

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 699 Session of 2023

INTRODUCED BY COLEMAN, PHILLIPS-HILL AND STEFANO, MAY 23, 2023

REFERRED TO FINANCE, MAY 23, 2023

AN ACT

1 Amending Title 71 (State Government) of the Pennsylvania
 2 Consolidated Statutes, in membership, credited service,
 3 classes of service, and eligibility for benefits, further
 4 providing for mandatory and optional membership in the system
 5 and participation in the plan.

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

8 Section 1. Section 5301(b), (b.1), (c) and (d)(2) of Title
 9 71 of the Pennsylvania Consolidated Statutes are amended to
 10 read:

11 § 5301. Mandatory and optional membership in the system and
 12 participation in the plan.

13 * * *

14 (b) Optional membership in the system.--[The]

15 (1) Except as provided under paragraph (2), the State
 16 employees listed in subsection (a)(1) through (11) shall have
 17 the right to elect membership in the system; once such
 18 election is exercised, membership shall continue until the
 19 termination of State service. State employees listed in
 20 subsection (a)(17) who are listed in subsection (a)(1)

1 through (11) shall have the right to elect membership in
2 Class A-5 or Class A-6 provided they have not previously
3 elected to be solely participants in the plan.

4 (2) A State employee who first becomes a Senator on or
5 after December 1, 2024, and is not or has not previously been
6 a member of the system may not elect membership in the
7 system, but may elect participation in the plan if not a
8 mandatory participant.

9 (b.1) Optional participation in the plan.--

10 (1) The State employees who are optional members of the
11 system as members of Class A-5 or Class A-6 also are optional
12 participants in the plan. The State employees who elect
13 membership in the system as members of Class A-5 or Class A-
14 6, including the employees who elect to become members of
15 Class A-5 or Class A-6 under section 5306.5 (relating to
16 election by active members to become a Class A-5 member,
17 Class A-6 member or plan participant) also automatically
18 elect participation in the plan as of the date they elect
19 membership in the system, except for service as a Class A-5
20 exempt employee. A State employee can elect participation in
21 the plan without also electing membership in the system under
22 section 5306.4.

23 (2) A State employee who first becomes a Senator on or
24 after December 1, 2024, and is not or has not previously been
25 a member of the system or a participant in the plan may elect
26 to be solely a participant in the plan within 30 days of
27 taking office as a Senator. The following shall apply:

28 (i) An election by a Senator to become solely a
29 participant in the plan under this paragraph shall be
30 irrevocable and shall become effective on the date the

1 State employee takes office as Senator and shall remain
2 in effect for all future State service, other than
3 service performed as a Class A-5 exempt employee. Payment
4 of mandatory participant pickup contributions for service
5 as a Senator solely as a participant in the plan
6 performed prior to the election shall be made in a form,
7 manner and time determined by the board.

8 (ii) Upon termination and subsequent reemployment, a
9 Senator who elected to be solely a participant in the
10 plan under this paragraph shall resume active
11 participation for State service performed after
12 reemployment, except as a Class A-5 exempt employee,
13 regardless of termination of employment, termination of
14 participation by a partial or total distribution of
15 vested total defined contributions or status as an
16 annuitant, vestee or inactive member of the system as a
17 Class A-5 exempt employee after the termination of
18 service.

19 (iii) Failure of a Senator who is eligible to elect
20 to become solely a participant in the plan under this
21 paragraph to make the election within 30 days of taking
22 office as a Senator shall result in all of the Senator's
23 service as a Senator not being eligible for future
24 election or crediting as service in the system or as a
25 participant in the plan.

26 (c) Prohibited membership in the system.--The State
27 employees listed in [subsection] subsections (a) (12), (13), (14)
28 and (15) and (b) (2) shall not have the right to elect membership
29 in the system.

30 * * *

1 (d) Return to service.--

2 * * *

3 (2) An annuitant or a participant receiving
4 distributions who returns to service as a State employee on
5 or after January 1, 2019, shall resume active membership in
6 the system and, if an active member of Class A-5 or Class A-
7 6, shall be an active participant in the plan as of the
8 effective date of employment, except as otherwise provided in
9 section 5706(a), regardless of the optional membership or
10 participation category of the position: Provided, however,
11 That a participant or former participant who previously
12 elected to be solely a participant under subsection (b.2) or
13 section 5306.4 or 5306.5 shall be a participant in the plan
14 and not an active member of the system, except for service as
15 a Class A-5 exempt employee.

16 * * *

17 Section 2. This act shall take effect immediately.