

## No. 291

## AN ACT

HB 2643

Amending the act of July 28, 1953 (P.L.723), entitled, as amended, "An act relating to counties of the second class and second class A; amending, revising, consolidating and changing the laws relating thereto," redefining and defining certain terms, *changing superannuation retirement age and years of service*, changing the interest rate on contributions, changing the maximum amount an employe must contribute and further providing for retirement benefits.

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

Section 1. Section 1701, act of July 28, 1953 (P.L.723), known as the "Second Class County Code," amended May 31, 1955 (P.L.111), September 1, 1965 (P.L.444) and November 30, 1967 (P.L.653), is amended to read:

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

"Board," county employes' retirement board.

"Compensation," salary or wages received per day, weekly, *bi-weekly*, semi-monthly, monthly, annually, or during an official term year.

"Contributions," amount paid into the retirement fund.

"County employe," any person employed by the county, including all elected or appointed county officers, **[clerical personnel in the offices of the county superintendent of schools]** and agricultural extension association, county institutions district, county prison, **[county workhouse and inebriate asylum,]** any county correctional institution, law library and county retirement board, employes whose compensation is paid out of county funds, except employes employed by any board of trustees of a community college of which the county is a local sponsor pursuant to the act of August 24, 1963 (P.L.1132), known as the "Community College Act of 1963," as amended, county institution district funds or county retirement system funds *or any department created by the office of the county commissioners*, and any person receiving compensation for accidental injuries in accordance with the provisions of The Pennsylvania Workmen's Compensation Act: Provided, That the injured county employe during the period of his or her disability shall pay each month a sum equal to the last monthly contribution paid into the retirement fund when said county employe was in employment. It shall not include any time spent by a county employe on furlough or leave of absence without compensation, a person reemployed as a county employe subsequent to the thirty-first day of May, one thousand nine hundred fifty-three, in accordance with the provisions of subsection (c) of section 1712, **[nor any county employe who is ineligible to receive a retirement allowance in accordance with the provisions of subsection (c) of section 1716,]** except such county employes who may be in active military service in accordance with the

provisions of subsection (d) of section 1710 and former county employes whose monthly contributions are paid into the retirement fund in accordance with the provisions of section 1713. In all cases of doubt the board shall determine who is an employe within the meaning of this article.

"Monthly," calendar month.

"Per Annum," twelve calendar months.

"Reemployed," any former county employe who is reemployed as such, shall thereupon assume the status of a new or future county employe and may, if eligible, receive credit for previous service in accordance with the provisions of subsection (b) of section 1715. It shall not include any person reemployed subsequent to the thirty-first day of May, one thousand nine hundred fifty-three, in accordance with the provisions of subsection (c) of section 1712, nor any county employe who may be in active military service in accordance with the provisions of subsection (d) of section 1710 [**as well as any county employe who is ineligible to receive a retirement allowance in accordance with the provisions of subsection (c) of section 1716**].

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

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

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

"Vested Interest," future county employes including persons who are reemployed as such, except as hereinafter provided, whose contributions as paid into the retirement fund have been retained therein, or have been refunded by the board, who have fulfilled all conditions required to qualify such county employes for a retirement allowance plus a service increment, if any. It shall not include persons who are reemployed as county employes in accordance with the provisions of subsection (c) of section 1712 [**nor any person ineligible to become a member of the retirement system**].

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

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

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

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

Section 2. Section 1708 of the act, amended May 31, 1955 (P.L.111) and January 26, 1966 (P.L.1597), is amended to read:

Section 1708. Compulsory Membership; Employes Payment Into Fund; Exceptions; Vested Interest.—(a) Each county employe shall be required to become a member of the county employes' retirement system within six months from the date of his or her employment. The said county employe may elect to become a member of the retirement system at any time during the aforesaid six months period of time by notifying the head of the department, office or agency in which department, office or agency he or she is employed of the said election. A copy thereof shall be filed immediately with the board. He or she shall, each month, pay into the retirement fund a monthly contribution, being a certain percentage of the amount received by him or her as compensation during the preceding calendar month, which shall be computed on a monthly compensation of **[five hundred dollars (\$500)]** *six hundred dollars (\$600)* or less. Said monthly contribution shall be the percentage of his or her compensation as heretofore stated, which percentage is as follows:

Prior to and for the year 1965, five per centum.

For the year 1966, six per centum.

For the year 1967, six and one-half per centum.

For the year 1968, seven per centum.

For the year 1969, and thereafter, seven and one-half per centum.

