

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL**No. 3**Session of
1999

INTRODUCED BY JUBELIRER, MELLOW, LOEPER, BELL, BRIGHTBILL,
PICCOLA, KUKOVICH, BODACK, SCHWARTZ, MOWERY, ROBBINS,
LEMMOND, WOZNIAK, BOSCOLA AND CONTI, MARCH 10, 1999

SENATOR GREENLEAF, JUDICIARY, AS AMENDED, MARCH 16, 1999

AN ACT

1 Amending Titles 42 (Judiciary and Judicial Procedure) and 71
2 (State Government) of the Pennsylvania Consolidated Statutes,
3 providing for county-level court administrators and for the
4 transfer of accumulated annual leave and sick leave of
5 certain county administrators transferred to the State
6 judicial personnel system; establishing the Unified Judicial
7 System Transferred County-Level Administrator Leave Fund;
8 requiring certain county payments; requiring periodic
9 reports; providing for the transfer of county-level court
10 administrators to the State Employees' Retirement System; and
11 making a repeal.

12 Pursuant to the Judiciary Article of the Constitution of
13 Pennsylvania and its establishment of the Unified Judicial
14 System and consistent with the authority of the General Assembly
15 regarding expenditure of Commonwealth funds pursuant to Article
16 III, Section 24, and while otherwise expressly reserving its
17 appropriation and other legislative authority as to the funding
18 of the Unified Judicial System, it is the intent of the General
19 Assembly to facilitate the administration of the Unified
20 Judicial System by providing for inclusion of key designated
21 county-level court administrators and their designated deputies,
22 associates and assistant administrators and special courts

1 administrators within the State judicial personnel system and
2 for their compensation by the Commonwealth.

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

5 Section 1. Title 42 of the Pennsylvania Consolidated
6 Statutes is amended by adding a section to read:

7 § 1905. County-level court administrators.

8 (a) Transition.--Effective on a date during the fiscal year <—
9 beginning July 1, 1998, established by the Supreme Court, the
10 offices of district court administrators, deputy court
11 administrators, special courts administrators, associate and
12 assistant court administrators and similar positions as
13 currently designated by the Administrative Office of
14 Pennsylvania Courts upon the advice of the respective president
15 judges of the courts of common pleas shall be included within
16 the State judicial personnel system and the individuals holding
17 such offices shall be compensated by the Commonwealth through
18 the Administrative Office of Pennsylvania Courts from funds
19 appropriated for such purpose. On the established date,
20 individuals holding such offices shall become State employees;
21 and their status as employees of the respective counties shall
22 cease.

23 (b) Compensation.--The Administrative Office of Pennsylvania
24 Courts shall establish salaries and other compensation for those
25 individuals entering the State judicial personnel system
26 pursuant to subsection (a).

27 (c) Compensation plan.--The Administrative Office of
28 Pennsylvania Courts, with the approval of the Supreme Court,
29 shall, consistent with section 1724 (relating to personnel of
30 the system), establish a plan for use on an ongoing basis for

1 compensation of those individuals entering the State judicial
2 personnel system pursuant to subsection (a) and their
3 successors.

4 (d) Vacancies.--

5 (1) Unless the Supreme Court shall by rule otherwise
6 provide, if a vacancy occurs in an office included in the
7 State judicial personnel system pursuant to subsection (a),
8 the vacancy shall with the approval of the Court
9 Administrator of Pennsylvania be filled by the president
10 judge or, in districts where there are administrative judges,
11 by the president judge after consultation with the
12 administrative judges.

13 (2) The Court Administrator of Pennsylvania, with the
14 approval of the Supreme Court, shall establish standards and
15 qualifications for individuals appointed to fill vacancies
16 under paragraph (1).

17 (e) Reports to appropriations committees.--Consistent with
18 the requirements of section 3531 (relating to budget
19 implementation data), the Court Administrator of Pennsylvania
20 shall make monthly reports to the Chairman and Minority Chairman
21 of the Appropriations Committee of the Senate and the Chairman
22 and Minority Chairman of the Appropriations Committee of the
23 House of Representatives of expenditures for compensation and
24 related expenditures for individuals who are compensated by the
25 Commonwealth pursuant to this section.

26 Section 2. Chapter 23 of Title 42 is amended by adding a
27 subchapter heading and subchapters to read:

28 SUBCHAPTER A

29 GENERAL PROVISIONS

30 * * *

1 SUBCHAPTERS B THROUGH I (RESERVED)

2 SUBCHAPTER J

3 TRANSFERRED COUNTY-LEVEL COURT ADMINISTRATOR

4 LEAVE AND BENEFITS

5 Sec.

6 2391. Short title of subchapter.

7 2392. Definitions.

8 2393. Holidays.

9 2394. Sick leave and annual leave.

10 2395. Other leave.

11 2396. Leave following transfer.

12 2397. County payments for certain leave.

13 § 2391. Short title of subchapter.

14 This subchapter shall be known and may be cited as the
15 Unified Judicial System Transferred County-Level Administrator
16 Leave Benefit Act.

17 § 2392. Definitions.

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

21 "Date of transfer." The date established pursuant to section
22 1905 (relating to county-level court administrators) for
23 transfer of designated administrators from employment by their
24 employing county to employment by the State government of the
25 Commonwealth through the Administrative Office of Pennsylvania
26 Courts.

27 "Employing county." The county by which a designated
28 administrator is employed on the day immediately preceding the
29 designated administrator's date of transfer.

30 "Fund." The Unified Judicial System Transferred County-Level

1 Administrator Leave Fund established under section 2397

2 (relating to county payments for certain leave).

3 "State judicial personnel policies." Those personnel
4 policies and procedures established and amended by or through a
5 process created by the Pennsylvania Supreme Court and applicable
6 to personnel of the unified judicial system.

7 "Transferred administrator." Personnel designated under
8 section 1905 (relating to county-level court administrators).

9 "Unified judicial system." The various courts and offices
10 enumerated in Article V of the Constitution of Pennsylvania.

11 § 2393. Holidays.

12 On and after the date of transfer to the State judicial
13 personnel system, transferred administrators shall be eligible
14 for those paid holidays specified in State judicial personnel
15 policies.

