



## INDEPENDENT FISCAL OFFICE

December 1, 2017

The Honorable Patrick M. Browne  
Chairman, Appropriations Committee  
Senate of Pennsylvania  
Harrisburg, PA 17120

Re: Requested Actuarial Note for Senate Bill 538, Printer's Number 652

Dear Senator Browne:

I am writing in response to your request concerning an actuarial note for Senate Bill 538, Printer's Number 652. The legislation would modify the Public School Employees' Retirement Code (24 Pa.C.S.) and the State Employees' Retirement Code (71 Pa.C.S.) to provide for the treatment of athletic leaves of absence.

Under the legislation, a member of the Public School Employees' Retirement System who is receiving paid leave pursuant to an athletic leave of absence under the Public School Code of 1949 would be eligible for service credit during the leave.<sup>1</sup> A member of the State Employees' Retirement System (SERS) would be entitled to an athletic leave of absence to prepare for and engage in a sport sanctioned by the International Olympic Committee as a member of the official delegation of the United States on a world championship, Pan American or Olympic team. This paid leave of absence could not exceed ninety calendar days per year.

The bill provides that a state employee (under SERS) would receive their regular salary while on an athletic leave of absence. Affected employees would retain membership in SERS and receive service credit while on leave. The Commonwealth or other SERS employer would pay the employer contributions required by law as well as the employee contributions. The legislation permits the deduction of the employee contribution from any compensation payable to the employee while on leave.

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 reviewed the provisions of Senate

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<sup>1</sup> The requirements for an athletic leave of absence under the Public School Code of 1949 also are addressed in Senate Bill 537, P.N. 651.

Bill 538, Printer's Number 652 and determined that the legislation would only affect a limited number of individuals; therefore, the actuarial cost impact would be de minimis. Based on that determination, the legislation will not require an actuarial note prior to 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.

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

Matthew J. Knittel

Director, Independent Fiscal Office

cc: Governor Tom Wolf  
Members of the General Assembly