

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 874 Session of  
2009

INTRODUCED BY BAKER, WASHINGTON, WILLIAMS, VANCE, D. WHITE,  
ALLOWAY, MUSTO, ARGALL, LEACH AND GORDNER, MAY 27, 2009

REFERRED TO FINANCE, MAY 27, 2009

AN ACT

1 Amending the act of July 8, 1978 (P.L.752, No.140), entitled "An  
2 act providing for the forfeiture of the pensions of certain  
3 public employees and authorizing the State or political  
4 subdivision to garnish the pension benefits of certain public  
5 officers and employees upon conviction of certain criminal  
6 activity related to their office or position of employment,"  
7 further providing for disqualification and forfeiture of  
8 benefits.

9 The General Assembly of the Commonwealth of Pennsylvania  
10 hereby enacts as follows:

11 Section 1. Section 3 of the act of July 8, 1978 (P.L.752,  
12 No.140), known as the Public Employee Pension Forfeiture Act, is  
13 amended to read:

14 Section 3. Disqualification and forfeiture of benefits.

15 (a) Notwithstanding any other provision of law, no public  
16 official or public employee nor any beneficiary designated by  
17 such public official or public employee shall be entitled to  
18 receive any retirement or other benefit or payment of any kind  
19 except a return of the contribution paid into any pension fund  
20 without interest, if such public official or public employee is  
21 convicted or pleads guilty or no defense to any crime related to

1 public office or public employment.

2 (b) The benefits shall be forfeited upon entry of a plea of  
3 guilty or no defense or upon initial conviction and [no] shall  
4 be calculated from the date of initial arraignment. No payment  
5 or partial payment shall be made during the pendency of an  
6 appeal. If a verdict of not guilty is rendered or the indictment  
7 or criminal information finally dismissed, then the public  
8 official or public employee shall be reinstated as a member of  
9 the pension fund or system and shall be entitled to all benefits  
10 including those accruing during the period of forfeiture if any.  
11 Such conviction or plea shall be deemed to be a breach of a  
12 public officer's or public employee's contract with his  
13 employer.

14 (c) Each time a public officer or public employee is  
15 elected, appointed, promoted, or otherwise changes a job  
16 classification, there is a termination and renewal of the  
17 contract for purposes of this act.

18 (d) The appropriate retirement board may retain a member's  
19 contributions and interest thereon for the purpose of paying any  
20 fine imposed upon the member of the fund, or for the repayment  
21 of any funds misappropriated by such member from the  
22 Commonwealth or any political subdivision.

23 (e) Notwithstanding any other provision of this act, the  
24 State Employees' Retirement Board shall not disburse any funds  
25 to any person who has forfeited their right to benefits until  
26 the Auditor General and the Attorney General have determined and  
27 certified that there has been no loss to the Commonwealth as a  
28 result of the conduct that resulted in forfeiture of benefits.  
29 If there is a loss to the Commonwealth, the board shall pay the  
30 amount of the loss to the State Treasurer from the member's

1 contributions and the interest thereon.

2 Section 2. This act shall take effect in 60 days.