Except as hereinafter provided, the aforesaid increase rate of monthly contributions to be paid into the retirement fund to enhance the actuarial soundness of said fund, shall be applicable to all county employes who are members of the retirement system. Such monthly contributions shall be collected by the county treasurer and by him paid into the retirement fund. The payment of the increased rate of the aforesaid monthly contributions shall not apply to such former county employes whose monthly contributions are now paid into said fund in accordance with the provisions of subsection (d) of section 1713. Any county employe receiving compensation for accidental injuries in accordance with the provisions of The Pennsylvania Workmen's Compensation Act shall during the period of time in which such county employe is receiving disability benefits, as provided in the aforesaid act, pay each month for retirement benefits a sum equal to the last monthly contribution as paid into the retirement fund when said county employe was in employment. The monthly contribution shall not be paid by any person who was receiving a retirement allowance and is subsequent to the thirty-first day of May, one thousand nine hundred fifty-three, reemployed as a county employe **[, nor shall any county employe pay the said monthly contribution who is ineligible to receive a retirement allowance in accordance with the provisions of subsection (c) of section 1716,]** or any other person who is ineligible to become a member of the retirement system.

(b) All present and future county employes except such persons who are reemployed as such subsequent to the thirty-first day of May, one thousand nine hundred fifty-three, in accordance with the provisions of subsection (c) of section

1712, [and county employes who are ineligible to receive a retirement allowance in accordance with the provisions of subsection (c) of section 1716,] shall upon retirement be entitled to receive the benefits of such change in the service period increased maximum retirement allowance and service increment if any as well as such other benefits as may apply to his or her status upon retirement in accordance with the provisions of this article.

(c) No future county employe including persons who are reemployed as such, except as hereinafter provided, whose contributions as paid into the retirement fund have been retained therein or have been refunded by the board, shall have a contractual or vested interest in the retirement system prior to the time he or she shall have fulfilled all conditions required to qualify such county employe for a retirement allowance plus a service increment if any. It shall not include persons who are reemployed as county employes in accordance with the provisions of subsection (c) of section 1712.

Section 3. Section 1709 of the act, amended May 31, 1955 (P.L.111) and August 24, 1961 (P.L.1124), is amended to read:

Section 1709. Appropriation and Payment to Retirement Fund.—At their annual budget session, the county commissioners shall make such an appropriation as will enable them to pay, and there shall be paid out of county taxes and county institution district taxes, a sum of money, each month, which shall be equal to the amount paid into the retirement fund by the county employes during the preceding month *or bi-weekly pay periods* in accordance with the provisions of section 1708.

The county commissioners shall appropriate such amounts as are certified by the State Employes' Retirement Board as necessary to establish reserves for the benefit of any former member of the county employes' retirement system, whose employment with the county was terminated because of the incorporation into the State highway system of all or any county highways, or sections thereof, bridges, tunnels, viaducts, or sections thereto, in counties of the second class, and who became a member of the State Employes' Retirement System and who elected to receive credit in the State Employes' Retirement System for service as a member of the county employes' retirement system. Such appropriations shall be made at the annual budget session next succeeding the year in which certification is received from the State Employes' Retirement System and payment to the State Employes' Retirement Fund shall be made within ninety (90) days of the adoption of the budget.

Section 4. Section 1710 of the act, amended May 31, 1955 (P.L.111), February 1, 1956 (P.L.987), March 19, 1956 (P.L.1299), July 8, 1957 (P.L.541) and December 16, 1965 (P.L.1115), is amended to read:

Section 1710. Employes Eligible for Retirement Allowances.—(a) Every present or future county employe who has reached the age of sixty years or upwards and who has to his or her credit a period of service of [fifteen] *ten* years but less than twenty years shall, upon application to the board, be retired from service, and shall thereafter receive, during life,

except as hereinafter provided, a retirement allowance computed on a service period of twenty (20) years which shall equal one twentieth (1/20) of such amount as he or she may be eligible to receive in accordance with the provisions of subsection (a) of section 1712, for each year's service which such county employe may have to his or her credit during the aforesaid period of time. The time spent in the employ of the county or county institution district need not necessarily have been continuous. The aforesaid retirement allowance shall be subject to a suspension thereof in accordance with the provisions of *subsection (h) of this section 1710 and subsection (c) of section 1712 [and subsection (b) of section 1716]*.

