

No. 1991-42

AN ACT

SB 1368

Amending the act of July 9, 1981 (P.L.208, No.66), entitled "An act creating the Public Employee Retirement Study Commission to make a continuing study of all public employee retirement and pension systems; and making an appropriation," changing the name of the Public Employee Retirement Study Commission; further providing for time limits for actuarial notes; and extending the term of the commission.

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

Section 1. The title and sections 1, 2(b), 3, 4, 7(f) and 11 of the act of July 9, 1981 (P.L.208, No.66), known as the Public Employee Retirement Study Commission Act, are amended to read:

AN ACT

Creating the Public Employee Retirement [**Study**] Commission to make a continuing study of all public employee retirement and pension systems; and making an appropriation.

Section 1. Short title.

This act shall be known and may be cited as the "Public Employee Retirement [**Study**] Commission Act."

Section 2. Legislative findings and intent.

* * *

(b) Intent.—It is the intent of the General Assembly in establishing the Public Employee Retirement [**Study**] Commission to provide an ongoing mechanism to monitor public employee retirement plans and to assure their actuarial viability by review of proposed changes and reforms in the plans and to review relevant statutes.

Section 3. Definitions.

The following words and phrases when used in this act shall have, unless the context clearly indicates otherwise, the meanings given to them in this section:

"Actuarially sound plan." A plan operated under supervision of an actuary and which is being funded annually at a level not lower than the normal cost of the plan plus amortization of the unfunded accrued liability within an established period of time after the effective date of the act creating the system.

"Commission." The Public Employee Retirement [**Study**] Commission created pursuant to this act.

"Public Employee Retirement Plan." Any of the following:

(1) State Employees' Retirement System created pursuant to 71 Pa.C.S. Part XXV.

(2) Public School Employees' Retirement System created pursuant to 24 Pa.C.S. Part IV.

(3) Municipal Retirement System created pursuant to the act of February 1, 1974 (P.L.34, No.15).

(4) Any other independent pension or retirement plan for public officers and employees in the Commonwealth.

(5) Pension or retirement plans created pursuant to the act of June 23, 1931 (P.L.932, No.317), known as "The Third Class City Code."

(6) Pension or retirement plans created pursuant to the act of May 29, 1956 (1955 P.L.1804, No.600), referred to as the Municipal Police Pension Law.

Section 4. Public Employee Retirement [Study] Commission created.

There is hereby created the Public Employee Retirement [Study] Commission to review legislation affecting public employee pension and retirement plans and to study on a continuing basis public employee pension and retirement policy as implemented at both the State and local level, the interrelationships of the several systems and their actuarial soundness and cost.

Section 7. Actuarial notes.

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(f) Effect of failure of commission to attach note.—

(1) If the commission fails to attach an actuarial note within [25] 20 legislative days after a bill proposing a change relative to a public employee pension or retirement plan has received first consideration in either House of the General Assembly, the bill may be further considered in the same manner as if the actuarial note had been attached to the bill.

(2) If the commission fails to attach an actuarial note within [25] 20 legislative days after an amendment to a bill proposing a change relative to a public employee pension or retirement has submitted to the commission, the amendment may be considered in the same manner as if the actuarial note had been attached to the amendment.

Section 11. Review of commission activities.

(a) Joint review.—If no other statute requires agencies of the Commonwealth to undergo a periodic review of their activities, the Public Employee Retirement [Study] Commission shall, each six years after its establishment, undergo a joint review of its usefulness by a committee of the Senate designated by the President pro tempore and a committee of the House of Representatives appointed by the Speaker. The committees shall report their findings to the General Assembly.

(b) Review under other statutes.—If another statute requires the periodic review of agencies of the Commonwealth, the Public Employee Retirement [Study] Commission shall be subject to that statute.

Section 2. This act reestablishes the Public Employee Retirement Study Commission as the Public Employee Retirement Commission. The commission shall be subject to evaluation and review and shall terminate on December 31, 2001, in the manner provided for by the act of December 22, 1981 (P.L.508, No.142), known as the Sunset Act.

Section 3. This act shall take effect immediately.

APPROVED—The 20th day of December, A. D. 1991.

ROBERT P. CASEY