



COMMONWEALTH OF PENNSYLVANIA
PUBLIC EMPLOYEE RETIREMENT COMMISSION
P. O. BOX 1429, HARRISBURG, PA 17105-1429

October 14, 2010

The Honorable Dwight Evans
Majority Chairman
House Appropriations Committee
House of Representatives
512-E Main Capitol Building
Harrisburg, PA 17120

Re: House Bill Number 2497, Printer's Number 4476

Dear Representative Evans:

I am writing in response to your request concerning an actuarial note for the above referenced bill. House Bill Number 2497, Printer's Number 4476, would amend both the Public School Employees' Retirement Code and the State Employees' Retirement Code (Codes) to mandate the establishment of new benefit tiers applicable to most new members of both the Public School Employees' Retirement System (PSERS) and the State Employees' Retirement System (SERS), modify the actuarial funding requirements of both PSERS and SERS, and establish an independent fiscal office charged with providing independent revenue estimates and other functions.

Under the Public Employee Retirement Commission Act (Act 66 of 1981), the Commission has a mandated responsibility to review any legislative changes that affect public employee retirement systems. At my direction, the Commission staff has reviewed the provisions of House Bill Number 2497, Printer's Number 4476, and determined that: 1) on October 12, 2010, the Commission voted to attach an actuarial note to House Bill Number 2497, Printer's Number 3928, as amended by Amendment Number 09615; 2) the Commission's actuarial note on House Bill Number 2497, Printer's Number 3928, as amended by Amendment Number 09615, continues to apply to House Bill Number 2497, Printer's Number 4476; and 3) House Bill Number 2497, Printer's Number 4476, will have no actuarial cost impact beyond that described in the Commission's previous actuarial note on House Bill Number 2497, Printer's Number 3928, as amended by Amendment Number 09615.

Based upon the determination that House Bill Number 2497, Printer's Number 4476, will have no actuarial cost impact beyond that described in the Commission's previous actuarial note on House Bill Number 2497, Printer's Number 3928, as amended by Amendment Number 09615, I am informing you, on behalf of the Commission, that the bill will not require an additional actuarial note prior to further consideration by the

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General Assembly. A copy of the actuarial note on House Bill Number 2497, Printer's Number 3928, as amended by Amendment Number 09615, has been provided to you separately.

I trust this letter adequately responds to your request. If I may be of any further assistance, please feel free to contact me by telephoning (717) 783-6100.

Sincerely,



Anthony W. Salomone
Chairman

Enclosure

cc: The Honorable Keith R. McCall
 The Honorable Todd A. Eachus
 The Honorable Samuel H. Smith
 The Honorable Frank Dermody
 The Honorable Mike Turzai
 The Honorable Mark B. Cohen
 The Honorable Sandra Major
 The Honorable William F. Adolph, Jr.
 The Honorable David K. Levdansky
 The Honorable Sam Rohrer
 The Honorable R. Ted Harhai

 The Honorable Garth D. Everett
 The Honorable James R. Roebuck, Jr.
 The Honorable Paul I. Clymer
 The Honorable Babette Josephs
 The Honorable Kerry A. Benninghoff
 Mr. Paul Parsells
 Mr. Reizdan B. Moore
 Mr. Anthony F. Barbush
 Ms. Debbie Reeves
 Mr. Rodney Oliver
 Ms. Susan Boyle