(b) Every present or future county employe, other than a member of the police force, who has reached the age of sixty years or upwards and who shall have been a county employe during a period of twenty or more years, and every county employe who is a member of the police force and who shall have been a county employe during a period of twenty or more years and has reached the age of fifty-five years or upward, shall, upon application to the board, be retired from service, and shall thereafter receive, during life, except as hereinafter provided, a retirement allowance plus a service increment if any, in accordance with the provisions of section 1712. The time spent in the employ of the county or county institution district need not necessarily have been continuous: Provided, That when any county employe has twenty or more years service, not necessarily continuous, and has reached the age of fifty years or upwards, and shall be separated from the service of the county or county institution district by reason of no cause or act of his or her own, upon application to the board he or she shall thereafter receive, during life, except as hereinafter provided, a retirement allowance plus a service increment if any, in accordance with the provisions of section 1712. The aforesaid retirement allowance plus a service increment if any, shall be subject to a suspension thereof in accordance with the provisions of *subsection (h) of this section 1710 and subsection (c) of section 1712 [and subsection (b) of section 1716]*.

(c) A person who became a county employe through the consolidation of a city institution district with a county institution district may have the period of his or her city employment credited as a county employe for all purposes under this article: Provided, That said person, between the twenty-second day of May, one thousand nine hundred forty-five, and the twenty-second day of May, one thousand nine hundred forty-six, shall have paid into the retirement fund the amount which he or she would have been required to pay into the said fund if such person had been a county employe from the date of his or her original employment with the city: And further provided, That the city by which the said person was formerly employed shall have paid into the retirement fund an amount equal to that paid into the said fund by the said person in accordance with the provisions of this article. Any present county institution district employe who, prior to the twenty-second day of May, one thousand nine hundred forty-five, was a city institution district employe and who did not make payments for previous service credit as a county employe between the aforesaid period of time as herein

provided, may, prior to the first day of April, one thousand nine hundred fifty-six, make application to the board and, upon approval thereof, shall pay into the retirement fund a sum equal to twice the payment which such person would have been required to pay into the said fund had such person been a county employe from the date of his or her original employment with the city. In addition thereto, interest at the legal rate shall be paid from the date when such monthly payment would have been made. Both principal and interest shall be paid into the retirement fund at one time and in one amount or, upon approval of the board, both principal and interest shall be consolidated into one amount and paid in twelve or less equal monthly installments, plus interest payment on monthly balances. Full payment thereof shall be a condition precedent to the county employe being eligible to receive the benefits of the retirement allowances.

No person shall be eligible to receive the benefits for prior service under this subsection, who is a member of a retirement or pension system of any city of the second class.

If such county employe leaves the employ of the county institution district before he or she shall be eligible to receive the benefit of the retirement allowances, a refund of his or her contributions as paid into the retirement fund shall be made in accordance with the provisions of section 1714.

(d) Any county employe who on and after the sixteenth day of September, one thousand nine hundred forty, has been employed by the county or county institution district for a period of six or more months, and who, on or subsequent to such date, shall have enlisted or been inducted into military service of the United States in time of war or national emergency, so proclaimed by the President or the Congress of the United States, or any police action in which the United States is engaged, or shall serve in the military service of the United States during any armed conflict, shall have credited to his employment record, for retirement benefits, all of the time spent by him in such military service during the continuance of such war, armed conflict, national emergency or police action, if such person returns or has heretofore returned to his employment within one year after his separation from military service and such payments as are required to be made by such county employe into the county employes' retirement fund shall be paid into such fund by the county or county institution district, upon application by such county employe for retirement benefits. Any county employe who has been in military service and returned to the employ of the county or county institution district shall, within one year after the effective date of this article, file with the board a record of the time spent by him in such military service. Any county employe who has been in military service prior to the effective date of this article and has made payments into the county employes' retirement fund to secure for his employment record credit for his military service shall be reimbursed to the full extent of such payments by the board.

(e) Any person who became a county employe through the consolidation of a Department of Health of a city of the second class with a Department of Health of a county of the second class may have the period of his or her city employment credited as a county employe for all purposes under this article, including any

credit for United States military service for which such person of said city has been given credit for retirement benefits. Such person shall, within three years from the effective date of the consolidation, make application to the board and, upon approval thereof, pay into the retirement fund the contributions which such person would have been required to pay into the fund had such person been a county employe from the date of his or her original employment in the city. The gross sum shall be paid into the retirement fund at one time and in one amount or, upon approval of the board, the gross sum shall be paid in twelve or less equal consecutive monthly installments. Full payment thereof, as well as the gross sum to be paid by the city as herein provided, shall be a condition precedent to the county employe being eligible to receive the benefits of the retirement allowances. The city by which such person was formerly employed shall pay into the retirement fund an amount equal to the gross sum as paid into the said fund by the former city employe in accordance with the provisions of this article. Included in said gross sum to be paid by such city, shall be an amount in payment for said employes' United States military service credit, if any, for retirement benefits, which amount shall be based on the contribution which such employe would have been required to pay into the retirement fund had he or she been a county employe during such period. The city is herewith authorized and empowered to make an appropriation out of the funds of the city to pay into the retirement fund the necessary amounts as herein provided.