16 § 2394. Sick leave and annual leave.

17 (a) Accrued sick leave and annual leave to be transferred.--
18 Subject to the provisions of subsection (b), sick leave and
19 annual leave accrued by a transferred administrator prior to the
20 date of transfer shall be transferred based upon the accrued
21 sick leave and annual leave balances credited to the transferred
22 administrator by the employing county as of the day immediately
23 preceding the transferred administrator's date of transfer.

24 (b) Accrued sick leave and annual leave to be credited.--
25 Credit for the sick leave and annual leave transferred under
26 subsection (a) shall not exceed the maximum amount permitted for
27 sick leave and annual leave carryover leave allowances from
28 calendar year to calendar year by State judicial personnel
29 policies in effect on the date of transfer. Accrued sick leave
30 or annual leave transferred under this section shall be used by

1 the transferred administrator only as a credit toward sick leave
2 or annual leave, as the case may be, to be taken in the future.
3 The sick leave or annual leave credited under this subsection
4 shall not, at the time of transfer, be reimbursed to the
5 transferred administrator in the form of a lump-sum payout or
6 other leave payout or in any other form which may be permitted
7 by the personnel policies of the employing county in effect on
8 the day immediately preceding the date of transfer. In the event
9 a transferred administrator has accrued leave that is eligible
10 for transfer and that under the employing county's personnel
11 policies in effect on the day immediately preceding the date of
12 transfer could be used by the transferred administrator as
13 either sick leave or annual leave, such leave shall be credited
14 to the transferred administrator with one-half of the leave
15 designated as sick leave and one-half of the leave designated as
16 annual leave.

17 (c) Excess leave.--Credit for accrued sick leave or annual
18 leave which exceeds the maximum allowed by subsection (b) shall
19 be subject to leave policies in effect in the employing county
20 on the day immediately preceding the date of transfer. Any lump-
21 sum payments or other sick leave payments or annual leave
22 payments made pursuant to this subsection are and shall remain
23 the financial responsibility of the employing county.

24 § 2395. Other leave.

25 With the exception of leave specified in section 2394
26 (relating to sick leave and annual leave), a transferred
27 administrator may receive a lump-sum payment or other payment
28 for other accrued leave as permitted by the personnel policies
29 of the employing county in effect on the day immediately
30 preceding the date of transfer. Any lump-sum payment or other

1 leave payments made pursuant to this section are and shall
2 remain the financial responsibility of the employing county. For
3 purposes of this section, the term "other accrued leave" shall
4 not include accrued sick leave and accrued annual leave, and
5 shall include accrued disability leave, accrued personal leave,
6 accrued compensatory leave and other types of accrued leave
7 encompassed within the employing county's personnel policies on
8 the day immediately preceding the date of transfer.

9 § 2396. Leave following transfer.

10 (a) Leave accrual following date of transfer.--On and after
11 the date of transfer, leave shall be accrued by transferred
12 administrators as provided by State judicial personnel policies.
13 For purposes of determining the accrual rate for annual leave,
14 the term "service" shall mean State and county service which is
15 creditable for retirement purposes, excluding any nonstate or
16 noncounty service which may be creditable for State or county
17 retirement purposes.

18 (b) Leave carryover following date of transfer.--On and
19 after the date of transfer, a transferred administrator shall be
20 permitted to carry accrued leave from calendar year to calendar
21 year as provided by State judicial personnel policies.

22 (c) Leave eligible for payment.--If a transferred
23 administrator terminates active service with the unified
24 judicial system, such transferred administrator shall be paid
25 for sick leave and annual leave transferred and credited under
26 section 2394 (relating to sick leave and annual leave) and for
27 sick, annual and other leave accrued on and after the date of
28 transfer as permitted by State judicial personnel policies in
29 effect on the transferred administrator's date of termination.

30 § 2397. County payments for certain leave.

1 (a) County payments.--Each employing county shall provide
2 payment to the Commonwealth for the accrued sick leave and
3 annual leave transferred and credited pursuant to section 2394
4 (relating to sick leave and annual leave). Within 30 days of the
5 date specified in section 1905(a) (relating to county-level
6 court administrators), each employing county shall provide, in
7 writing, to the Administrative Office of Pennsylvania Courts,
8 all leave information requested by the Court Administrator of
9 Pennsylvania for those individuals designated in section
10 1905(a). The payment to be made by each employing county shall
11 be determined based upon an actuarial evaluation performed by an
12 actuary appointed by the Court Administrator of Pennsylvania
13 from a list of three actuaries to be submitted by the Secretary
14 of the Budget within 30 days of the effective date of this
15 subchapter. The actuarial evaluation shall be based upon
16 assumptions determined by the actuary to be appropriate under
17 the circumstances to arrive at a fair and reasonable
18 determination of an actuarially equivalent value of the accrued
19 sick leave and annual leave transferred and credited under
20 section 2394. The actuary shall submit the actuarial evaluation
21 to the Administrative Office of Pennsylvania Courts within 60
22 days of the receipt of all information necessary to prepare such
23 evaluation. If any employing county fails to provide the
24 information required by this section, the county shall be
25 subject to a penalty of \$100 per day for each transferred
26 employee until the required information is provided. Such
27 penalties shall be paid into the fund.

28 (b) Notice of payment due and payment method.--Following
29 receipt of the actuarial evaluation required by subsection (a),
30 the Administrative Office of Pennsylvania Courts shall notify in

1 writing each employing county of the actuarial value
2 attributable to that county for accrued sick leave and annual
3 leave transferred and credited under section 2394. Each
4 employing county shall be obligated to the Commonwealth for
5 payment of the actuarial value of the accrued sick leave and
6 annual leave transferred and credited under section 2394.
7 Payment shall be made to the Commonwealth by each employing
8 county within 90 days of the date of the written notice from the
9 Administrative Office of Pennsylvania Courts to the employing
10 county, which date is referred to for purposes of this section
11 as the payment due date. Any payment not received from an
12 employing county by the payment due date shall be subject to the
13 imposition of interest from the day following the payment due
14 date at the rate determined by the Secretary of Revenue for
15 interest payments on overdue taxes or the refund of taxes as
16 provided in section 806 and 806.1 of the act of April 9, 1929
17 (P.L.343, No.176), known as The Fiscal Code, and any subsequent
18 amendments to those sections, plus 2% until paid in full.

