

No. 179

AN ACT

To amend section 11.1 of the act, approved the eighteenth day of July, one thousand nine hundred seventeen (Pamphlet Laws 1043), entitled "An act establishing a public school employes' retirement system, and creating a retirement board for the administration thereof; establishing certain funds from contributions by the Commonwealth and contributing employes, defining the uses and purposes thereof and the manner of payments therefrom, and providing for the guaranty by the Commonwealth of certain of said funds; imposing powers and duties upon boards having the employment of public school employes; exempting annuities, allowances, returns, benefits, and rights from taxation and judicial process; and providing penalties," by providing for credit for retirement purposes for out-of-state service in certain cases.

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

Public school employes' retirement system.

Section 1. Section 11.1 of the act, approved the eighteenth day of July, one thousand nine hundred seventeen (Pamphlet Laws 1043), entitled "An act establishing a public school employes' retirement system, and creating a retirement board for the administration thereof; establishing certain funds from contributions by the Commonwealth and contributing employes, defining the uses and purposes thereof and the manner of payments therefrom, and providing for the guaranty by the Commonwealth of certain of said funds; imposing powers and duties upon boards having the employment of public school employes; exempting annuities, allowances, returns, benefits, and rights from taxation and judicial process; and providing penalties," as last amended by the act, approved the twenty-eighth day of July, one thousand nine hundred fifty-three (Pamphlet Laws 684), is hereby amended to read as follows:

Section 11.1, act of July 18, 1917, P. L. 1043, as last amended July 28, 1953, P. L. 684, further amended.

Section 11.1. Any contributor who has had service in states, territories or areas under the jurisdiction of the United States, besides this Commonwealth, as an employe in any public school or institution, for a period of at least one year, and who (i) submits proof satisfactory to the retirement board of all or part of such service, (ii) files an affidavit, in the form prescribed by the retirement board, stating that he or she is not entitled to a deferred retirement allowance for such service, and, in the case of contributors becoming members after the effective date of this amending act, that he or she has not forfeited any vested right to a deferred retirement allowance for such service, and (iii) pays or agrees to pay, as hereinafter provided, into the school Employes Retirement Fund, an amount equal to the contributions which would have been collected from such contributor for the period of such service, had such service been

Credit for retirement purposes for out-of-state provided in certain cases.

Requirements.

- rendered in this Commonwealth, at his or her earnable salary for the school year in which application for credit for out-of-state service is made, figured at the contributor's current percentage of salary deduction, together with an additional amount as the equivalent of the contributions of the school district and the Commonwealth on account of such service, shall be credited with such years of service for retirement purposes. Such credit shall not exceed ten years, nor the number of years between the age of the contributor at the time he or she becomes a member and the age at retirement, nor the number of years of credited service in this Commonwealth.
- Extent of credit.** Application in writing for such credit must be made to the retirement board within three years after the applicant becomes a member of the retirement system, or, in the case of applicants who are members on the effective date of this amending act, [within three years from that date] *on or before October 1, 1960.*
- Time of filing application for credit.** The contributions required to be paid for such service credit may be paid in a lump sum, or by installments, agreed upon by the contributor and the retirement board. Installment payments must begin [within the period of three years from the effective date of this act,] *on or before October 1, 1960,* or before the contributor has completed three years of service in this Commonwealth. All such contributions shall be credited in equal amounts to the member's annuity savings account and the Contingent Reserve Account if a new entrant, or the State Annuity Reserve Account Number Two if a present employe. In the event that a contributor withdraws from the retirement system, or retires on superannuation or disability retirement before such contributions are fully paid, the employe's annuity and his State annuity shall be credited with the number of years of out-of-state service or fractional parts thereof, for which he has purchased credit, to the date of application for retirement. In the event that a contributor separates from the retirement system otherwise than by superannuation, disability or withdrawal allowance, the amount paid by him under this section as the equivalent of the contributions of the school district and the Commonwealth shall be paid to him or to a designated beneficiary at his request. Any contributor who has purchased an annuity under the provisions of subsection six point one of section eight of this act may forfeit such annuity, and direct that the money paid into the School Employees Retirement Fund therefor be applied to the contributions required by this section.
- Methods for payment of required contributions.**
- Crediting such contributions.**
- Withdrawal of contributor from retirement system, or retirement before contributions fully paid.**
- Repayments to contributors in case of separation from retirement system in certain cases.**
- Forfeiture of annuity and direction that money paid therefor be applied to required contributions.**

APPROVED—The 20th day of June, A. D. 1957.

GEORGE M. LEADER