If such county employe leaves the employ of the county before he or she shall be eligible to receive the benefits of the retirement allowances, a refund of his or her contributions as paid into the retirement fund, less the amount as paid by said city for United States military service credit, if any, for retirement benefits, shall be made in accordance with the provisions of section one thousand seven hundred fourteen.

(f) Any person who is an employe of any city of the third class, borough or township, and who is a member of a retirement or pension system established by such city of the third class, borough or township, who shall heretofore or hereafter be employed by a department of health of a county of the second class, may have the period of his or her employment in any of the aforesaid municipalities credited as a county employe for all purposes under this article, including any credit for United States military service for which such person of said municipalities has been given credit for retirement benefits. Such person shall, within three years from the date of his or her employment in the county department of health, make application to the board and, upon approval thereof, pay into the retirement fund the contributions which such person would have been required to pay into the fund had such person been a county employe from the date of his or her original employment in any of the aforesaid municipalities. *The gross sum shall be paid into the retirement fund at one time and in one amount or, upon approval of the board, the gross sum shall be paid in twelve or less equal consecutive monthly installments.* Full payment thereof as well as the gross sum to be paid by any city of the third class, borough or township or the retirement or pension board of such municipalities shall be a condition precedent

to the county employe being eligible to receive the benefits of the retirement allowances. Any city of the third class, borough or township by which such person was formerly employed shall pay into the retirement fund an amount equal to the gross sum as paid into the fund by such former employe of any of the aforesaid municipalities in accordance with the provisions of this article. Included in said gross sum to be paid by such municipalities, shall be an amount in payment for such employes' United States military service credit, if any, for retirement benefits, which amount shall be based on the contribution which such employe would have been required to pay into the retirement fund had he or she been a county employe during such period.

Any city of the third class, borough or township is herewith authorized and empowered to make an appropriation out of the funds of such city of the third class, borough or township to pay into the retirement fund the necessary amounts as herein provided, or any of the aforesaid municipalities which have an established retirement or pension system, the retirement or pension board thereof shall certify to the county board, upon request, the period of service as set forth in the records of such municipal retirement or pension board, the period of service for which credit has been allowed such former municipal employe, and to transfer to the county retirement fund a sum equal to all contingent and annuity reserves and accumulated deductions as recorded to the credit of its former employe in its retirement or pension system as determined by the retirement or pension board of such municipality, for the purpose of establishing credit in the County Employes' Retirement System under which he or she may receive credit in said system as a county employe for services previously credited to him or her in the aforesaid municipal retirement or pension system. Upon receipt of the aforesaid request, the retirement or pension board of such municipalities shall make such certification and transfer of funds to the County Employes' Retirement System as herein provided.

If such county employe leaves the employ of the county before he or she shall be eligible to receive the benefits of the retirement allowances, a refund of his or her contributions as paid into the retirement fund less the amount as paid by such municipalities for United States military service credit, if any, for retirement benefits, shall be made in accordance with the provisions of section one thousand seven hundred fourteen.

(g) Any person who is an employe of the Department of Health of this Commonwealth and a member of the State Employes' Retirement Association, as provided by the act of June 27, 1923 (P.L.858), its amendments and supplements, who has heretofore or shall hereafter be employed by a Department of Health of a county of the second class, may have the period of his or her former State employment credited as a county employe for all purposes under this article as hereinafter set forth.

Such person shall, upon employment in the county Department of Health, make application to the board within three years from the effective date of this amendment and, upon approval of said application, pay into the retirement fund the contributions which such person would have been required to pay into the



fund had such person been a county employe from the date of his or her former employment in the Commonwealth as set forth in the records of the State Employes' Retirement Board.