19 (c) Recoupment of employing county arrearages.--If an
20 employing county fails to submit a payment by the payment due
21 date established under subsection (b), the Administrative Office
22 of Pennsylvania Courts shall withhold and withdraw such payment,
23 plus applicable interest, if any, from moneys next due to be
24 paid to the employing county in the form of grants, subsidies or
25 other payments to counties which are made by the Administrative
26 Office of Pennsylvania Courts. Any moneys withheld or withdrawn
27 under this subsection or received under subsection (b) shall be
28 transferred to and deposited in the fund created under
29 subsection (d) and credited to the employing county's financial
30 obligation under this subchapter.

1 (d) Establishment of fund.--There is hereby created a
2 special nonlapsing fund in the State Treasury to be known as the
3 Unified Judicial System Transferred County-Level Administrator
4 Leave Fund. All moneys received from employing counties under
5 this section and all investment income earned on those moneys
6 shall be deposited in the fund. All moneys placed in the fund
7 and the investment income it accrues are hereby appropriated on
8 a continuing basis to the Administrative Office of Pennsylvania
9 Courts, upon requisition by the Court Administrator of
10 Pennsylvania, to be applied solely to the cost of leave payments
11 made under section 2396(c) (relating to leave following
12 transfer). The requisition authority granted with regard to the
13 fund is in addition to the requisition authority contained in
14 section 1501 of The Fiscal Code.

15 (e) Fund deficiency.--If money in the fund is not adequate
16 to provide for full payment of the counties' share of leave
17 payments, the amount necessary to fully fund the counties' share
18 of leave payments shall become an obligation of the unified
19 judicial system.

20 (f) Fund surplus.--When all leave payments for transferred
21 administrators required to be made under this subchapter have
22 been made, any surplus remaining in the fund shall be
23 transferred to and is hereby appropriated to the General Fund.

24 Section 3. The definitions of "class of service multiplier,"
25 "creditable nonstate service," "State service," "superannuation
26 age" and "vestee" in section 5102 of Title 71 are amended and
27 the section is amended by adding definitions to read:

28 § 5102. Definitions.

29 The following words and phrases as used in this part, unless
30 a different meaning is plainly required by the context, shall

1 have the following meanings:

2 * * *

3 "Class of service multiplier."

4 Class of Service Multiplier

5 A 1

6 B .625

7 C 1

8 D 1.25

9 D-1 prior to
10 January 1, 1973 1.875

11 D-1 on and
12 subsequent to
13 January 1, 1973 1.731

14 D-2 prior to
15 January 1, 1973 2.5

16 D-2 on and
17 subsequent to
18 January 1, 1973 1.731

19 D-3 prior to
20 January 1, 1973 3.75

21 D-3 on and
22 subsequent to
23 January 1, 1973 1.731 except prior to December
24 1, 1974 as applied to any
25 additional legislative
26 compensation as an officer
27 of the General Assembly
28 3.75

1	E, E-1 prior to		
2	January 1, 1973	2	for each of the first ten
3			years of judicial service,
4			and
5		1.5	for each subsequent year
6			of judicial service
7	E, E-1 on and		
8	subsequent to		
9	January 1, 1973	1.50	for each of the first
10			ten years of judicial
11			service and
12		1.125	for each subsequent year
13			of judicial service
14	E-2 prior to		
15	September 1, 1973	1.5	
16	E-2 on and		
17	subsequent to		
18	September 1, 1973	1.125	
19	<u>G</u>	<u>0.417</u>	
20	<u>H</u>	<u>0.500</u>	
21	<u>I</u>	<u>0.625</u>	
22	<u>J</u>	<u>0.714</u>	
23	<u>K</u>	<u>0.834</u>	
24	<u>L</u>	<u>1.000</u>	
25	<u>M</u>	<u>1.100</u>	
26	<u>N</u>	<u>1.250</u>	
27	T-C (Public School	1	
28	Employees'		
29	Retirement Code)		
30	* * *		

1 "County service." Service credited in a retirement system or
2 pension plan established or maintained by a county to provide
3 retirement benefits for its employees to the account of county
4 employees who are transferred to State employment and become
5 State employees pursuant to 42 Pa.C.S. § 1905 (relating to
6 county-level court administrators) regardless of whether the
7 service was performed for the county, another employer or
8 allowed to be purchased in the county retirement system or
9 pension plan.

10 "Creditable nonstate service." Service other than service as
11 a State employee or service converted to State service pursuant
12 to section 5303.1 (relating to election to convert county
13 service to State service) for which an active member may obtain
14 credit.

15 * * *

16 "State service." Service converted from county service
17 pursuant to section 5303.1 (relating to election to convert
18 county service to State service) or rendered as a State
19 employee.

20 * * *

21 "Superannuation age." Any age upon accrual of 35 eligibility
22 points or age 60, except for a member of the General Assembly,
23 an enforcement officer, a correction officer, a psychiatric
24 security aide, a Delaware River Port Authority policeman or an
25 officer of the Pennsylvania State Police, age 50, and except for
26 a member with Class G, Class H, Class I, Class J, Class K, Class
27 L, Class M or Class N service, age 55 upon accrual of 20
28 eligibility points.

29 * * *

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

1 member with Class G, Class H, Class I, Class J, Class K, Class
2 L, Class M or Class N service with eight or more eligibility
3 points, who has terminated State service and has elected to
4 leave his total accumulated deductions in the fund and to defer
5 receipt of an annuity.

6 Section 4. Sections 5301 and 5302 of Title 71 are amended by
7 adding subsections to read:

8 § 5301. Mandatory and optional membership.

