



INDEPENDENT FISCAL OFFICE

Second Floor, Rachel Carson State Office Building
400 Market Street
Harrisburg, Pennsylvania 17105

October 26, 2016

The Honorable Patrick M. Browne
Chairman, Senate Appropriations Committee
Room 281 Main Capitol Building
Harrisburg, PA 17120

Dear Senator Browne:

I am writing in response to your request of October 26, 2016 concerning an actuarial note for Senate Bill 1071, Printer's Number 2202. The legislation amends the Public School Employees' Retirement Code and the State Employees' Retirement Code to require that most new employees hired after July 1, 2018 (PSERS) or January 1, 2018 (SERS) select one of three new plan design options for retirement benefits.

Under section 615-B of the Administrative Code of 1929, the Independent Fiscal Office (IFO) has the responsibility to review legislative changes that may affect public employee pension or retirement plans and to provide actuarial notes for such legislation. The IFO has reviewed Senate Bill 1071, Printer's Number 2202 and determined that its provisions are the same as Amendment A10803 to Senate Bill 1071, Printer's Number 1913, for which the office issued an actuarial note on October 24, 2016.

Based on that determination, Senate Bill 1071, Printer's Number 2202 does not have an actuarial cost impact beyond the actuarial cost impact in the note for Amendment A10803 to Senate Bill 1071, Printer's Number 1913. Therefore, the legislation will not require an actuarial note prior to further consideration by the General Assembly.

I trust this letter adequately responds to your request. If I may be of any further assistance, please feel free to contact me at (717) 230-8293.

Sincerely,

A handwritten signature in black ink that reads "Matthew J. Knittel".

Matthew J. Knittel
Director

cc: Governor Tom Wolf
Members of the General Assembly