The county board shall request the State Employes' Retirement Board to certify to it the period of service for which credit has been allowed, and to transfer to the county retirement fund a sum equal to all contingent and State annuity reserves and accumulated deductions as recorded to the credit of such former employe in the State Employes' Retirement Fund as determined by the State Employes' Retirement Board, for the purpose of establishing credit in the County Employes' Retirement System under which he or she may receive credit in said system as a county employe for services previously credited to him or her in the State Employes' Retirement Association. Upon receipt of the aforesaid request, the State Employes' Retirement Board shall make such certification and transfer of funds to the County Employes' Retirement System as herein provided.

If such county employe leaves the employ of the county before he or she shall be eligible to receive the benefits of the retirement allowances, a refund of his or her contributions as paid into the retirement fund shall be made in accordance with the provisions of section 1714.

*(h) Option I. Any present or future county employe who has reached fifty-five years of age but less than sixty and who has to his or her credit a period of ten years but less than twenty years of service, shall upon application to the board be eligible to receive at age sixty years, a retirement allowance computed on a service period of twenty years, which shall equal one-twentieth of such amount as he or she may be eligible to receive in accordance with the provisions of subsection (a) of section 1712 for each year's service which such county employe may have to his or her credit during the aforesaid period of time. The time spent in the employ of the county or county institution district need not necessarily have been continuous.*

*Option II. Any present or future county employe who has reached fifty-five years of age but less than sixty and who has to his or her credit a period of ten years but less than twenty years of service, shall upon application to the board be eligible to receive thereafter, a retirement computed on a service period of twenty years, which shall equal one-twentieth of such amount as he or she may be eligible to receive in accordance with the provisions of subsection (a) of section 1712 for each year's service which such county employe may have to his or her credit during the aforesaid period of time. Further, the above retirement allowance shall be subject to a reduction of one-half of one per centum for each month under the age of sixty years. The time spent in the employ of the county or county institution district need not necessarily have been continuous. The aforesaid retirement allowance elected under Option I shall become null and void if said county or county institution district employe is reemployed prior to age sixty in accordance with the provisions of subsection (c) of section 1712.*

Section 5. Subsection (a) of section 1711 of the act, amended May 31, 1955 (P.L.111), is amended to read:

Section 1711. Exceptions in Favor of Employes Totally and Permanently Disabled.—(a) Any present or future county employe, except persons who are employed in accordance with the provisions of subsection (c) of this section and persons who are reemployed in accordance with the provisions of subsection (b) of section 1715, who has been in employ for a period of not less than fifteen years, upon application to the board, may receive a retirement allowance plus a service increment if any, in accordance with the provisions of section 1712, if he or she becomes mentally incapacitated or totally and permanently disabled physically, **[except as a result solely of chronic alcoholism,]** even though such county employe has not reached the age of sixty years, provided that proof of such mental incapacity or total and permanent physical disability shall be by the unanimous opinion and sworn statements of three practicing physicians of the county designated by the board. Application in behalf of a mentally incapacitated county employe for a retirement allowance plus a service increment if any, shall be made by a duly appointed guardian who shall be entitled to receive such retirement allowance plus a service increment if any, to which the mentally incapacitated county employe may be eligible to receive.

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Section 6. Section 1712 of the act, amended May 31, 1955 (P.L.111), February 1, 1956 (P.L.987), August 14, 1959 (P.L.710) and November 30, 1967 (P.L.653), is amended to read:

Section 1712. Amount of Retirement Allowances.—(a) The retirement allowance paid under the provisions of this article shall equal fifty per centum of the amount which would constitute the average monthly compensation as received by the county employe during the last twenty-four months *or two years on a bi-weekly pay basis* in which period of time the said county employe made monthly *or bi-weekly* contributions into the retirement fund prior to his or her retirement. Such average monthly compensation shall include the compensation which any county employe would have been entitled to and would have received except for deduction from compensation due to time spent in serving as an elected State official: Provided, That the county and the employe shall make monthly contributions based on the last compensation equal to the amount the county and he or she would have paid into the retirement fund had such compensation been paid by the county. No retirement allowance shall be computed on a monthly compensation in excess of **[five hundred dollars (\$500)] six hundred dollars (\$600)** nor shall a retirement allowance be paid for a fraction of a service year.

After the effective date of this amendment, certain former county employes who are now receiving a retirement allowance shall receive an increase of a certain per centum of such retirement allowance, which sum shall be computed on the average monthly retirement allowance as heretofore authorized by the board.