9 * * *

10 (e) Election prohibited.--Notwithstanding subsections
11 (a)(13) and (c), county employees who are transferred to State
12 employment and become State employees pursuant to 42 Pa.C.S. §
13 1905 (relating to county-level court administrators) shall not
14 have the election to remain a contributor in the retirement
15 system or pension plan of the county by which they were employed
16 prior to becoming eligible for membership in the State
17 Employees' Retirement System. Such employees shall be mandatory
18 members of the system provided they are otherwise eligible and
19 unless they are eligible for optional membership pursuant to
20 subsections (a)(1) through (11) and (b) or prohibited membership
21 pursuant to subsections (a)(14) and (c).

22 § 5302. Credited State service.

23 * * *

24 (d.1) Effect of converting county service to State
25 service.--A county employee transferred to State employment
26 pursuant to 42 Pa.C.S. § 1905 (relating to county-level court
27 administrators) who elects to convert county service to State
28 service pursuant to section 5303.1 (relating to election to
29 convert county service to State service) shall receive one year
30 or fractional part of a year of State service credit for each

1 year or fractional part of a year, as the case may be, of county
2 service credited in the county retirement system or pension
3 plan; provided, however, that no more than one year of State
4 service of all classes will be credited in any one calendar year
5 and that no State service credit shall be received for county
6 service that is already credited in the system or in the Public
7 School Employees' Retirement System.

8 * * *

9 Section 5. Section 5303(b) of Title 71 is amended by adding
10 a paragraph to read:

11 § 5303. Retention and reinstatement of service credits.

12 * * *

13 (b) Eligibility points for prospective credited service.--

14 * * *

15 (1.1) Every active member of the system who elects to
16 convert county service to State service pursuant to section
17 5303.1 (relating to election to convert county service to
18 State service) shall receive eligibility points in accordance
19 with section 5307 for converted county service upon
20 compliance with section 5303.1(b). The class or classes of
21 service in which the member may be credited for converted
22 county service shall be determined in accordance with section
23 5306(c).

24 * * *

25 Section 6. Title 71 is amended by adding a section to read:
26 § 5303.1. Election to convert county service to State service.

27 (a) General rule.--County employees who are transferred to
28 State employment pursuant to 42 Pa.C.S. § 1905 (relating to
29 county-level court administrators) may elect to convert their
30 county service in the retirement system or pension plan in which

1 they were contributors immediately prior to the transfer to
2 State employment.

3 (b) Time for making election.--The election to convert
4 county service to State service must be made by filing written
5 notice with the board within 90 days after the transfer to State
6 employment. An election to convert service shall be effective
7 when filed with the board, but shall not be effective before the
8 date of transfer to State employment. An election to convert
9 county service to State service shall be irrevocable.

10 (c) Effect of failure to make election.--Failure to elect to
11 convert county service to State service within the election
12 period set forth in subsection (b) shall result in the county
13 service not being converted to State service. Transferred
14 employees who do not elect to convert county service to State
15 service shall not have the opportunity to make a subsequent
16 conversion election should they later obtain different
17 employment in the unified judicial system or other State
18 employment eligible for membership in the system.

19 (d) Effect of election.--An election to convert county
20 service to State service shall convert all county service in the
21 retirement system or pension plan in which the transferred
22 employee was a member immediately before the transfer to State
23 employment, even if not performed as a judicial system employee
24 of the county. The election shall not convert service in other
25 retirement systems or pension plans that is not credited in the
26 county plan from which the member is transferred. Once the
27 conversion occurs, the converted service shall lose all
28 attributes and characteristics as county service and shall be
29 State service as set forth in this part.

30 Section 7. Section 5304(b) of Title 71 is amended to read:

1 § 5304. Creditable nonstate service.

2 * * *

3 (b) Limitations on eligibility.--An active member or a
4 multiple service member who is a school employee and an active
5 member of the Public School Employees' Retirement System shall
6 be eligible to receive credit for nonstate service provided that
7 he does not have credit for such service in the system or in the
8 school system and is not entitled to receive, eligible to
9 receive now or in the future, or is receiving retirement
10 benefits for such service in the system or under a retirement
11 system administered and wholly or partially paid for by any
12 other governmental agency or by any private employer, or a
13 retirement program approved by the employer in accordance with
14 section 5301(a)(12) (relating to mandatory and optional
15 membership), and further provided, that such service is
16 certified by the previous employer and contributions are agreed
17 upon and made in accordance with section 5505 (relating to
18 contributions for the purchase of credit for creditable nonstate
19 service).

20 * * *

21 Section 8. Section 5306 of Title 71 is amended by adding a
22 subsection to read:

23 § 5306. Classes of service.

24 * * *

25 (c) Class membership for county service.--Notwithstanding
26 subsection (a), county service that is converted to State
27 service pursuant to section 5303.1 (relating to election to
28 convert county service to State service) shall be credited as
29 the following class of service:

30 Class of service in a county of the

1 second class A, third class, fourth
 2 class, fifth class, sixth class,
 3 seventh class or eighth class
 4 maintaining a retirement system or
 5 pension plan under the
 6 act of August 31, 1971 (P.L.398, No.96),

7 known as the County Pension Law _____ System Class of
 8 _____ Service

9 Class 1-120 _____ G

10 Class 1-100 _____ H

11 Class 1-80 _____ I

12 Class 1-70 _____ J

13 Class 1-60 _____ K

14 Rate of accrual of benefit for each
 15 year of service in a county of the
 16 first class or second class or
 17 credited in the Pennsylvania
 18 Municipal Retirement System

19 _____ System Class of
 20 _____ Service

21 .833% _____ G

22 1.00% _____ H

23 1.250% _____ I

24 1.428% _____ J

25 1.667% _____ K

26 2.000% _____ L

27 2.200% _____ M

28 2.500% _____ N

29 Section 9. Sections 5308(b) and 5309 of Title 71 are amended
 30 to read:

1 § 5308. Eligibility for annuities.

2 * * *

3 (b) Withdrawal annuity.--Any vestee or any active member or
4 inactive member on leave without pay who terminates State
5 service having ten or more eligibility points, or who has Class
6 G, Class H, Class I, Class J, Class K, Class L, Class M or Class
7 N service and terminates State service having eight or more
8 eligibility points, upon compliance with section 5907(f), (g) or
9 (h) shall be entitled to receive an annuity.

