

**CHAPTER 245. CONTRIBUTIONS**

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**§ 245.1. Regular member contributions for current service.**

[Reserved.]

**§ 245.2. Social Security integration member contributions.**

An active member, or one on leave without pay, may elect to discontinue making further contributions for Social Security integration supplement credits. Upon such election, his Social Security integration credits and benefits payable thereon, shall be frozen.

**Source**

The provisions of this § 245.2 amended March 12, 1976, 6 Pa.B. 449. Immediately preceding text appears at serial page (18756).

**§ 245.3. Joint coverage member contributions.**

New members of the System or members returning to State service shall not be eligible to make joint coverage member contributions. Contributions shall be limited to members who meet all of the following criteria:

- (1) They were in active membership in the System subsequent to May 28, 1957.
- (2) Their current period of membership began prior to January 1, 1966.
- (3) They are covered by Federal Social Security.
- (4) They have not filed an election to convert to the full coverage group.

**Source**

The provisions of this § 245.3 amended March 12, 1976, 6 Pa.B. 449. Immediately preceding text appears at serial page (18756).

**§ 245.4. Member purchases of credit for previous State service.**

(a) A State employee who is a member of the System or a school employee who is a member of the Public School Employees' Retirement System who has timely elected multiple service may receive service credit for all uncredited previous State service, provided the member applies for and makes the required contributions for all uncredited State service, regardless of the amount of State service previously credited.

(b) The member may make the required contributions through payroll deductions over a period of not more than 6 years.

**Authority**

The provisions of this § 245.4 amended under the State Employee's Retirement Code, 71 Pa.C.S. § 5902(h).

**Source**

The provisions of this § 245.4 amended August 3, 2001, effective August 4, 2001, 31 Pa.B. 4170; amended August 19, 2016, effective August 20, 2016, 46 Pa.B. 5082. Immediately preceding text appears at serial pages (281501) to (281502).

**§ 245.5. [Reserved].****Source**

The provisions of this § 245.5 amended March 12, 1976, 6 Pa.B. 449; reserved August 3, 2001, effective August 4, 2001, 31 Pa.B. 4170. Immediately preceding text appears at serial page (204970).

**§ 245.6. Incomplete payments.**

(a) *Who may make incomplete payments.* The right of a member to complete payments, once commenced, within 30 days after termination of State service, as provided in section 5506 of the code (relating to incomplete payments), shall be available only to the member and to no other person, including a beneficiary.

(b) *Result of incomplete payments.* In the event a member fails to pay the balance of the agreed upon payments due within 30 days after termination of State service, or in the event a member dies in State service, the annuity benefit to which he would otherwise be entitled including a disability benefit, shall be reduced by the actuarial equivalent of the debt, including statutory interest. In the event the Board must satisfy a credit union loan and the member dies in service or terminates service thereafter, leaving the indebtedness unpaid for more than 30 days, the Board will cause to be deducted from the member's benefit, the amount of the total debt, at which time, the benefit shall be payable to such member.

**Source**

The provisions of this § 245.6 amended March 12, 1976, 6 Pa.B. 449; reserved August 3, 2001, effective August 4, 2001, 31 Pa.B. 4170. Immediately preceding text appears at serial pages (204970) to (204971).

**§ 245.7. Contributions by the Commonwealth and other employers.**

(a) In the event an employer fails to make the payments necessary to build up the employer reserves for the payment of benefits to its employes, under sections 5507 and 5508 of the code (relating to contributions by the Commonwealth and other employers; and actuarial cost method), then the benefit to which such employe would otherwise be entitled, but for the deficiency of the required reserves, shall be reduced in accordance with section 5509(c) of the code (relat-

ing to appropriations and assessments by the Commonwealth) for those deficiencies occurring subsequent to March 1, 1974.

(b) In the event an employe becomes a member of the System sometime after beginning employment and elects to purchase his previously uncredited service, the Board will bill for the appropriate employer's contribution, by itemized invoice, that agency in which an employe is currently employed for previously uncredited State service rendered after March 1, 1974. The amount of an employer's contribution will be determined on the basis of the employe's earnings and the total employer's contribution rate in effect at the time service was rendered, together with valuation interest of 5.5% compounded annually to the date of purchase.

**Source**

The provisions of this § 245.7 adopted March 12, 1976, 6 Pa.B. 449.

**Notes of Decisions**

*Contributions*

Community college is an agency and, therefore, is required to pay the contributions for its current employees' who elect to purchase their previously uncredited State service. *HACC v. State Employees' Retirement System*, 821 A.2d 1255, 1261 (Pa.Cmwlt. 2003); appeal denied 849 A.2d 1206 (Pa. 2004).

**§ 245.8. Actuarial cost method.**

[Reserved.]

**§ 245.9. Appropriations and assessments by the Commonwealth.**

[Reserved].

**Source**

The provisions of this § 245.9 amended March 12, 1976, 6 Pa.B. 449. Immediately preceding text appears at serial pages (18758) to (18759).

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