

## No. 2002-185

## AN ACT

## HB 2595

Amending the act of July 28, 1953 (P.L.723, No.230), 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," further providing for employees eligible for retirement allowances.

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

Section 1. Section 1710(i) and (j) of the act of July 28, 1953 (P.L.723, No.230), known as the Second Class County Code, amended or added February 9, 1984 (P.L.12, No.6) and December 14, 1989 (P.L.631, No.75), are amended to read:

Section 1710. Employees Eligible for Retirement Allowances.—\* \* \*

(i) Upon application to the board, all members of the fund who are contributors and who served in the Armed Forces of the United States subsequent to September 1, 1940, *or who become members of the retirement fund on or after the effective date of this act* shall be entitled to have full military service credit for each of the most recent years of military service or fraction thereof, not to exceed three full years of such service; provided, they have a retirement credit of the minimum number of years specified in subsection (a) of this section or more **[and have reached the age of fifty years while employed or have accumulated a period of twenty years of retirement credit and under the age of fifty years]**. The formula to be followed for payment to the fund shall be in an amount equal to the maximum rate of contribution had they been members of the fund plus an additional amount as the equivalent of the county matching appropriation, plus interest, *if applicable*, at the rate of six per centum per year from the date of each year of credited military service to date of repayment or by applying the employe's basic contribution rate plus the county's normal contribution rate for active members at the time of entry, subsequent to such military service, of the employe into county service to his average annual rate of compensation over the first three years of such subsequent county service and multiplying the result by the number of years and fractional part of a year of creditable nonintervening military service being purchased, together with interest, *if applicable*, during all periods of subsequent county service to date of purchase. Should it be determined by the retirement board that verifiable compensation data is not available it shall have the discretion to determine which formula shall be used: Provided, That said member is not entitled to receive, eligible to receive now or in the future, or is receiving retirement benefits for such service under a retirement system administered and wholly or partially paid for by any other governmental agency or private industry. Both principal and

interest, *if applicable*, shall be consolidated into one amount and paid [in twelve or less equal monthly installments]. Full payment thereof shall be a condition precedent to receive the benefits of the retirement allowance. *If the member pays the entire principal back within the three-year period immediately following attainment of the minimum number of years of service credit specified in subsection (a) of this section or within three years from the date this amendatory act takes effect for those who already have the minimum numbers of years of service credit specified in subsection (a) of this section, no interest will be charged. Otherwise, interest will be charged at the rate of six per centum per year from the date of each year of credited military service to date of repayment.* Only those employes who are active members of the retirement fund on *or after* the effective date of this *amendatory* act shall be permitted to avail themselves of either of these programs.

[Those employes who became members of the retirement fund after the effective date of this act, upon application to the board, shall be entitled to have full military service credit for each of the most recent years of military service or fraction thereof, not to exceed three full years of such service: Provided, They have a retirement credit of the minimum number of years specified in subsection (a) of this section or more and have reached the age of fifty years while employed or have accumulated a period of twenty years of retirement credit and under the age of fifty years. Payment to the fund shall be in an amount equal to the maximum rate of contribution had they been members of the fund plus an additional amount as the equivalent of the county matching appropriation, plus interest at the rate of six per centum per year from the date of each year of credited military service to date of repayment: Provided, That said member is not entitled to receive, eligible to receive now or in the future, or is receiving retirement benefits for such service under a retirement system administered and wholly or partially paid for by any other governmental agency or private industry. Both principal and interest shall be consolidated into one amount and paid in twelve or less equal monthly installments. Full payment thereof shall be a condition precedent to receive the benefits of the retirement allowance.]

(j) (I) Any person who was employed by an authority created by the county on or after June 10, 1968, pursuant to the act of May 2, 1945 (P.L.382, No.164), known as the "Municipality Authorities Act of 1945," for the purpose of assisting and encouraging local municipalities to undertake vital and necessary capital improvement projects that could not be financed or constructed with county assistance and who subsequently became an employe of the county may have the period of his employment with such authority credited as a county employe. The person shall make application to the board within three years of the effective date of this subsection and, upon approval of the application, shall pay into the

retirement fund the amount which he would have been required to pay into the fund if he had been a county employe from the date of his original employment with the authority. The county shall pay into the retirement fund an amount equal to the amount paid in by the employe in accordance with the provisions of this article.

***(2) Any person who was employed by an authority created by the county on or after February 14, 1950, pursuant to the act of May 24, 1945 (P.L.991, No.385), known as the "Urban Redevelopment Law," who participated in the Allegheny County Redevelopment Authority (ACRA) retirement plan and who subsequently became an employe of the county on or before January 1, 2001, may have the period of his employment with such authority credited as a county employe to reflect the employe's transfer of a governmental function, provided the person is not entitled to receive, eligible to receive now or in the future or currently receiving retirement benefits for such service under a retirement system administered and wholly or partially paid for by any other governmental agency or by any private employer. The person shall be required to transfer to the retirement fund an amount equal to the greater of the amount the person received from the ACRA plan plus interest at six per centum per annum from the date of the distribution from the ACRA plan to date of payment or an amount equal to the sums, both employe and county contributions, that would have been paid into the retirement fund had the person always been a member of the retirement fund plus interest at six per centum per annum from the date the sums would have been made to the retirement fund to date of payment. Upon written notification of the amount from the board, the person would be given a year to make the contribution. Interest from the date of notification to date of payment shall be charged at six per centum per annum.***

Section 2. This act shall take effect in 60 days.

APPROVED—The 9th day of December, A.D. 2002.

MARK S. SCHWEIKER