The per centum of increase in said monthly retirement allowance shall be as indicated in the following schedule, to-wit:

			Monthly Rate of Increase.
Persons receiving	\$20.00, but less than	\$40.00,	50 per centum.
Persons receiving	40.00, but less than	50.00,	40 per centum.
Persons receiving	50.00, but less than	60.00,	30 per centum.
Persons receiving	60.00, but less than	70.00,	20 per centum.
Persons receiving	70.00, but less than	80.00,	10 per centum.
Persons receiving	80.00, but less than	90.00,	5 per centum.

No person who is reemployed as a county employe shall be eligible to receive the benefit of a retirement allowance plus a service increment, if any, until he or she shall have made at least twelve monthly *or twenty-six bi-weekly* contributions into the retirement fund subsequent to his or her reemployment. *The foregoing provisions shall not have a retroactive application and shall apply only to present and future county employes. The rate required to be paid in accordance with this provision shall apply to present county employes notwithstanding the rate of contribution that the present county employe has made into the retirement fund.*

(b) In addition to the retirement allowance which is authorized by this article and notwithstanding the limitations therein placed upon retirement allowances, any present or future county employe who upon retirement shall be eligible to receive payment of a retirement allowance and who has been employed as such for twenty-one or more years during which period of time he or she shall have made monthly contributions into the retirement fund, shall also be eligible to the payment in addition to a retirement allowance a service increment of five per centum per year computed upon the annual retirement allowance to which he or she is entitled. Said service increment shall be the sum obtained by computing *the number of years in excess of twenty years* during which period of time he or she shall have made monthly contributions into the retirement fund. No service increment shall be paid for more than ten (10) such excess service years nor shall a service increment be paid for a fraction of such service year.

(c) Any person receiving a retirement allowance plus a service increment if any, and is subsequently reemployed as a county employe, during the period of such reemployment his or her retirement allowance plus a service increment if any, shall cease until subsequent retirement. The subsequent retirement allowance and service increment if any, in the case of persons reemployed prior to the first day of June, one thousand nine hundred fifty-three, and retiring at any time after the first day of August, one thousand nine hundred fifty-three, shall be at the rate he or she would have received had there been no previous retirement. In the

case of persons reemployed after the thirty-first day of May, one thousand nine hundred fifty-three, the subsequent retirement allowance plus a service increment if any, shall be the same as he or she received prior to his or her reemployment.

(d) Retirement allowance plus a service increment if any, shall be paid in monthly installments on warrants of the board. No retirement allowance plus a service increment if any, granted to any person who has heretofore retired or who shall hereafter retire shall be decreased or revoked during the life of any such person, except as the board may decide in accordance with the provisions of subsection (b) of section 1711, as well as a suspension thereof in accordance with the provisions of subsection (c) of this section **[and subsection (b) of section 1716]**.

(e) Any present or future married county employe covered under the provisions of this article may receive retirement benefits in accordance with the provisions of this section to which such county employe may be entitled or he or she may elect at anytime before retirement, or before age **[sixty] fifty-five** if retirement benefits commence earlier due to involuntary separation, to receive in lieu thereof benefits under the option as hereinafter set forth **[, except that no such election may be made if such employe shall be retired as mentally incapacitated or totally or permanently disabled]**.

The option shall consist of retirement benefits in accordance with the provisions of subsections (a) and (b) of this section but reduced at age **[sixty,] fifty-five**, or on commencement of retirement benefits if later, by **[fifteen] ten** per centum plus one per centum for each full year in excess of five years by which the spouse is younger than the married county employe, with a maximum reduction to **[sixty-five] seventy** per centum of such retirement benefits, and minus **[one] one-half of one** per centum for each year by which the spouse is older, with a maximum increase to ninety-five per centum of such retirement benefits. The reduced amount of such retirement benefits shall commence at the time of retirement, but not before age **[sixty] fifty-five**, and shall be paid to the employe subject to the provisions of subsection (d) of this section.

**[Upon the death of such county employe after reaching age sixty, one-half of the reduced retirement benefits shall be paid on warrants of the board to his or her surviving spouse for life, provided that such benefits in the case of a county employe who shall die after reaching age sixty but before retirement benefits commence, shall be determined as if he or she had retired on the first day of the month before the date of death.]**

(f) The election by said county employe of the option as provided in subsection (e) of this section shall be final on attainment of age **[sixty] fifty-five** or on later election prior to retirement, and no further election shall be permitted: Provided, That the election shall automatically be cancelled if the county employe shall either be divorced or if his or her spouse shall die, in each case before retirement benefits under the option shall commence.

