



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

HOUSE BILL NO. 939

PRINTERS NO. 1498

PRIME SPONSOR: Petri

COST / (SAVINGS)

FUND	FY 2016/17	FY 2017/18
Public Pension Funds	\$0	\$0

SUMMARY:

House Bill 939, printer's number 1498, amends the act of July 8, 1978 (P.L. 752, No. 140), known as the Public Employee Pension Forfeiture Act, to add definitions, and to further provide for forfeiture of pension benefits; and to repeal a retroactivity provision. The effective date is immediately after enactment.

ANALYSIS:

The bill adds definitions for "benefits administrator," "school employee" and "student" to the Public Employee Pension Forfeiture Act. The bill also amends the definition of "crimes related to public office or public employment" to provide that public pension benefit forfeiture shall occur when a public employee is found guilty of any criminal offense classified as a felony or is punishable by a term of imprisonment exceeding five years or when a plea of guilty or no contest is entered. Upon the finding of guilty of a public official or public employee, or upon the entry of a plea of guilty or no contest, the court shall notify the appropriate benefits administrator of such finding, and until restitution is determined by the court, the benefits administrator shall not make payment of any refund of contributions applied for until the court notifies the benefits administrator that no restitution is due.

Section 7 of the Public Employee Pension Forfeiture Act is also repealed by the bill. Section 7, made the provisions of the act retroactive to December 1, 1972. Court rulings have deemed the retroactive application of the act unconstitutional.

FISCAL IMPACT:

The enactment of this legislation will have no adverse impact on Commonwealth funds.

PREPARED BY: Lisa Taglang
House Appropriations Committee (R)

DATE: May 5, 2017

Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.