

No. 1996-167

AN ACT

HB 168

Amending Titles 24 (Education) and 71 (State Government) of the Pennsylvania Consolidated Statutes, providing for special supplemental postretirement adjustments.

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

Section 1. Title 24 of the Pennsylvania Consolidated Statutes is amended by adding a section to read:

§ 8348.4. *Special supplemental postretirement adjustment.*

(a) *Eligibility.*—An annuitant who:

- (1) *retired after October 1, 1975, and before January 1, 1985;*
- (2) *has military service as set forth in section 8304(b)(1) or (2) (relating to creditable nonschool service);*
- (3) *is receiving or will receive retirement pay under 10 U.S.C. Ch. 67 (relating to retired pay for nonregular service) for this military service;*
and
- (4) *has not purchased nonschool service credit for this military service;*

shall be eligible for this special supplemental postretirement adjustment.

(b) *Calculation of adjustment.*—*The monthly amount of this special supplemental postretirement adjustment shall be equal to the final average salary multiplied by 2% multiplied by the years of this military service divided by 12 multiplied by any applicable early retirement or option factors.*

(c) *Adjustment paid.*—*Upon receipt of a timely request by an eligible annuitant, the system shall pay this special supplemental postretirement adjustment monthly from the effective date of this section.*

(d) *Adjustment enacted after death of annuitant.*—*No special supplemental postretirement adjustment enacted after the death of an annuitant shall be payable to the beneficiary or survivor annuitant of the deceased annuitant.*

(e) *Future supplemental annuities.*—*This special supplemental postretirement adjustment shall be included in the total annuity, and this military service shall be included in the total credited service in determining all future supplemental annuities.*

(f) *Time limitations.*—*An annuitant who is eligible for this special supplemental postretirement adjustment shall have two years from the effective date of this section within which to make a request to the system for the adjustment established in this section.*

(g) Court-ordered purchase of nonschool service.—If a court of competent jurisdiction rules that an annuitant who is receiving or will receive retirement pay under 10 U.S.C. Ch. 67 for this military service is eligible under section 8304(b)(1) or (2) to purchase nonschool service credit for this military service, this special supplemental postretirement adjustment shall stop with the annuitant's purchase of nonschool service credit for this military service, and the total amount of this special supplemental postretirement paid to the annuitant from the effective date of this section shall be subtracted from any increase in the annuity caused by the court-ordered purchase of nonschool service credit for this military service.

Section 2. Title 71 is amended by adding a section to read:

§ 5708.4. Special supplemental postretirement adjustment.

(a) Eligibility.—An annuitant who:

(1) retired after February 28, 1974, and before January 1, 1985;

(2) has military service as set forth in section 5304(c)(1) or (2) (relating to creditable nonstate service);

(3) is receiving or will receive retirement pay under 10 U.S.C. Ch. 67 (relating to retired pay for nonregular service) for this military service; and

(4) has not purchased nonstate service credit for this military service; shall be eligible for this special supplemental postretirement adjustment.

(b) Calculation of adjustment.—The monthly amount of this special supplemental postretirement adjustment shall be equal to the final average salary multiplied by 2% multiplied by the years of this military service divided by 12 multiplied by any applicable early retirement or option factors.

(c) Adjustment paid.—Upon receipt of a timely request by an eligible annuitant, the system shall pay this special supplemental postretirement adjustment monthly from the effective date of this section.

(d) Adjustment enacted after death of annuitant.—No special supplemental postretirement adjustment enacted after the death of an annuitant shall be payable to the beneficiary or survivor annuitant of the deceased annuitant.

(e) Future supplemental annuities.—This special supplemental postretirement adjustment shall be included in the total annuity, and this military service shall be included in the total credited service in determining all future supplemental annuities.

(f) Time limitations.—An annuitant who is eligible for this special supplemental postretirement adjustment shall have two years from the effective date of this section within which to make a request to the system for the adjustment established in this section.

(g) Court-ordered purchase of nonstate service.—If a court of competent jurisdiction rules that an annuitant who is receiving or will receive retirement pay under 10 U.S.C. Ch. 67 for this military service is eligible under section 5304(c)(1) or (2) to purchase nonstate service credit

for this military service, this special supplemental postretirement adjustment shall stop with the annuitant's purchase of nonstate service credit for this military service, and the total amount of this special supplemental postretirement adjustment paid to the annuitant from the effective date of this section shall be subtracted from any increase in the annuity caused by the court-ordered purchase of nonstate service credit for this military service.

Section 3. This act shall be retroactive to January 1, 1974, only for the purpose of determining eligibility to receive special supplemental postretirement adjustments.

Section 4. No payments under 24 Pa.C.S. § 8348.4 and 71 Pa.C.S. § 5708.4 shall be made to any eligible annuitant for any period of time prior to the effective date of this act.

Section 5. This act shall take effect immediately.

APPROVED—The 18th day of December, A.D. 1996.

THOMAS J. RIDGE