

repeal or in any manner to impair the provisions of the act, approved the second day of June, one thousand eight hundred and ninety-one (Pamphlet Laws, one hundred seventy-three), entitled "An act to permit the growers of grapes in this Commonwealth to manufacture wine from grapes of their own raising that are not first class or marketable, and sell such wine to licensed dealers without taking out or paying a license for such manufacture or sale."

APPROVED—The 3d day of May, A. D. 1933.

GIFFORD PINCHOT

No. 92

AN ACT

To amend paragraph two of section four as amended, and paragraph two of section six as amended, and paragraphs one and five of section eight as amended, and to add paragraph nine to section eight, of the act, approved the eighteenth day of July, one thousand nine hundred seventeen (Pamphlet Laws, one thousand forty-three), entitled "An act establishing a public school employes' retirement system, and creating a retirement board for the administration thereof; establishing certain funds from contributions by the Commonwealth and contributing 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 boards having the employment of public school employes; exempting annuities, allowances, returns, benefits, and rights from taxation and judicial process; and providing penalties," by providing for the payment of administrative expenses from excess interest earnings; making an appropriation therefor; and providing for the reduction in the rate of payment to State Annuity Reserve Account Number Two.

Section 1. Be it enacted, &c., That paragraph two of section four of the act, approved the eighteenth day of July, one thousand nine hundred seventeen (Pamphlet Laws, one thousand forty-three), entitled "An act establishing a public school employes' retirement system, and creating a retirement board for the administration thereof; establishing certain funds from contributions by the Commonwealth and contributing 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 boards having the employment of public school employes; exempting annuities, allowances, returns, benefits, and rights from taxation and judicial process; and providing penalties," as amended by the act approved the fourteenth day of May, one thousand nine hundred and twenty-nine (Pamphlet

Public school employes' retirement system.

Paragraph 2, section 4, act of July 18, 1917 (P. L. 1043), as amended by act of May 14, 1929 (P. L. 1738), further amended.

Expenses of  
administration  
to be paid from  
interest earnings.

Laws, one thousand seven hundred thirty-eight), be and the same is hereby further amended to read as follows:

2. The expenses of the administration of this act by the retirement board, exclusive of the payment of retirement allowances and of the other benefits provided for in this act, shall be paid from *interest earnings on the funds in excess of four per centum, except that if in any year such earnings are not sufficient, the balance required shall be paid by the Commonwealth, by biennial appropriations, from the General Fund, made on the basis of estimates submitted by the retirement board. Under the direction of the board, there shall be paid from such excess earnings, and charged to the Administration Expense Account, salaries, wages or other compensation of the officers and employes of the Public School Employes' Retirement Board, contingent expenses, traveling expenses, postage, incidental and other expenses, including telegram and telephone toll charges, necessary for the proper conduct of the work of the Public School Employes' Retirement Board. So much of such interest earnings on the investments of the School Employes' Retirement Fund in excess of four per centum as shall be credited to the Administration Expense Account, in the manner provided in this act from time to time, are hereby specifically appropriated to the Public School Employes' Retirement Board, and may be expended for the purposes hereinbefore enumerated. Estimates of the amounts to be expended, under this act, from time to time, by the Public School Employes' Retirement Board, shall be submitted to the Department of Public Instruction, and, after approval thereof by the Department of Public Instruction, shall be submitted to the Governor for his approval or disapproval, as in the case of other appropriations made to administrative departments, boards, and commissions; and it shall be unlawful for the Auditor General to honor any requisition for the expenditure of any moneys out of this appropriation by the Public School Employes' Retirement Board in excess of the estimates approved by the Governor. Subject to the foregoing provisions, the Auditor General shall, from time to time, upon requisition of the Public School Employes' Retirement Board, draw his warrant on the State Treasurer for the amount specified in such requisition, not exceeding, however, the amount in such fund at the time of making such requisition. All amounts credited to the Administration Expense Fund which remain unexpended and uncommitted at the end of the biennium, shall be credited to State Annuity Reserve Account Number Two. The members of the retirement board shall serve without compensation, but shall be reimbursed from the aforesaid appropriations for any necessary expenditures, and no contributor shall suffer loss of salary or wages through serving on the retirement board.*

Section 2. That paragraph 2 of section 6 of the said act, as amended by the act approved the fourteenth day of May, one thousand nine hundred twenty-nine (Pamphlet Laws, one thousand seven hundred thirty-eight), be and the same is hereby further amended to read as follows:

Paragraph 2, section 2, as amended, further amended.

