



INDEPENDENT FISCAL OFFICE

February 3, 2020

Senator Patrick M. Browne
Appropriations Committee Chairman
Senate of Pennsylvania
281 Main Capitol
Harrisburg, PA 17120

Re: Requested Actuarial Note for Senate Bill 997, Printer's Number 1465

Dear Chairman Browne:

I am writing in response to your request of January 24, 2020 concerning an actuarial note for Senate Bill 997, Printer's Number 1465. The bill would allow for state police officers who become an officer between January 1, 2019 and the effective date of the bill, ninety days to make an election as to how they wish to have their purchased non-intervening military service credited to their SERS account. Upon consultation with SERS, this would impact 116 individuals of the 480 still active members of the cadet classes that have been enrolled since January 1, 2019. The bill is also prospective in nature, allowing for any future state troopers who have non-intervening military service to purchase that service time in accordance with the provisions of the bill.

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 Senate Bill 997, Printer's Number 1465 and determined that the legislation would affect only a small number of members and those members would bear the cost of both the employee and the employer share in order to buy back the non-intervening military time, therefore any resulting cost impact upon SERS would be de minimis. Based on that determination, the bill does not require an actuarial note 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, stylized 'M' and 'K'.

Matthew J. Knittel

Director, Independent Fiscal Office

cc: Governor Tom Wolf
Members of the General Assembly