



# Senate Finance Committee

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## BILL SUMMARY

**Legislation:** Senate Bill 704, P.N. 709  
**Sponsor:** Senator Blake  
**Act Amended:** Act 400 of 1959  
**Date:** October 2, 2013

### Bill Summary

Amends Act 400 of 1959 to allow non-uniformed employees in Second Class A Cities (Scranton) to purchase military time toward retirement.

Senate Bill 704 removes the three-year time limit within which members of the Scranton employee pension system must begin employment with the City of Scranton after military service to be eligible to buy credit for non-intervening military service.

Effective date: Immediately

### Background

Permitting a non-uniformed employee to receive retirement service credit for non-intervening military service is allowed in every other municipality in the state. Under current law, Scranton is the **only** municipality in the Commonwealth of Pennsylvania subject to this time limit due to its unique status as the state's only Second Class A City and a prior oversight in statutory language that omitted the City's public safety and non-uniformed workers who have served in the military from an otherwise statewide standard regarding military service buy-back related to the pensions of public safety personnel.

### Fiscal Impact

A Public Employee Retirement Commission (PERC) actuarial note from May 16, 2013 reveals no cost to the city because an eligible member would be required to purchase non-intervening military service by making a payment to the pension fund that is equal to the amount the member would have contributed had the member been a member of the pension fund during the period of non-intervening military service, plus the equivalent of the City's contributions on account of such service.