10 * * *

11 § 5309. Eligibility for vesting.

12 Any member who terminates State service with ten or more
13 eligibility points, or any member with Class G, Class H, Class
14 I, Class J, Class K, Class L, Class M or Class N service with
15 eight or more eligibility points, shall be eligible until
16 attainment of superannuation age to vest his retirement
17 benefits.

18 Section 10. Section 5504(a) of Title 71 is amended and the
19 section is amended by adding a subsection to read:

20 § 5504. Member contributions for the purchase of credit for
21 previous State service or to become a full coverage
22 member.

23 (a) Amount of contributions for service in other than Class
24 G through N.--The contributions to be paid by an active member
25 or eligible school employee for credit for total previous State
26 service other than service in Class G, Class H, Class I, Class
27 J, Class K, Class L, Class M and Class N or to become a full
28 coverage member shall be sufficient to provide an amount equal
29 to the regular and additional accumulated deductions which would
30 have been standing to the credit of the member for such service

1 had regular and additional member contributions been made with
2 full coverage in the class of service and at the rate of
3 contribution applicable during such period of previous service
4 and had his regular and additional accumulated deductions been
5 credited with statutory interest during all periods of
6 subsequent State and school service up to the date of purchase.

7 (a.1) Converted county service.--No contributions shall be
8 required to restore credit for previously credited State service
9 in Class G, Class H, Class I, Class J, Class K, Class L, Class M
10 and Class N. Such service shall be restored upon the
11 commencement of payment of the contributions required to restore
12 credit for all other previous State service.

13 * * *

14 Section 11. Sections 5505 and 5507 of Title 71 are amended
15 by adding subsections to read:

16 § 5505. Contributions for the purchase of credit for creditable
17 nonstate service.

18 * * *

19 (h) County service.--For purposes of this section, Class G,
20 Class H, Class I, Class J, Class K, Class L, Class M and Class N
21 service shall be disregarded in determining when a member enters
22 State service or the period of subsequent State service.

23 § 5507. Contributions by the Commonwealth and other employers.

24 * * *

25 (c) Contributions transferred by county retirement
26 systems.--

27 (1) Each county retirement system or pension plan which
28 is notified by certification from the board that a former
29 contributor who was transferred to State employment pursuant
30 to 42 Pa.C.S. § 1905 (relating to county-level court

1 administrators) has elected to convert county service to
2 State service in accordance with section 5303.1 (relating to
3 election to convert county service to State service) shall
4 transfer to the board an amount equal to the actuarial
5 liability for the additional benefits that result in the
6 system as a result of the conversion as certified by the
7 board. This amount shall be calculated in such a manner and
8 using such actuarial factors and assumptions as the board,
9 after obtaining the advice of its actuary, shall determine
10 and shall be calculated by determining the present value of
11 the future benefits for the former county contributors and
12 subtracting from that present value the present value of
13 future employee contributions and future employer normal cost
14 contributions.

15 (2) The transfer shall occur no later than 180 days
16 after the certification by the board of the actuarial
17 liability for the additional benefits, or 30 days following
18 the date of termination of service if the member terminates
19 State service after making the election to convert service,
20 whichever occurs first.

21 (3) If any county retirement system or pension plan
22 fails to transfer, within the required time, the money
23 certified by the board under this subsection, then the
24 service of such members for the period of converted service
25 shall be credited and the board shall notify the county which
26 employed the employee who is converting the county service
27 and the State Treasurer, of the amount due. The State
28 Treasurer shall withhold out of any grants, subsidies, or
29 other payments from the State General Fund appropriation or
30 appropriations next due such county an amount equal to the

1 amount which the county retirement system or pension plan
2 failed to pay and shall pay the amount so withheld to the
3 board for the payment of the amount due from that county's
4 retirement system or pension plan for the converted service.

5 Section 12. Section 5705(a) of Title 71 is amended to read:
6 § 5705. Member's options.

7 (a) General rule.--Any special vestee who has attained
8 superannuation age, any vestee having ten or more eligibility
9 points, any member with Class G, Class H, Class I, Class J,
10 Class K, Class L, Class M or Class N service having eight or
11 more eligibility points or any other eligible member upon
12 termination of State service who has not withdrawn his total
13 accumulated deductions as provided in section 5701 (relating to
14 return of total accumulated deductions) may apply for and elect
15 to receive either a maximum single life annuity, as calculated
16 in accordance with the provisions of section 5702 (relating to
17 maximum single life annuity), or a reduced annuity certified by
18 the actuary to be actuarially equivalent to the maximum single
19 life annuity and in accordance with one of the following
20 options; except that no member shall elect an annuity payable to
21 one or more survivor annuitants other than his spouse or
22 alternate payee of such a magnitude that the present value of
23 the annuity payable to him for life plus any lump sum payment he
24 may have elected to receive is less than 50% of the present
25 value of his maximum single life annuity:

26 (1) Option 1.--A life annuity to the member with a
27 guaranteed total payment equal to the present value of the
28 maximum single life annuity on the effective date of
29 retirement with the provision that, if, at his death, he has
30 received less than such present value, the unpaid balance

1 shall be payable to his beneficiary.

2 (2) Option 2.--A joint and survivor annuity payable
3 during the lifetime of the member with the full amount of
4 such annuity payable thereafter to his survivor annuitant, if
5 living at his death.

6 (3) Option 3.--A joint and fifty percent (50%) survivor
7 annuity payable during the lifetime of the member with one-
8 half of such annuity payable thereafter to his survivor
9 annuitant, if living at his death.

10 (4) Option 4.--Some other benefit which shall be
11 certified by the actuary to be actuarially equivalent to the
12 maximum single life annuity, subject to the following
13 restrictions:

14 (i) any annuity shall be payable without reduction
15 during the lifetime of the member;

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

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

1 * * *

2 Section 13. Section 5903 of Title 71 is amended by adding a
3 subsection to read:

4 § 5903. Duties of the board to advise and report to heads of
5 departments and members.

