND WHETHER OR NOT THE
20 DUTIES BEING PERFORMED WERE AUTHORIZED AND INCLUDED AMONG
21 THE MEMBER'S REGULAR DUTIES. IN ADDITION, THE HEAD OF
22 DEPARTMENT SHALL FURNISH IN WRITING TO THE BOARD ALL SUCH
23 OTHER INFORMATION AS MAY BE RELATED TO THE MEMBER'S
24 DISABLEMENT[.];

25 (III) IN THE CASE OF A MEMBER TERMINATING FROM THE
26 PENNSYLVANIA STATE UNIVERSITY WHO IS A MEMBER OF THE
27 SYSTEM WITH FIVE OR MORE BUT LESS THAN TEN ELIGIBILITY
28 POINTS AND WHO HAS TERMINATED STATE SERVICE ON JUNE 30,
29 1997, BECAUSE OF THE TRANSFER OF HIS JOB POSITION OR
30 DUTIES TO A CONTROLLED ORGANIZATION OF THE PENN STATE

1 GEISINGER HEALTH SYSTEM OR BECAUSE OF THE ELIMINATION OF
2 HIS JOB POSITION OR DUTIES DUE TO THE TRANSFER OF OTHER
3 JOB POSITIONS OR DUTIES TO A CONTROLLED ORGANIZATION OF
4 THE PENN STATE GEISINGER HEALTH SYSTEM, THE HEAD OF THE
5 DEPARTMENT SHALL SO CERTIFY TO THE BOARD.

6 * * *

7 (J) TERMINATION OF SERVICE.--THE HEAD OF DEPARTMENT SHALL,
8 IN THE CASE OF ANY MEMBER TERMINATING STATE SERVICE WHO IS
9 INELIGIBLE FOR AN ANNUITY BEFORE ATTAINMENT OF SUPERANNUATION
10 AGE, ADVISE SUCH MEMBER IN WRITING OF ANY BENEFITS TO WHICH HE
11 MAY BE ENTITLED UNDER THE PROVISIONS OF THIS PART AND SHALL HAVE
12 THE MEMBER PREPARE, ON OR BEFORE THE DATE OF TERMINATION OF
13 STATE SERVICE, AN APPLICATION FOR THE RETURN OF TOTAL
14 ACCUMULATED DEDUCTION[.] OR, ON OR BEFORE SEPTEMBER 30, 1997, AN
15 APPLICATION TO BE VESTED AS A SPECIAL VESTEE, IF ELIGIBLE.

16 * * *

17 § 5907. RIGHTS AND DUTIES OF STATE EMPLOYEES AND MEMBERS.

18 * * *

19 (H) VESTEES AND SPECIAL VESTEES ATTAINING SUPERANNUATION
20 AGE.--UPON ATTAINMENT OF SUPERANNUATION AGE A VESTEE OR SPECIAL
21 VESTEE SHALL EXECUTE AND FILE AN APPLICATION FOR AN ANNUITY. ANY
22 SUCH APPLICATION FILED WITHIN 90 DAYS AFTER ATTAINING
23 SUPERANNUATION AGE SHALL BE EFFECTIVE AS OF THE DATE OF
24 ATTAINMENT OF SUPERANNUATION AGE. ANY APPLICATION FILED AFTER
25 SUCH PERIOD SHALL BE EFFECTIVE AS OF THE DATE IT IS FILED WITH
26 THE BOARD, SUBJECT TO THE PROVISIONS OF SECTION 5905(F)
27 (RELATING TO DUTIES OF THE BOARD REGARDING APPLICATIONS AND
28 ELECTIONS OF MEMBERS). IF A VESTEE OR SPECIAL VESTEE DOES NOT
29 FILE AN APPLICATION WITHIN SEVEN YEARS AFTER ATTAINING
30 SUPERANNUATION AGE, HE SHALL BE DEEMED TO HAVE ELECTED TO

1 RECEIVE HIS TOTAL ACCUMULATED DEDUCTIONS UPON ATTAINMENT OF
2 SUPERANNUATION AGE.

3 * * *

4 SECTION 6. IT IS EXPRESSLY DECLARED TO BE THE INTENTION OF
5 THE GENERAL ASSEMBLY TO LIMIT THE BENEFITS GRANTED TO SPECIAL
6 VESTEES TO THOSE EMPLOYEES OF THE PENNSYLVANIA STATE UNIVERSITY
7 WHO ARE MEMBERS OF THE STATE EMPLOYEES' RETIREMENT SYSTEM AND
8 WHO ARE BEING TERMINATED FROM STATE SERVICE WITH THE
9 PENNSYLVANIA STATE UNIVERSITY BECAUSE OF THE CREATION OF THE
10 PENN STATE GEISINGER HEALTH SYSTEM. IT IS FURTHER THE EXPRESSED
11 INTENTION OF THE GENERAL ASSEMBLY THAT THE ACTUARIAL COST OF
12 GRANTING SUPERANNUATION BENEFITS TO SPECIAL VESTEES BE BORNE BY
13 THE PENNSYLVANIA STATE UNIVERSITY. THE PROVISIONS OF THIS ACT
14 ARE DECLARED TO BE NONSEVERABLE. SHOULD A COURT OF COMPETENT
15 JURISDICTION FINALLY RULE THAT LIMITATION OF SPECIAL VESTEE
16 STATUS TO THOSE EMPLOYEES OF THE PENNSYLVANIA STATE UNIVERSITY
17 WHO ARE TERMINATED FROM STATE SERVICE WITH THE PENNSYLVANIA
18 STATE UNIVERSITY BECAUSE OF THE CREATION OF THE PENN STATE
19 GEISINGER HEALTH SYSTEM OR THE IMPOSITION OF THE ACTUARIAL COST
20 RESULTING FROM THE CREATION OF THE CLASS OF MEMBERSHIP KNOWN AS
21 SPECIAL VESTEES IS VIOLATIVE OF THE LAWS OR CONSTITUTIONS OF
22 THIS COMMONWEALTH OR THE UNITED STATES, THEN THIS ENTIRE ACT IS
23 NULL AND VOID AS IF NEVER ENACTED, EXCEPT THAT IF THE TOTAL OF
24 ANY PAYMENTS ACTUALLY MADE TO ANY SPECIAL VESTEE WHO HAS
25 ATTAINED SUPERANNUATION AGE IS GREATER THAN THE TOTAL
26 ACCUMULATED DEDUCTIONS CREDITED TO THE MEMBER'S SAVINGS ACCOUNT
27 OF THE SPECIAL VESTEE AT THE EFFECTIVE DATE OF RETIREMENT, THE
28 EXCESS MAY BE RETAINED BY THE MEMBER AND EXCEPT THAT ANY
29 STATUTORY INTEREST CREDITED TO THE MEMBER'S SAVINGS ACCOUNT
30 PRIOR TO THE INVALIDATION OF THIS ACT MAY BE PAID TO THE MEMBER

1 AS PART OF THE MEMBER'S ACCUMULATED DEDUCTIONS.

2 SECTION 7. THIS ACT SHALL TAKE EFFECT IMMEDIATELY.