(g) Sections 1710, 1711 and 1713 are to be construed as applying to the provisions of subsection (e) of this section insofar as the aforesaid sections are applicable.

*(h) Survivorship benefits at age fifty-five shall be determined according to the following table:*

<i>Maximum 95%</i>		<i>Minimum 70% or \$75.00</i>	
<i>Spouse Years Older</i>		<i>Spouse Years Younger</i>	
<i>Same Age = 90%</i>	<i>Same Age = 90%</i>	<i>- 15 years = 80%</i>	
<i>+ 1 year = 90-1/2%</i>	<i>- 5 years = 90%</i>	<i>- 16 years = 79%</i>	
<i>+ 2 years = 91%</i>	<i>- 6 years = 89%</i>	<i>- 17 years = 78%</i>	
<i>+ 3 years = 91-1/2%</i>	<i>- 7 years = 88%</i>	<i>- 18 years = 77%</i>	
<i>+ 4 years = 92%</i>	<i>- 8 years = 87%</i>	<i>- 19 years = 76%</i>	
<i>+ 5 years = 92-1/2%</i>	<i>- 9 years = 86%</i>	<i>- 20 years = 75%</i>	
<i>+ 6 years = 93%</i>	<i>- 10 years = 85%</i>	<i>- 21 years = 74%</i>	
<i>+ 7 years = 93-1/2%</i>	<i>- 11 years = 84%</i>	<i>- 22 years = 73%</i>	
<i>+ 8 years = 94%</i>	<i>- 12 years = 83%</i>	<i>- 23 years = 72%</i>	
<i>+ 9 years = 94-1/2%</i>	<i>- 13 years = 82%</i>	<i>- 24 years = 71%</i>	
<i>+ 10 years = 95%</i>	<i>- 14 years = 81%</i>	<i>- 25 years = 70%</i>	

*One half of the rate specified in the table shall be paid to the surviving spouse on the death of the retired employe.*

*(i) Any county employe retiring under disability retirement benefits shall qualify for survivorship option benefits if he or she shall have reached the age of fifty-five years and having twenty or more years of service credit will be eligible for same benefits had he retired under the normal retirement provided for in this act. Any county employe retiring under disability retirement and having fifteen years but less than twenty years of service credit, upon reaching age fifty-five will be eligible for survivorship option benefits and his or her spouse shall receive the maximum amount of seventy-five dollars (\$75.00) per month upon his or her death under the option benefit clause as set forth under subsection (e) of this section.*

Section 7. Section 1713, subsection (a) of section 1714 and section 1716 of the act, amended May 31, 1955 (P.L.111), are amended to read:

Section 1713. Retirement Allowances After Leaving Service.—(a) Any present or future county employe who has to his or her credit a period of service of fifteen years but less than twenty years and before attaining the age of fifty years, who shall be separated from the service of the county or county institution district by reason of no cause or act of his or her own, [if such former county employe continues to contribute into the retirement fund, monthly, a sum equal to the last monthly contribution paid while in the employ of the county or county institution district until such former county employe has made monthly contributions into the retirement fund for a total period of twenty years; then,] such former county employe upon attaining the age of fifty years, shall, upon application to the board, be eligible to receive a retirement allowance computed on a service period of twenty (20) years which shall equal one-twentieth

(1/20) of such amount as he or she may be eligible to receive in accordance with the provisions of subsection (a) of section 1712 for each year's service which such former county employe may have to his or her credit during the aforesaid period of time.

The retirement allowance, herein provided for, shall be computed on the average monthly compensation as received by the former county employe prior to his or her separation from the service of the county or county institution district.

(b) Any present or future county employe who has to his or her credit a period of service of fifteen years but less than twenty years and is over the age of fifty years, who shall be separated from the service of the county or county institution district by reason of no cause or act of his or her own, **[if such former county employe continues to contribute into the retirement fund, monthly, a sum equal to the last monthly contribution paid while in the employ of the county or county institution district until such former county employe has made monthly contributions into the retirement fund for a total period of twenty years; then,]** such former county employe shall, upon application to the board, be eligible to receive a retirement allowance computed on a service period of twenty (20) years which shall equal one-twentieth (1/20) of such amount as he or she may be eligible to receive in accordance with the provisions of subsection (a) of section 1712 for each year's service which such former county employe may have to his or her credit during the aforesaid period of time.

The retirement allowance, herein provided for, shall be computed on the average monthly compensation as received by the former county employe prior to his or her separation from the service of the county or county institution district.

