

December 13, 2005

The Honorable Brett Feese, Majority Chairman
House Appropriations Committee
House of Representatives
245 Main Capitol
Harrisburg, PA 17120

Re: Senate Bill Number 394, Printer's Number 1400

Dear Representative Feese:

I am writing in response to your request concerning an actuarial note for the above referenced bill. The bill would amend the Municipal Police Pension Law (Act 600 of 1955) to: 1) increase the permissible length-of-service increment that may be paid to a member in addition to the normal retirement benefit from the current maximum of \$100 per month for members who have completed in excess of 25 years of service to \$100 per month for each completed year of service in excess of 25 years, up to a maximum service increment of \$500 per month for members who have completed 30 or more years of service; and 2) limit the provision of pension benefits by affected municipalities that are in excess of the retirement benefit limits mandated by the Municipal Police Pension Law to those municipalities which had such benefits in effect prior to January 24, 2001.

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 Senate Bill Number 394, Printer's Number 1400, and determined that: 1) on June 22, 2005, the Commission voted to attach an actuarial note to House Bill Number 1048, Printer's Number 1204 (copy enclosed); 2) the Commission's actuarial note on House Bill Number 1048, Printer's Number 1204, applies to Senate Bill Number 394, Printer's Number 1400; and 3) Senate Bill Number 394, Printer's Number 1400, will have no actuarial cost impact beyond that described in the Commission's previous actuarial note on House Bill Number 1048, Printer's Number 1204.

Based upon the determination that Senate Bill Number 394, Printer's Number 1400, will have no actuarial cost impact beyond that described in the Commission's previous actuarial note on House Bill Number 1048, Printer's Number 1204, I am informing you, on behalf of the Commission, that Senate Bill Number 394, Printer's

Number 1400, 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 by telephoning (717) 783-6100.

Sincerely,

Paul D. Halliwell
Chairman

Enclosures

cc: The Honorable John M. Perzel
The Honorable Samuel H. Smith
The Honorable H. William DeWeese
The Honorable David G. Argall
The Honorable Michael R. Veon
The Honorable Elinor Z. Taylor
The Honorable Mark B. Cohen
The Honorable Dwight Evans
The Honorable Lynn B. Herman
The Honorable Victor J. Lescovitz
The Honorable Steven W. Cappelli
The Honorable R. Ted Harhai
Mr. Brian Preski
Mr. Clancy Myer, Jr.
Mr. Edward J. Nolan
Ms. Lisa Taglang
Mr. Donald Grell
Ms. Miriam Fox
Mr. Al Ferguson
Mr. Fran Coleman
Ms. Nancy Puglisse
Ms. Georgia Masters Earp

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bcc: PDH - w/o
Reading/PDH - w/o
Addressee/Senate - w/o
Legislative (2005-2006 Sessions)
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Staff - w/o
ACP