

departments, boards, and commissions; and prescribing the manner in which the number and compensation of the deputies and all other assistants and employes of certain departments, boards and commissions shall be determined," is hereby repealed only insofar as it pertains to any person hereafter appointed or elected.

Section 17. Section one of the act of June twenty-four, one thousand nine hundred nineteen (Pamphlet Laws 579), entitled "An act to fix the salary and mileage of the members of the General Assembly, and to provide for the furnishing of such postage, stationery, and supplies, as may be necessary for the conduct of their offices, and repealing all acts or parts of acts inconsistent therewith," is hereby repealed only insofar as it pertains to any person hereafter elected.

Limited repeal.

Section 18. Sections one to twelve, inclusive, of this act shall take effect the first day of the month following final passage of this act.

Effective date of sections 1 to 12, inclusive.

Section 19. All other provisions of this act shall become effective as soon as permissible under the provisions of the Constitution.

Effective date of other provisions.

APPROVED—The 1st day of June, A. D. 1956.

GEORGE M. LEADER

No. 658

AN ACT

Amending the act of June twenty-seven, one thousand nine hundred twenty-three (Pamphlet Laws 858), entitled "An act establishing a State employes' retirement system, and creating a retirement board for the administration thereof; establishing certain funds from contributions by the Commonwealth and contributing State 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 the heads of departments in which State employes serve; excepting annuities, allowances, returns, benefits, and rights from taxation and judicial process; and providing penalties," changing and clarifying contributions and credit provisions where employes are placed under social security.

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

State employes' retirement system.

Section 1. Section eight, act of June twenty-seven, one thousand nine hundred twenty-three (Pamphlet Laws 858), entitled "An act establishing a State employes' retirement system, and creating a retirement board for the administration thereof; establishing certain funds from contributions by the Commonwealth and contributing State employes; defining the uses and

Section 8, act of June 27, 1923, P. L. 858, amended May 18, 1937, P. L. 683, amended by adding a new subsection (10).

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 the heads of departments in which State employes serve; excepting annuities, allowances, returns, benefits, and rights from taxation and judicial process; and providing penalties," amended May eighteen, one thousand nine hundred thirty-seven (Pamphlet Laws 683), is amended by adding, at the end, a new subsection to read:

Section 8. * * *

(10) *Where the Commonwealth has entered into an agreement with the Federal Secretary of Health, Education and Welfare to place services covered by the retirement system created by this act under the Federal Social Security Act, the board shall rule that, as of the effective date of the agreement, the rate of benefits payable to a member after the age at which social security benefits are payable shall be adjusted so that the retirement allowance then payable, shall be reduced by an amount equal to forty percent of the primary insurance amount of social security paid or payable to him, whether received or not. The board shall reduce the rate of member contributions to the extent permitted by the rate of benefits provided for in this subsection.*

Section 13, act of June 27, 1923, P. L. 858, amended May 18, 1937, P. L. 683, amended by adding a new clause (4).

Section 2. Section thirteen of the act, amended May eighteen, one thousand nine hundred thirty-seven (Pamphlet Laws 683), is amended by adding, at the end, a new clause to read:

Section 13. Retirement for superannuation shall be as follows:

* * * * *

**(4) Where the board has ruled that the rate of benefits payable to a member after the age at which social security benefits are payable shall be adjusted so that the retirement allowance then payable, shall be reduced by an amount equal to forty percent of the primary insurance amount of social security paid or payable to him, such reduction shall be subject to the following provisions:*

(A) Upon attainment of the age at which social security benefits are payable by a beneficiary receiving a retirement allowance for superannuation, or upon retirement of a contributor after attaining that age, his eligibility to the old age insurance benefit and the primary insurance amount of social security upon which the reduction in the retirement allowance shall be based, shall be computed by the board in the manner specified in the Federal Social Security Act, except that in deter-

*“(3)” in original.

mining such amount only wages or compensation for services covered by the retirement system created by this act shall be included.

(B) His credits accrued for service to the date of such change shall remain to his credit without adjustment, and credits for service subsequent to the date of such change to the time of retirement shall be at the adjusted rate as provided in section 8 (10).

(C) That portion of a member's retirement allowance based on credits for service subsequent to the date of the change shall not be less than the amount of his member's annuity based on contributions for the same period.

(D) The reduction shall not apply to allowances for total disability payable under section twelve of this act, and shall not apply to services covered under the provisions of the Pennsylvania State Police Retirement System.

(E) In determining the need for any further State annuity payable under clause (2) (E) of this section, the primary social security amount paid or payable to a member shall be included with the superannuation retirement allowance as the basis for computing such need.

(F) Whenever the amount of the reduction from the retirement allowance shall have been once determined, it shall remain fixed for the duration of the allowance, except that any decrease in the primary insurance amount under the Social Security Act shall result in a corresponding decrease in the amount of the reduction from the allowance.

(G) The total sum to be received monthly from the retirement system and from social security by each member following retirement shall not be more than eighty percent of final salary. This limitation shall not apply where it would reduce that portion of the retirement allowance of a member based on credits earned prior to the effective date of the agreement.

(H) The total sum, including social security benefits, to be received upon retirement by an employe who is a member of the system at the time of the change, shall not be less than the allowance that would be paid by the retirement system in the absence of such change.

APPROVED—The 1st day of June, A. D. 1956.

GEORGE M. LEADER