

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL**No. 907** Session of
2011

INTRODUCED BY BROWNE, MARCH 30, 2011

AS AMENDED ON THIRD CONSIDERATION, MAY 23, 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 and amended to ←
8 read:

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

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

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

22 (i) ~~20%~~ 15% of the State Workers' Insurance Fund's ←
23 assets; or

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

1 NOTWITHSTANDING THE STATUTORY SURPLUS, THE STATE WORKERS'
2 INSURANCE FUND IS AUTHORIZED TO INVEST UP TO 7 1/2% OF
3 THE BOOK VALUE OF ITS ASSETS IN EQUITIES.

4 (1.1) Investments in equities shall be made subject to
5 the prudent [man rule of section 504(c) of the Banking Code ←
6 of 1965] INVESTOR RULE AS PROVIDED FOR UNDER 20 PA.C.S. § ←
7 7203 (RELATING TO PRUDENT INVESTOR RULE).

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

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

15 Section 1732-A. Expiration.

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

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

20 Section 5. This act shall take effect immediately.