

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 907 Session of 2011

INTRODUCED BY BROWNE, MARCH 30, 2011

REFERRED TO FINANCE, MARCH 30, 2011

AN ACT

1 Amending the act of April 9, 1929 (P.L.343, No.176), entitled,  
 2 as amended, "An act relating to the finances of the State  
 3 government; providing for the settlement, assessment,  
 4 collection, and lien of taxes, bonus, and all other accounts  
 5 due the Commonwealth, the collection and recovery of fees and  
 6 other money or property due or belonging to the Commonwealth,  
 7 or any agency thereof, including escheated property and the  
 8 proceeds of its sale, the custody and disbursement or other  
 9 disposition of funds and securities belonging to or in the  
 10 possession of the Commonwealth, and the settlement of claims  
 11 against the Commonwealth, the resettlement of accounts and  
 12 appeals to the courts, refunds of moneys erroneously paid to  
 13 the Commonwealth, auditing the accounts of the Commonwealth  
 14 and all agencies thereof, of all public officers collecting  
 15 moneys payable to the Commonwealth, or any agency thereof,  
 16 and all receipts of appropriations from the Commonwealth,  
 17 authorizing the Commonwealth to issue tax anticipation notes  
 18 to defray current expenses, implementing the provisions of  
 19 section 7(a) of Article VIII of the Constitution of  
 20 Pennsylvania authorizing and restricting the incurring of  
 21 certain debt and imposing penalties; affecting every  
 22 department, board, commission, and officer of the State  
 23 government, every political subdivision of the State, and  
 24 certain officers of such subdivisions, every person,  
 25 association, and corporation required to pay, assess, or  
 26 collect taxes, or to make returns or reports under the laws  
 27 imposing taxes for State purposes, or to pay license fees or  
 28 other moneys to the Commonwealth, or any agency thereof,  
 29 every State depository and every debtor or creditor of the  
 30 Commonwealth," in special funds, reviving and further  
 31 providing for investments.

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

1 Section 1. The heading of Subarticle D of Article XVII-A of  
2 the act of April 9, 1929 (P.L.343, No.176), known as The Fiscal  
3 Code, added July 7, 2005 (P.L.174, No.41), is reenacted to read:

4 SUBARTICLE D

5 INVESTMENTS

6 Section 2. Section 1731-A of the act, reenacted and amended  
7 October 9, 2009 (P.L.537, No.50), is reenacted to read:

8 Section 1731-A. State Workers' Insurance Board.

9 Notwithstanding any inconsistent provisions of section 1512  
10 of the act of June 2, 1915 (P.L.736, No.338), known as the  
11 Workers' Compensation Act, section 504 of the act of November  
12 30, 1965 (P.L.847, No.356), known as the Banking Code of 1965,  
13 section 922 of the act of December 14, 1967 (P.L.746, No.345),  
14 known as the Savings Association Code of 1967, and any other law  
15 of this Commonwealth, the power of the State Workers' Insurance  
16 Board to invest money shall include the power to hold, purchase,  
17 sell, assign, transfer and dispose of securities, including  
18 common stock with the following restrictions:

19 (1) Investments in equities may not exceed the lesser  
20 of:

21 (i) 20% of the State Workers' Insurance Fund's  
22 assets; or

23 (ii) the State Workers' Insurance Fund's statutory  
24 surplus after discount, except that, in the event that  
25 the statutory surplus is less than 7 1/2% of the book  
26 value of the assets of the State Workers' Insurance Fund,  
27 the investment in equities may not exceed the percentage  
28 set forth in the provisions applicable to savings banks  
29 in section 504 of the Banking Code of 1965.

30 (1.1) Investments in equities shall be made subject to

1 the prudent man rule of section 504(c) of the Banking Code of  
2 1965.

3 (2) The State Workers' Insurance Board shall establish a  
4 policy for investments and shall meet at least annually to  
5 develop a schedule for rebalancing its investments in  
6 securities to meet the restriction of paragraph (1).

7 Section 3. Section 1732-A of the act, reenacted and amended  
8 October 9, 2009, (P.L.537, No.50), is reenacted and amended to  
9 read:

10 Section 1732-A. Expiration.

11 This subarticle shall expire June 30, [2010] 2015.

12 Section 4. The reenactment or amendment of Article XVII-A  
13 Subarticle D heading and sections 1731-A and 1732-A of the act  
14 shall apply retroactively to June 30, 2010.

15 Section 5. This act shall take effect immediately.