

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE RESOLUTION

No. 28 Session of 2023

INTRODUCED BY MERSKI, FREEMAN, MADDEN, HILL-EVANS, SANCHEZ, CIRESI, HARKINS, GILLEN AND GREEN, MARCH 10, 2023

AS REPORTED FROM COMMITTEE ON STATE GOVERNMENT, HOUSE OF REPRESENTATIVES, AS AMENDED, APRIL 9, 2024

A RESOLUTION

1 Directing the Legislative Budget and Finance Committee to
2 conduct a cost analysis study of an early retirement proposal
3 for members of the State Employees' Retirement System and the
4 Public School Employees' Retirement System.

5 WHEREAS, In the past, the State Employees' Retirement System
6 (SERS) and the Public School Employees' Retirement System
7 (PSERS) have allowed members, on occasion, to take an early
8 retirement during a certain time period so long as the members
9 met specific requirements; and

10 WHEREAS, In 1992 and 1993, an early retirement incentive was
11 offered to public school employees in this Commonwealth which
12 saved approximately \$216 million in salaries but increased the
13 pension liability by \$284 million; and

14 WHEREAS, A study was conducted by the Legislative Budget and
15 Finance Committee in ~~2005~~ 2006 in which the advantages and
16 disadvantages of allowing for early retirement from SERS and
17 PSERS were analyzed fiscally and actuarially to determine if an
18 early retirement option should be established for State and

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1 public school employees; and

2 WHEREAS, Additional studies on the benefits or drawbacks of
3 an early retirement option have not been conducted since 2005;
4 therefore be it

5 RESOLVED, That the House of Representatives direct the
6 Legislative Budget and Finance Committee to conduct a cost
7 analysis study of an early retirement proposal for members of
8 the State Employees' Retirement System and the Public School
9 Employees' Retirement System who are 55 years of age or older or
10 who have at least 30 years of service; and be it further

11 RESOLVED, That the analysis include:

12 (1) the possible cost savings for the Commonwealth if
13 early retirement were allowed for the span of one year, five
14 years or ten years;

15 (2) the value of early retirement programs in providing
16 employment for younger workers;

17 (3) the potential impacts on the mix of critical skills
18 and experience within Commonwealth agencies and school
19 districts and the various alternatives to maintaining or
20 ensuring adequate staffing in the context of retirement
21 enhancements; and

22 (4) the past impact of early retirement incentives on
23 budgets and workforce needs;

24 and be it further

25 ~~RESOLVED, That the Legislative Budget and Finance Committee~~ <--
26 ~~be authorized to request actuarial studies for the study on~~
27 ~~behalf of the House of Representatives; and be it further~~

28 ~~RESOLVED, That the Legislative Budget and Finance Committee~~
29 ~~use other studies and existing resources that may assist in~~
30 ~~completing the study; and be it further~~

1 RESOLVED, That a report on the study be submitted to the
2 State Government Committee in a public forum ~~180 days~~ ONE YEAR <--
3 after the adoption of this resolution and that the report be
4 disseminated promptly thereafter to all members of the General
5 Assembly and the Governor for consideration.