2. A. The retirement board shall annually allow regular interest on the mean amount for the preceding year to the credit of each of the accounts created in accordance with the provisions of this act. The amount so allowed shall be annually credited thereto by the retirement board.

Crediting interest.

B. *The retirement board shall annually credit to the State Annuity Reserve Account Number Two all interest on the investments of the fund created by this act in excess of four per centum and the expenses of administration, as determined in the manner provided in this act.*

Section 3. That paragraph one of section eight of said act, as amended by the act approved the fourteenth day of May, one thousand nine hundred twenty-nine (Pamphlet Laws, one thousand seven hundred thirty-eight), be and the same is hereby further amended to read as follows:

Paragraph 1, section 8, as amended, further amended.

The fund and accounts hereby created are the School Employes' Retirement Fund, the Contingent Reserve Account, State Annuity Reserve Account, State Annuity Reserve Account Number Two, the Employes' Annuity Savings Account, [and] the Employes' Annuity Reserve Account, and the Administration Expense Account.

Funds and accounts.

Section 4. That paragraph five of section eight of said act, as amended by the act approved the twenty-eighth day of April, one thousand nine hundred twenty-five (Pamphlet Laws, three hundred fifty-four), and the act approved the fourteenth day of May, one thousand nine hundred twenty-nine (Pamphlet Laws, one thousand seven hundred thirty-eight), be and the same is hereby further amended to read as follows:

Paragraph 5, section 8, as amended, further amended.

5. Beginning with the month of July, nineteen hundred nineteen, and continuing until the accumulated reserve equals the present value, as computed by the actuary of the retirement board and approved by the retirement board, of all State annuity payments thereafter payable by the Commonwealth on account of present employes, then retired or to be retired on State annuities as provided in this act, the said Commonwealth shall pay semi-annually into the fund created by this act, through the Department of Revenue, an amount equal to two and eight-tenth (2.8) per centum of the total compensation paid to all contributors for service during the preceding school year, and in every case an amount at least three per centum greater than the second preceding semi-annual payment, which amount shall be credited by the retirement board to a ledger account, to

Payments by State.

be known as State Annuity Reserve Account Number Two. Beginning with the month of July, nineteen hundred twenty-five, the Commonwealth shall pay semi-annually into the fund created by this act as aforesaid, to the credit of State Annuity Reserve Account Number Two, an amount equal to two (2) per centum of the total compensation paid to all contributors for service during the preceding school year. *Beginning with the month of July, nineteen hundred thirty-three, the Commonwealth shall pay semi-annually into the fund created by this act as aforesaid, to the credit of State Annuity Reserve Account Number Two, an amount equal to one and six-tenths (1.6) per centum of the total compensation paid to all contributors for service during the preceding school year:* Provided, That in every case the amount shall be sufficient, when combined with that in the fund to the credit of said account, to provide the pensions payable by the Commonwealth during the half year then current to present employes, then retired or to be retired, as provided in this act. Upon the retirement of a present employe, his or her State annuity shall be charged to the State Annuity Reserve Account Number Two, and paid from the fund created by this act.

Section 8, as amended, further amended.

Section 5. That section eight of said act, as amended by the act approved the seventh day of April, one thousand nine hundred twenty-five (Pamphlet Laws, one hundred sixty-two), the act approved the twenty-eighth day of April, one thousand nine hundred twenty-five (Pamphlet Laws, three hundred fifty-four), and the act approved the fourteenth day of May, one thousand nine hundred twenty-nine (Pamphlet Laws, one thousand seven hundred thirty-eight), be and the same is hereby further amended by adding the following paragraph:

Credit to Administrative Expense Account.

9. *There shall be credited by the retirement board to a ledger account, to be known as the Administration Expense Account, the amount of the estimate of amounts to be expended from time to time by the Department of Public Instruction for expenses of administration.*

When effective.

Section 6. This act shall take effect immediately upon its passage, and approval by the Governor.

APPROVED—The 4th day of May, A. D., 1933.

GIFFORD PINCHOT

No. 93

AN ACT

To amend sections five and six of the act, approved the twenty-second day of June, one thousand nine hundred thirty-one (Pamphlet Laws, seven hundred twenty), entitled "An act providing for the taking over by the Commonwealth, under