6 * * *

7 (e) Former county employees.--Upon receipt of an election by
8 a county employee transferred to State employment pursuant to 42
9 Pa.C.S. § 1905 (relating to county-level court administrators)
10 to convert county service to State service, the board shall
11 certify to the member the amount of service so converted and the
12 class at which such service is credited.

13 Section 14. Sections 5905(f) and 5905.1(b) of Title 71 are
14 amended to read:

15 § 5905. Duties of the board regarding applications and
16 elections of members.

17 * * *

18 (f) Initial annuity payment and certification.--The board
19 shall make the first monthly payment to a member who is eligible
20 for an annuity within 60 days of the filing of his application
21 for an annuity or, in the case of a vestee or special vestee who
22 has deferred the filing of his application to a date later than
23 90 days following attainment of superannuation age, within 60
24 days of the effective date of retirement, and receipt of the
25 required data from the head of the department, and if the member
26 has Class G, Class H, Class I, Class J, Class K, Class L, Class
27 M or Class N service, any data required from the county
28 retirement system or pension plan to which the member was a
29 contributor before being a State employee. Concurrently the
30 board shall certify to such member:

1 (1) the total accumulated deductions standing to his
2 credit showing separately the amount contributed by the
3 member, the pickup contribution and the interest credited to
4 the date of termination of service;

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

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

10 (4) the total annuity payable under the option elected
11 and the amount and effective date of any future reduction
12 under section 5703 (relating to reduction of annuities on
13 account of social security old-age insurance benefits).

14 * * *

15 § 5905.1. Installment payments of accumulated deductions.

16 * * *

17 (b) Payment of first installment.--The payment of the first
18 installment shall be made in the amount and within seven days of
19 the date specified by the member, except as follows:

20 (1) Upon receipt of a member's application to withdraw
21 his total accumulated deductions as provided in section
22 5311(a) or 5701 and upon receipt of all required data from
23 the head of the department, and if the member has Class G,
24 Class H, Class I, Class J, Class K, Class L, Class M or Class
25 N service, any data required from the county retirement
26 system or pension plan to which the member was a contributor
27 before being transferred to State employment, the board shall
28 not be required to pay the first installment prior to 45 days
29 after the filing of the application and the receipt of the
30 data or the date of termination of service, whichever is

1 later.

2 (2) In the case of an election as provided in section
3 5705(a)(4)(iii) by a member terminating service within 60
4 days prior to the end of a calendar year and upon receipt of
5 all required data from the head of the department, and if the
6 member has Class G, Class H, Class I, Class J, Class K, Class
7 L, Class M or Class N service, any data required from the
8 county retirement system or pension plan to which the member
9 was a contributor before being transferred to State
10 employment, the board shall not be required to pay the first
11 installment prior to 21 days after the later of the filing of
12 the application and the receipt of the data or the date of
13 termination of service, but, unless otherwise directed by the
14 member, the payment shall be made no later than 45 days after
15 the filing of the application and the receipt of the data or
16 the date of termination of service, whichever is later.

17 (3) In the case of an election as provided in section
18 5705(a)(4)(iii) by a member who is not terminating service
19 within 60 days prior to the end of a calendar year and upon
20 receipt of all required data from the head of the department,
21 and if the member has Class G, Class H, Class I, Class J,
22 Class K, Class L, Class M or Class N service, any data
23 required from the county retirement system or pension plan to
24 which the member was a contributor before being transferred
25 to State employment, the board shall not be required to pay
26 the first installment prior to 45 days after the filing of
27 the application and the receipt of the data or the date of
28 termination of service, whichever is later.

29 * * *

30 Section 15. Section 5906(j) of Title 71 is amended and the

1 section is amended by adding a subsection to read:

2 § 5906. Duties of heads of departments.

3 * * *

4 (e.1) Former county-level judicial employees transferred to
5 State employment.--In addition to the duties set forth in
6 subsections (d) and (e), the Court Administrator of
7 Pennsylvania, upon the transfer of county employees to State
8 employment pursuant to 42 Pa.C.S, § 1905 (relating to county-
9 level court administrators), shall advise such transferred
10 county employees of their opportunity to elect to convert county
11 service to State service in accordance with section 5303.1
12 (relating to election to convert county service to State
13 service) and if such employee so elects, the Court Administrator
14 of Pennsylvania shall cause an election to be made and filed
15 with the board within 90 days after the transfer to State
16 employment.

17 * * *

18 (j) Termination of service.--The head of department shall,
19 in the case of any member terminating State service who is
20 ineligible for an annuity before attainment of superannuation
21 age, advise such member in writing of any benefits to which he
22 may be entitled under the provisions of this part and shall have
23 the member prepare, on or before the date of termination of
24 State service, an application for the return of total
25 accumulated [deduction] deductions or, on or before September
26 30, 1997, an application to be vested as a special vestee, if
27 eligible.

28 * * *

29 Section 16. Sections 5907(b) and 5934 of Title 71 are
30 amended to read:

1 § 5907. Rights and duties of State employees and members.

2 * * *

3 (b) Application for membership.--

4 (1) In the case of a new employee who is not currently a
5 member of the system, and whose membership is mandatory or in
6 the case of a new employee whose membership in the system is
7 not mandatory but who desires to become a member of the
8 system, the new employee shall execute an application for
9 membership and a nomination of beneficiary.

10 (2) In the case of a new employee who is a county
11 employee transferred to State employment pursuant to 42
12 Pa.C.S. § 1905 (relating to county-level court
13 administrators) and who desires to elect to convert county
14 service to State service, the member shall also execute an
15 election to convert service and file it with the board in
16 accordance with section 5303.1 (relating to election to
17 convert county service to State service).

18 * * *

19 § 5934. State accumulation account.

