

## THE GENERAL ASSEMBLY OF PENNSYLVANIA

## HOUSE BILL

No. 1614 Session of  
2009

INTRODUCED BY BELFANTI, GERGELY, GOODMAN, MENSCH, BRENNAN,  
SIPTROTH, HORNAMAN, CALTAGIRONE, PASHINSKI, DeLUCA, GEORGE,  
HALUSKA, GRUCELA, FRANKEL, MURPHY, KORTZ, FABRIZIO, CARROLL,  
K. SMITH, MAHONEY, MURT, MELIO AND YOUNGBLOOD, JUNE 5, 2009

SENATOR GORDNER, LABOR AND INDUSTRY, IN SENATE, AS AMENDED,  
SEPTEMBER 24, 2009

## AN ACT

1 Amending the act of April 9, 1929 (P.L.343, No.176), entitled,  
2 as amended, "An act relating to the finances of the State  
3 government; providing for the settlement, assessment,  
4 collection, and lien of taxes, bonus, and all other accounts  
5 due the Commonwealth, the collection and recovery of fees and  
6 other money or property due or belonging to the Commonwealth,  
7 or any agency thereof, including escheated property and the  
8 proceeds of its sale, the custody and disbursement or other  
9 disposition of funds and securities belonging to or in the  
10 possession of the Commonwealth, and the settlement of claims  
11 against the Commonwealth, the resettlement of accounts and  
12 appeals to the courts, refunds of moneys erroneously paid to  
13 the Commonwealth, auditing the accounts of the Commonwealth  
14 and all agencies thereof, of all public officers collecting  
15 moneys payable to the Commonwealth, or any agency thereof,  
16 and all receipts of appropriations from the Commonwealth,  
17 authorizing the Commonwealth to issue tax anticipation notes  
18 to defray current expenses, implementing the provisions of  
19 section 7(a) of Article VIII of the Constitution of  
20 Pennsylvania authorizing and restricting the incurring of  
21 certain debt and imposing penalties; affecting every  
22 department, board, commission, and officer of the State  
23 government, every political subdivision of the State, and  
24 certain officers of such subdivisions, every person,  
25 association, and corporation required to pay, assess, or  
26 collect taxes, or to make returns or reports under the laws  
27 imposing taxes for State purposes, or to pay license fees or  
28 other moneys to the Commonwealth, or any agency thereof,  
29 every State depository and every debtor or creditor of the  
30 Commonwealth," further providing for the State Workers'

1 Insurance Board and for sunset provisions relating to State  
2 Workers' Insurance Fund investment authority.

3 The General Assembly of the Commonwealth of Pennsylvania  
4 hereby enacts as follows:

5 Section 1. Sections 1731-A and 1732-A of the act of April 9,  
6 1929 (P.L.343, No.176), known as The Fiscal Code, added July 7,  
7 2005 (P.L.174, No.41), are reenacted and amended to read:

8 Section 1731-A. State Workers' Insurance Board.

9 Notwithstanding any inconsistent provisions of section 1512  
10 of the act of June 2, 1915 (P.L.736, No.338), known as the  
11 Workers' Compensation Act, section 504 of the act of November  
12 30, 1965 (P.L.847, No.356), known as the Banking Code of 1965,  
13 section 922 of the act of December 14, 1967 (P.L.746, No.345),  
14 known as the Savings Association Code of 1967, and any other law  
15 of this Commonwealth, the power of the State Workers' Insurance  
16 Board to invest money shall include the power to hold, purchase,  
17 sell, assign, transfer and dispose of securities, including  
18 common stock with the following restrictions:

19 (1) Investments in equities may not exceed the lesser  
20 of:

21 (i) 20% of the State Workers' Insurance Fund's  
22 assets; or


23 (ii) the State Workers' Insurance Fund's statutory  
24 surplus after discount, except that in the event that the  
25 statutory surplus is less than 7 1/2% of the book value  
26 of the assets of the State Workers' Insurance Fund, the  
27 investment in equities may not exceed the percentage set  
28 forth in the provisions applicable to savings banks in  
29 section 504 of the Banking Code of 1965.

30 (1.1) Investments in equities shall be made subject to  
31 the prudent man rule of section 504(c) of the Banking Code of

1     1965.

2           (2) The State Workers' Insurance Board shall establish a  
3     policy for investments and shall meet at least annually to  
4     develop a schedule for rebalancing its investments in  
5     securities to meet the restriction of paragraph (1).

6 Section 1732-A. Expiration.

7     This subarticle shall expire June 30, [2009] ~~2014~~ 2010. 

8     Section 2. The reenactment and amendment of sections 1731-A  
9     and 1732-A shall apply retroactively to June 30, 2009.

10    Section 3. This act shall take effect immediately.