THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 464

Session of 2023

INTRODUCED BY REGAN, BARTOLOTTA, STEFANO, ROBINSON, COSTA, ARGALL AND HUTCHINSON, MARCH 14, 2023

REFERRED TO LAW AND JUSTICE, MARCH 14, 2023

§ 9121. Definitions.

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AN ACT

Amending Title 53 (Municipalities Generally) of the Pennsylvania Consolidated Statutes, in municipal pensions, providing for 2 pension service credit for prior service with police 3 4 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 Consolidated Statutes is amended by adding a subchapter to read: 8 9 SUBCHAPTER C 10 POLICE PENSION PLANS 11 Sec. 12 9121. Definitions. 9122. Pension service credit for prior service with police 13 14 department. 15 9123. Computation of amount due. 16 9124. Ineligibility. 9125. Applicability to Pennsylvania Municipal Retirement 17 18 System.

- 1 The following words and phrases when used in this subchapter
- 2 shall have the meanings given to them in this section unless the
- 3 <u>context clearly indicates otherwise:</u>
- 4 <u>"City." The term does not include a city of the first class.</u>
- 5 "Police department." As defined under section 2162 (relating
- 6 to definitions).
- 7 <u>"Police officer." As defined under section 2162.</u>
- 8 § 9122. Pension service credit for prior service with police
- 9 <u>department.</u>
- 10 A city, borough, town, township or regional police department
- 11 shall amend its ordinance or resolution establishing a police
- 12 pension fund to provide full-time police officers who have
- 13 satisfied vesting requirements the option to purchase up to five
- 14 years of pension service credit for prior part-time or full-time
- 15 police service provided in a police department.
- 16 § 9123. Computation of amount due.
- 17 The amount due for the purchase of credit for prior police
- 18 service shall be computed by:
- 19 (1) multiplying the normal cost rate for the police
- 20 pension plan a police officer is buying into, but not to
- 21 exceed 10%, by the police officer's average annual rate of
- 22 compensation over the first three years of service with the
- 23 police department; and
- 24 (2) multiplying the product from paragraph (1) by the
- 25 number of years and fractional part of a year of creditable
- 26 prior police service being purchased together with interest
- 27 at the rate of 4.75% compounded annually from the date of
- initial entry into full-time service with the police
- department to the date of payment.
- 30 § 9124. Ineligibility.

- 1 The following apply:
- 2 (1) A police officer shall not be eligible to purchase
- 3 service credit for prior police service for which the officer
- 4 <u>otherwise receives or is entitled to receive pension service</u>
- 5 <u>credit from any other pension fund.</u>
- 6 (2) A police officer shall not be eligible to purchase
- 7 <u>service credit for prior police service that combined with</u>
- 8 <u>credited military service exceeds five years.</u>
- 9 § 9125. Applicability to Pennsylvania Municipal Retirement
- 10 System.
- 11 Nothing in this subchapter shall be interpreted to impact the
- 12 portability and transfer of service credits between system-
- 13 administered pension plans within the Pennsylvania Municipal
- 14 Retirement System.
- 15 Section 2. This act shall take effect in 60 days.