KAREN BOBACK, MEMBER 117TH LEGISLATIVE DISTRICT

DISTRICT OFFICES: 5929 MAIN ROAD **OFF ROUTE 118** HUNLOCK CREEK, PA 18621 PHONE: (570) 477-3752 FAX: (570) 477-3468

608 HUNTER HIGHWAY TUNKHANNOCK, PA 18657 PHONE: (570) 836-4777 FAX: (570) 836-4772



House of Representatives

Commonwealth of Pennsylvania Harrisburg

Email: kboback@pahousegop.com Web: RepBoback.com Facebook.com/RepBoback TOLLFREE: 1(800)278-3930 May 13, 2011

HARRISBURG OFFICE: 141-B EAST WING PO BOX 202117 HARRISBURG, PA 17120-2117 PHONE: (717) 787-1117 FAX: (717) 705-1889

COMMITTEES

AGRICULTURE GAMING OVERSIGHT TOURISM & RECEATIONAL DEVELOPMENT VETERANS AFFAIRS & EMEREGENCY PREPAREDNESS CHAIRMAN, SUBCOMMITTEE ON MILITARY & **VETERANS FACILITIES**

SPEAKER APPOINTEE, GINO J. MERLI VETERANS CENTER ADVISORY COUNCIL SPEAKER APPOINTEE, ADULT BASIC & LITERACY **EDUCATION INTERAGENCY** COORDINATING COUNCIL

CAUCUSES

PA LEGISLATIVE SPORTSMEN, SECRETARY SCHOOL PROPERTY TAX RELIEF VETERANS FIREFIGHTERS & EMERGENCY SERVICES AGRICULTURE, CO-CHAIRMAN AL THEIMERS ANTIQUE & CLASSIC CAR, CHAIRMAN EAST CENTRAL

MEMORANDUM

SUBJECT: Cosponsorship of Legislation

TO:

FROM:

Representative Karen Bobasan Bobasan Room 141-B, East Wing

On Wednesday, May 18th, I will introduce legislation to amend the Public Employee Pension Forfeiture Act.

Currently, in cases that go to trial, public officials and public employees continue to receive pension benefits between the time the jury returns a verdict of guilty and the time that the public official or public employee is sentenced. In practical terms, this means that public officials or employees that are found guilty of a crime related to public office or employment continue to receive pension benefits. Forfeiture does not commence until the public official or employee is sentenced by a judge, which can be many months later.

My legislation provides that benefits would be immediately forfeited "upon the public official's or public employee's entry of a plea of guilty or no contest or upon initial entry of a jury verdict or judicial order of guilty" to a crime related to public office or public employment.

According to news accounts, the State Employees' Retirement System (SERS) believes that forfeiture should begin when a public official or public employee enters a plea of guilty to a crime related to public office or employment. This is the position that SERS has taken with respect to Mark Ciavarella, the former judge from Luzerne County who was implicated in the "cash for kids" scandal. This is despite the fact that the Public Employee Pension Forfeiture Act currently allows a public official or employee to continue to receive benefits after a finding of guilt, that is, up until sentencing.

Cosponsorship Memorandum May 13, 2011 Page 2

In February 2009, Mr. Ciavarella plead guilty to federal crimes based upon his participation in the "cash for kids" scandal. Mr. Ciavarella later withdrew his plea of guilty in July 2009 and proceeded to trial. He was convicted in February 2011, two years after his initial entry of a plea of guilty. SERS has withheld payment of Mr. Ciavarella's pension, stating that despite the wording of the statute, payments should end at an entry of a plea of guilty. A hearing will be held June 2 to decide whether SERS' position that Mr. Ciavaralla's pension should be withheld based upon his entry of a plea of guilty is supported by the Public Employee Pension Forfeiture Act.

My legislation supports the position SERS has taken in the Ciaverella case. It will give clear statutory guidance to all of the pensions systems that once a plea of guilty or no contest has been entered or a public official or employee has been found guilty by a jury, payments cease. (Under the Public Employee Pension Forfeiture Act, a public official or employee who has been found guilty is entitled to a return of his own contributions.) This will end the practice of public officials or employees who have either admitted their guilt or have been found guilty by a jury of their peers from continuing to receive pension benefits even after their guilt has been established.

If you are interested in joining me in co-sponsoring this legislation, please contact or email Brenda Zablotsky at (717) 787-1117 or bzablots@pahousegop.com. Thank you for your interest and support.

KB:brz