



INDEPENDENT FISCAL OFFICE

September 13, 2021

The Honorable Seth M. Grove
Chairman
House State Government Committee
7 East Wing
Harrisburg, PA 17120

Re: Requested Actuarial Note for House Bill 811, Printer's Number 1778

Dear Chairman Grove:

This letter responds to your June 24, 2021 request concerning an actuarial note for House Bill 811, Printer's Number 1778. The bill would amend Title 71 (State Government) of the Pennsylvania Consolidated Statutes by removing new employees of the Susquehanna River Basin Commission and the Interstate Commission of the Delaware River Basin from the definition of "state employee." The legislation would take effect immediately upon enactment and would apply to employees whose most recent date of hire is on or after the effective date of the act. New employees of these commissions who do not have credited service in the State Employees' Retirement System (SERS) would not be eligible to become members of SERS, and they would not be eligible for public pension benefits. New or rehired employees with prior credited service in SERS would not accrue additional service credit under the legislation. According to SERS, there are currently 62 employees of the Susquehanna River Basin Commission who are active, contributing members of the system. The Delaware River Basin Commission is not an active participating employer/agency.

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 determined that the actuarial cost impact from House Bill 811, Printer's Number 1778 is de minimis and does not require a full actuarial analysis prior to further consideration by the General Assembly. The office reviewed the legislation for actuarial cost impact, but it has not reviewed the provisions for legal, administrative or policy implications.

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

Sincerely,

A handwritten signature in blue ink that reads "Matthew J. Knittel". The signature is written in a cursive style with a large initial "M" and "K".

Matthew J. Knittel
Director, Independent Fiscal Office

cc: Governor Tom Wolf
Members of the General Assembly