20 The State accumulation account shall be the ledger account to
21 which shall be credited all contributions of the Commonwealth or
22 other employers whose employees are members of the system and
23 made in accordance with the provisions of section 5507(a)
24 (relating to contributions by the Commonwealth and other
25 employers) except that the amounts received under the provisions
26 of the act of May 12, 1943 (P.L.259, No.120), and the amounts
27 received under the provisions of the Liquor Code, act of April
28 12, 1951 (P.L.90, No.21), shall be credited to the State Police
29 benefit account or the enforcement officers' benefit account as
30 the case may be. All amounts transferred to the fund by county

1 retirement systems or pension plans in accordance with the
2 provisions of section 5507(c) (relating to contributions by the
3 Commonwealth and other employers) also shall be credited to the
4 State accumulation account. The State accumulation account shall
5 be credited with valuation interest. The reserves necessary for
6 the payment of annuities and death benefits as approved by the
7 board and as provided in Chapter 57 (relating to benefits) shall
8 be transferred from the State accumulation account to the
9 annuity reserve account provided for in section 5935 (relating
10 to annuity reserve account), except that the reserves necessary
11 on account of a member who is an officer of the Pennsylvania
12 State Police or an enforcement officer shall be transferred from
13 the State accumulation account to the State Police benefit
14 account provided for in section 5936 (relating to State Police
15 benefit account) or to the enforcement officers' benefit account
16 as provided for in section 5937 (relating to enforcement
17 officers' benefit account) as the case may be.

18 Section 17. Title 71 is amended by adding a section to read:

19 § 5953.5. Transfer of domestic relations orders against county
20 pension plans.

21 (a) General rule.--If, at the time a county employee becomes
22 a State employee pursuant to 42 Pa.C.S. § 1905 (relating to
23 county-level court administrators), there is a domestic
24 relations order entered against the transferred employee or the
25 county retirement system or pension plan in which the county
26 employee was a contributor immediately prior to the transfer to
27 State employment and if the domestic relations order affects the
28 rights of the transferred employee or any county alternate payee
29 to receive money or benefits from the county retirement system
30 or pension plan, the domestic relations order shall be affected

1 as follows:

2 (1) If the county employee elects to convert county
3 service to State service in accordance with section 5303.1
4 (relating to election to convert county service to State
5 service), the domestic relations order will remain in effect;
6 but the obligations of the county retirement system or
7 pension plan shall be assumed by the board or system if the
8 domestic relations order is certified as an approved domestic
9 relations order by the secretary of the board or a designated
10 representative pursuant to section 5953.1 (relating to
11 approval of domestic relations orders). If the domestic
12 relations order is not certified as an approved domestic
13 relations order, the order shall not be effective against the
14 board or system and shall not require the board or system to
15 attach, assign, or otherwise pay benefits or money to any
16 person except as otherwise provided for in this part.

17 (2) If the county employee does not elect to convert
18 county service to State service, the domestic relations order
19 shall remain in effect against the county retirement system
20 or pension plan; and the order shall not be effective against
21 the board or the system and shall not require the board or
22 system to attach, assign, or otherwise pay benefits or money
23 to any person except as otherwise provided for in this part.

24 (b) Construction.--

25 (1) Nothing in this section shall be construed to
26 prevent a domestic relations order from being amended to
27 satisfy the provisions of this part or to alter any
28 distribution scheme to reflect the transfer of employment
29 from a county to the State or the conversion of benefits from
30 a county retirement system or pension plan to benefits from

1 the system.

2 (2) Nothing in this section shall be construed to
3 prevent a domestic relations order from being amended to
4 provide that all or part of the obligations attaching against
5 the county retirement system or pension plan prior to the
6 transfer of employment to the State shall not be transferred
7 to the board or the system.

8 (c) Definitions.--As used in this section, the following
9 words and phrases shall have the meanings given to them in this
10 subsection:

11 "County alternate payee." Any spouse, former spouse, child
12 or dependent of a county employee who is recognized by a
13 domestic relations order as having a right to receive all or a
14 portion of the moneys payable to that county employee under the
15 county retirement system or pension plan in which the county
16 employee was a contributor immediately prior to transfer to
17 State employment.

18 "Domestic relations order." As defined in section 5102
19 (relating to definitions), regardless of whether the order was
20 entered before or after June 28, 1994.

21 Section 18. This act shall apply to the county employees who
22 become State employees pursuant to 42 Pa.C.S. § 1905.

23 Section 19. County employees transferred to State employment
24 pursuant to 42 Pa.S.C. § 1905 who are annuitants of the State
25 Employees' Retirement System shall be required to be active
26 members of the State Employees' Retirement System and shall have
27 their annuities stopped pursuant to 71 Pa.C.S. §§ 5301(d) and
28 5706, governing annuitants of the State Employees' Retirement
29 System who return to State service. Upon subsequent termination
30 and application for annuity, the transferred State Employees'

1 Retirement System annuitants shall have their benefits
2 calculated according to the provisions of 71 Pa.C.S. Pt. XXV,
3 regarding annuities after subsequent termination. For purposes
4 of calculating eligibility points for the application of 71
5 Pa.C.S. § 5706(c)(1), only eligibility points earned after the
6 date of transfer may be included, unless the member has
7 converted county service to State service pursuant to 71 Pa.C.S.
8 § 5303.1. If a former annuitant has converted county service to
9 State service, the eligibility points subsequent to the most
10 recent receipt of an annuity that is not returned to the State
11 Employees' Retirement System as a result of the converted
12 service shall also be included in calculating the eligibility
13 points under 71 Pa.C.S. § 5706(c)(1).

14 Section 20. Except as otherwise set forth in this act,
15 county employees who are transferred to State employment
16 pursuant to 42 Pa.C.S. § 1905 shall be subject to the terms and
17 conditions of 71 Pa.C.S. Pt. XXV in the same manner and extent
18 as any other individual commencing State employment who is
19 eligible for the benefits and obligations of Class A membership
20 with a superannuation age of 60 years.

21 Section 21. Upon the filing by a county employee transferred
22 to State employment pursuant to 42 Pa.C.S. § 1905 of an election
23 to convert county service to State service, the State Employees'
24 Retirement Board shall notify the appropriate county retirement
25 system or pension plan administrator. Within 30 days of
26 notification the county retirement system or pension plan
27 administrator shall certify to the State Employees' Retirement
28 Board the total amount of service credited to the electing
29 member's account, and such information on how it was earned or
30 acquired, in the county retirement system or pension plan,

1 including, but not limited to, the nature of the underlying
2 service or legal authority on which the credit was based and the
3 dates covered by the credit as requested by the State Employees'
4 Retirement Board. The administrators, employees, trustees and
5 fiduciaries of all retirement systems or pension plans operated
6 for the transferred employees shall provide whatever information
7 and records are requested by the State Employees' Retirement
8 System within 30 days of the request for the transferred
9 employees. If a county retirement system or pension plan fails
10 to provide the information required by this section, the county
11 shall be subject to a penalty of \$100 per day for each of the
12 transferred employees until the information is provided.

