

## MEMORANDUM

**TO:** Members of the House of Representatives  
**FROM:** Representative Martin Schmotzer  
**DATE:** May 31, 2012  
**SUBJECT:** Co-Sponsor Multiple Public Sector Pensions

In the near future, I intend to introduce legislation to prohibit public sector employees from collecting more than one publically funded pension, otherwise known as “pension double dipping.”

As you may know, public sector retirees have the option to return to work at another level of government and continue to receive a pension. Although the pension benefits of SERS and PSERS return to service retirees must be frozen while collecting a state paycheck, this is not the case for retirees collecting pensions from various levels of government. For example, state employees can retire and collect their state pensions, return to work at a different subdivision of government, and receive a paycheck in addition to their pension. If these individuals so choose, they may accept an additional pension upon meeting all requirements set forth by the designated retirement system. Though legal, I find this to be very troublesome.

In a time when our state and local government pension systems are underfunded, we face unparalleled budget deficits, and our citizens are begging for tax relief, we must explore all cost saving measures including pension reform. While I understand that pension benefits are a major incentive of public sector employment, “pension double dipping” creates additional expenses for state and local governments, which results in an additional burden for taxpayers.

Under my proposal, individuals eligible to receive more than one public pension must notify the appropriate pension system of their withdrawal, and request a return of their individual contributions paid to the pension fund, in addition to the interest accumulated. If an individual were to collect more than one government pension after the enactment of this bill, they would be charged with a felony of the third degree. The provisions of this act will only apply to those public employees who begin their duties 60 days following the passage of this legislation.

If you would like to join me in sponsoring this necessary legislation, please contact Maria Halkias at 717-772-9902 or via email at [mhalkias@pahouse.net](mailto:mhalkias@pahouse.net). Thank you.