(c) Any present or future county employe who, after twenty or more years' service and before attaining the age of fifty years, shall be separated from the service of the county or county institution district by reason of no cause or act of his or her own, **[if such former county employe continues to contribute into the retirement fund, monthly, a sum equal to the last monthly contribution paid while in employ of the county or county institution district,]** such former county employe shall, when he or she reaches the age of fifty years, be eligible to receive a retirement allowance which shall be computed on the average monthly compensation as received by the former county employe prior to his or her separation from the service of the county or county institution district in accordance with the provisions of subsection (a) of section 1712. Such former county employe shall be eligible to receive, in addition to a retirement allowance, a service increment, if any, in accordance with the provisions of subsection (b) of section 1712 only to the time of his or her separation from the service of the county or county institution district.

(d) **Option I.** Any person who, after twenty or more years' service as a county employe resigns from his or her office position or employment before reaching the age of sixty years **[, shall continue to pay into the retirement fund, monthly, a sum equal to the last monthly contribution paid while**

in the employ of the county or county institution district, until he or she reaches the age] *when he or she attains the age* of sixty years, when such former county employe shall be eligible to receive a retirement allowance which shall be computed on the average monthly compensation as received by the former county employe prior to his or her separation from the service of the county or county institution district in accordance with the provisions of subsection (a) of section 1712. Such former county employe shall be eligible to receive, in addition to a retirement allowance, a service increment, if any, in accordance with the provisions of subsection (b) of section 1712 only to the time of his or her separation from the service of the county or county institution district.

*Option II. Employe may elect to receive immediate retirement allowance benefits under the age of sixty years provided that said retirement allowance be reduced by one-half of one per centum for each month under the age of sixty years. Option I or Option II election shall be final upon separation of his or her service from the county.*

(e) The aforesaid retirement allowance plus a service increment, if any, as provided in subsections (a), (b), (c) and (d) of this section, shall be subject to a suspension thereof in accordance with the provisions of subsection (c) of section 1712 **[and subsection (b) of section 1716]**.

Section 1714. Separation from Service; Refund of Contribution.—(a) Any person contributing monthly *or bi-weekly* into the retirement fund who shall, for any cause, cease to be a county employe before he or she shall be eligible to receive the benefits of the retirement allowances, the total amount of the contributions paid into the retirement fund by such county employe shall be refunded to him or her by the board, or, in the event of the death of any such county employe, the amount of said contributions shall be paid to such person or persons as he or she shall have designated in writing, as filed with the board, as his or her beneficiary, or to his or her estate. If no person or persons have been designated as his or her beneficiary, or no notice has been filed with the board to pay the amount of such contributions to his or her estate, as herein provided, then the board is herewith authorized to pay such contributions to the executor, administrator, surviving spouse, or next of kin of the deceased county employe. In the event the surviving spouse or next of kin of the decedent cannot be found for the purpose of making distribution of such contributions for a period of seven years from the death of the said county employe, then the aforesaid contributions shall be escheated to the Commonwealth for the benefit of the retirement system. *In addition thereto, interest shall be paid and compounded annually on the accumulated contributions of the member for the preceding calendar year at the rate of three per centum per annum on contributions made under subsection (a) of section 1708 upon the effective date of this amendment, provided that said county employe was employed for a period of two consecutive years or more and is not eligible to receive the*

*benefits of a retirement allowance. Notwithstanding the provisions of this subsection, a member who has ceased to make contributions to the fund by payroll deduction shall thereafter be credited with interest only for a period of years equal to his years of current service under this amendment.* Any person who has heretofore or who shall hereafter cease to be a county employe, shall thereafter cease to be a member of the retirement system, except such former county employe who may be eligible to receive the benefits of a retirement allowance plus a service increment if any in accordance with the provisions of [section] sections 1710 and 1713.

\* \* \*

Section 1716. Contribution or Retirement Allowance Not Subject to Levy, Attachment or Assignment; Suspension of Retirement Allowances; Ineligibility.—~~(a)~~ No contribution, retirement allowance or service increment shall be subject to levy, sale, execution, attachment, garnishment, or any other process whatsoever, and shall not be subject to assignment or transfer. Said retirement allowance and service increment shall be exempt from any State tax or tax of any political subdivision.

Section 8. This act shall take effect immediately.

APPROVED—The 10th day of December, A. D. 1970.

RAYMOND P. SHAFER

The foregoing is a true and correct copy of Act of the General Assembly No. 291.



Secretary of the Commonwealth.