13 Section 22. (a) County employees who are transferred to
14 State employment pursuant to 42 Pa.C.S. § 1905 shall have their
15 county employment by virtue of judicial system employment
16 terminated effective the day before the transfer. No further
17 rights in any county retirement system by virtue of employment
18 with the State shall accrue, but such transferred member shall
19 have the rights, privileges and obligations in the retirement
20 system of the county enjoyed by any other involuntarily
21 terminated employee who is a member of that plan of the same
22 gender and with the same age, years of service, compensation,
23 contributions and other factors that enter into the calculation
24 of benefits.

25 (b) Notwithstanding subsection (a) or any other provision of
26 this act, including, but not limited to, the addition of 71
27 Pa.C.S. §§ 5301(e) and 5303.1(d), and section 23 of this act and
28 notwithstanding any other provision of law, ordinance,
29 collective bargaining agreement, arbitration award, contract or
30 term or condition of any retirement system or pension plan, any

1 transferred member who elects to convert county service to State
2 service may elect to leave in the county retirement system or
3 pension plan any contributions of whatever nature made by the
4 employee, including, but not limited to, pickup contributions,
5 and any interest paid on those contributions. Upon making such
6 an election, the retirement system or pension plan shall treat
7 the contributions and interest as if the member had remained in
8 full-time active service as an employee of the county for the
9 period the transferred employee is a State employee, including
10 the crediting of interest if and as otherwise provided for by
11 the retirement system or pension plan. Upon termination of State
12 service, the transferred employee may make application to the
13 county pension plan or retirement system as if the transferred
14 employee was terminating county service and shall be granted
15 whatever rights and benefits, including an immediate lump sum
16 distribution or an annuity from the county pension plan or
17 retirement system equal to the contributions and interest in the
18 member's account with the county, provided to a terminating
19 member with the age and service the member would have possessed
20 had the member remained a full-time employee of the county. Such
21 election must be in writing filed with the administrator of the
22 county pension plan or retirement system from which the county
23 service is being converted and must be made within 30 days after
24 the election to convert county service to State service.

25 Section 23. County service that is converted to State
26 service pursuant to 71 Pa.C.S. § 5303.1 shall be canceled in all
27 retirement systems in which it was previously credited and shall
28 lose all characteristics of county service.

29 Section 24. For purposes of this act, any county employee
30 who is transferred to State employment pursuant to 42 Pa.C.S. §

1 1905, who is on leave at the time of the transfer or who is not
2 an active participant or contributor to the county retirement
3 system or pension plan but is still an employee of the county
4 judicial system at the time of the transfer shall be deemed an
5 active member for purposes of the implementation of this act and
6 the elections required herein.

7 Section 25. Notwithstanding the definition of "final average
8 salary" contained in 71 Pa.C.S. § 5102, if a member who elects
9 to convert county service to State service pursuant to 71 Pa.C.S.
10 § 5303.1 terminates State service before having been a member of
11 the State Employees' Retirement System for three nonoverlapping
12 periods of four consecutive calendar quarters, the final average
13 salary shall be determined on the basis of the compensation
14 received as a State employee and as a county employee before the
15 transfer to State employment and shall be calculated over any
16 three nonoverlapping periods of four consecutive calendar
17 quarters during which the member was a State employee or a
18 county employee, with the compensation for part-time service
19 being annualized on the basis of the fractional portion of the
20 year for which credit is received.

21 Section 26. Contributions and other money transferred from
22 the county retirement systems and pension plans to the State
23 Employees' Retirement System shall retain the same attributes
24 for Federal, State and local tax laws to the extent allowed by
25 law.

26 Section 27. Notwithstanding any regulation promulgated by
27 the State Employees' Retirement Board, eligibility for
28 superannuation benefits at 55 years of age shall require the
29 actual accrual of 20 eligibility points. Consistent with 71
30 Pa.C.S. Pt. XXV, known as the State Employees' Retirement Code,

1 and its application by the board, members who have Class G,
2 Class H, Class I, Class J, Class K, Class L, Class M or Class N
3 service have a superannuation age upon the attainment of age 55
4 with 20 or more eligibility points only for service in those
5 classes of service.

6 Section 28. The General Assembly declares that the
7 provisions of this act are expressly nonseverable and that in
8 the event a court of competent jurisdiction rules finally that
9 any provision mandated in this act is legally or
10 constitutionally impermissible, this entire act shall be void.

11 Section 29. The calculation of the contributions to be
12 transferred by county retirement systems or pension plans
13 pursuant to 71 Pa.C.S. § 5507(c) shall include interest at the
14 annual rate adopted for that fiscal year by the board for the
15 calculation of the normal contribution rate pursuant to 71
16 Pa.C.S. § 5508(b) from the effective date of the transfer of the
17 former county employees to State employment to the date of the
18 transfer of the funds to the State Employees' Retirement System.

19 Section 30. This act constitutes the legislation referred to
20 in section 281 of the act of April 22, 1998 (P.L. , No.6A),
21 known as the General Appropriations Act of 1998, which provides
22 as to the appropriation for county court administrators for the
23 unified judicial system in part: "No funds from this
24 appropriation shall be expended until legislation is approved by
25 the General Assembly and enacted into law by the Governor which
26 provides for: (i) the payment by the Commonwealth of
27 compensation of county court administrators, and (ii) the
28 Administrative Office of Pennsylvania Courts to submit
29 semiannual reports to the Appropriations Committee of the Senate
30 and the House of Representatives setting forth expenditure and

1 complement plans and showing the status of personnel actions and
2 expenditures" and such provision of section 281 is hereby
3 repealed.

4 Section 31. This act shall take effect immediately.