

STATE GOVERNMENT (71 PA.C.S.) - EMPLOYER RETIREMENT CONTRIBUTION  
RATES

Act of Jun. 27, 2007, P.L. 32, No. 8

Cl. 71

Session of 2007

No. 2007-8

HB 876

AN ACT

Amending Title 71 (State Government) of the Pennsylvania Consolidated Statutes, further providing for the employer contribution rate.

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

Section 1. Section 5508(a) of Title 71 of the Pennsylvania Consolidated Statutes is amended to read:  
§ 5508. Actuarial cost method.

(a) Employer contribution rate on behalf of active members.--The amount of the Commonwealth and other employer contributions on behalf of all active members shall be computed by the actuary as a percentage of the total compensation of all active members during the period for which the amount is determined and shall be so certified by the board. The total employer contribution rate on behalf of all active members shall consist of the employer normal contribution rate, as defined in subsection (b), and the accrued liability contribution rate as defined in subsection (c). The total employer contribution rate shall be modified by the experience adjustment factor as calculated in subsection (f) but in no case shall it be less than zero. The total employer contribution rate shall be modified by the experience adjustment factor as calculated in subsection (f), but in no case shall it be less than:

- (1) 2% for the fiscal year beginning July 1, 2004;
- (2) 3% for the fiscal year beginning July 1, 2005; and
- (3) 4% for the fiscal year beginning July 1, 2006, **and**

**thereafter.**

\* \* \*

Section 2. If, prior to the effective date of this section, the board certifies employer contribution rates for the fiscal year beginning July 1, 2007, the board shall, notwithstanding any other provision of law to the contrary, recertify to the Secretary of the Budget the contributions, rates, factors and amounts set forth in 71 Pa.C.S. § 5902(k). The board's recertification shall reflect all changes in the contributions, rates, factors and amounts previously certified by the board prior to the effective date of this act for the fiscal year beginning July 1, 2007, which are required to comply with 71 Pa.C.S. § 5508. Such recertification shall occur within 15 days of the effective date of this section and shall supersede the prior certification for all purposes.

Section 3. This act shall take effect immediately.

APPROVED--The 27th day of June, A. D. 2007.

EDWARD G. RENDELL