## THE GENERAL ASSEMBLY OF PENNSYLVANIA

## SENATE BILL No. 979 Session of 2017

## INTRODUCED BY REGAN, SCARNATI, COSTA, RESCHENTHALER, BLAKE, RAFFERTY, BREWSTER, SCAVELLO, YUDICHAK, MCGARRIGLE AND SCHWANK, DECEMBER 7, 2017

REFERRED TO LOCAL GOVERNMENT, DECEMBER 7, 2017

## AN ACT

1 2 3 4	Amending Title 53 (Municipalities Generally) of the Pennsylvania Consolidated Statutes, in municipal pensions, providing for pension service credit for prior service with police department.
5	The General Assembly of the Commonwealth of Pennsylvania
6	hereby enacts as follows:
7	Section 1. Chapter 91 of Title 53 of the Pennsylvania
8	Consolidated Statutes is amended by adding a subchapter to read:
9	SUBCHAPTER C
10	POLICE PENSION PLANS
11	<u>Sec.</u>
12	9121. Definitions.
13	9122. Pension service credit for prior service with police
14	<u>department.</u>
15	9123. Computation of amount due.
16	9124. Ineligibility.
17	<u>§ 9121. Definitions.</u>
18	The following words and phrases when used in this subchapter

1	shall have the meanings given to them in this section unless the
2	context clearly indicates otherwise:
3	"Police department." This term shall have the same meaning
4	as provided under section 2162 (relating to definitions).
5	"Police officer." This term shall have the same meaning as
6	provided under section 2162.
7	§ 9122. Pension service credit for prior service with police
8	<u>department.</u>
9	<u>A county, city, borough, town, township or regional police</u>
10	department shall amend its ordinance or resolution establishing
11	a police pension fund to provide full-time police officers the
12	option to purchase up to five years of pension service credit
13	for prior part-time or full-time police service provided in a
14	police department.
15	<u>§ 9123. Computation of amount due.</u>
16	The amount due for the purchase of credit for prior police
	The amount due for the purchase of credit for prior police shall be computed by:
16	
16 17	service shall be computed by:
16 17 18	<pre>service shall be computed by: (1) multiplying the average normal cost rate for</pre>
16 17 18 19	<pre>service shall be computed by:  (1) multiplying the average normal cost rate for  borough, town, township and regional police pension plans as</pre>
16 17 18 19 20	<pre>service shall be computed by: (1) multiplying the average normal cost rate for borough, town, township and regional police pension plans as certified by the Auditor General but not to exceed 10%, by</pre>
16 17 18 19 20 21	<pre>service shall be computed by: (1) multiplying the average normal cost rate for borough, town, township and regional police pension plans as certified by the Auditor General but not to exceed 10%, by the member's average annual rate of compensation over the</pre>
16 17 18 19 20 21 22	<pre>service shall be computed by:  (1) multiplying the average normal cost rate for  borough, town, township and regional police pension plans as  certified by the Auditor General but not to exceed 10%, by  the member's average annual rate of compensation over the  first three years of service with the police department; and</pre>
16 17 18 19 20 21 22 23	<pre>service shall be computed by: (1) multiplying the average normal cost rate for borough, town, township and regional police pension plans as certified by the Auditor General but not to exceed 10%, by the member's average annual rate of compensation over the first three years of service with the police department; and (2) multiplying the product from paragraph (1) by the</pre>
16 17 18 19 20 21 22 23 24	<pre>service shall be computed by: (1) multiplying the average normal cost rate for borough, town, township and regional police pension plans as certified by the Auditor General but not to exceed 10%, by the member's average annual rate of compensation over the first three years of service with the police department; and (2) multiplying the product from paragraph (1) by the number of years and fractional part of a year of creditable</pre>
16 17 18 19 20 21 22 23 24 25	<pre>service shall be computed by: (1) multiplying the average normal cost rate for borough, town, township and regional police pension plans as certified by the Auditor General but not to exceed 10%, by the member's average annual rate of compensation over the first three years of service with the police department; and (2) multiplying the product from paragraph (1) by the number of years and fractional part of a year of creditable prior police service being purchased together with interest</pre>
16 17 18 19 20 21 22 23 24 25 26	service shall be computed by: (1) multiplying the average normal cost rate for borough, town, township and regional police pension plans as certified by the Auditor General but not to exceed 10%, by the member's average annual rate of compensation over the first three years of service with the police department; and (2) multiplying the product from paragraph (1) by the number of years and fractional part of a year of creditable prior police service being purchased together with interest at the rate of 4.75% compounded annually from the date of
16 17 18 19 20 21 22 23 24 25 26 27	<pre>service shall be computed by: (1) multiplying the average normal cost rate for borough, town, township and regional police pension plans as certified by the Auditor General but not to exceed 10%, by the member's average annual rate of compensation over the first three years of service with the police department; and (2) multiplying the product from paragraph (1) by the number of years and fractional part of a year of creditable prior police service being purchased together with interest at the rate of 4.75% compounded annually from the date of initial entry into full-time service with the police</pre>

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- 1 credit for prior police service for which the officer otherwise
- 2 receives or is entitled to receive pension service credit from
- 3 <u>any other pension fund.</u>
- 4 Section 2. This act shall take effect in 60 days.