

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 917 Session of 2013

INTRODUCED BY ARGALL, KASUNIC, ERICKSON, RAFFERTY, VULAKOVICH,
HUTCHINSON, GORDNER, BROWNE, YUDICHAK, EICHELBERGER, ROBBINS,
SOLOBAY, BOSCOLA, WOZNIAK, ALLOWAY AND CORMAN, MAY 6, 2013

REFERRED TO FINANCE, MAY 6, 2013

AN ACT

1 Amending Titles 24 (Education) and 71 (State Government) of the
2 Pennsylvania Consolidated Statutes, in retirement for school
3 employees, further providing for definitions and for
4 administrative duties of Public School Employees' Retirement
5 Board; and, in retirement for State employees and officers,
6 further providing for definitions and for administrative
7 duties of State Employees' Retirement Board.

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

10 Section 1. Section 8102 of Title 24 of the Pennsylvania
11 Consolidated Statutes is amended by adding definitions to read:
12 § 8102. Definitions.

13 The following words and phrases when used in this part shall
14 have, unless the context clearly indicates otherwise, the
15 meanings given to them in this section:

16 * * *

17 "Active employee association." A membership organization
18 that is all of the following:

19 (1) Incorporated in this Commonwealth with a governing
20 body consisting of active members.

1 (2) Classified as a nonprofit organization under section
2 501(c) of the Internal Revenue Code of 1986 (Public Law 99-
3 514, 26 U.S.C. § 501(c)).

4 (3) Supported with the self-payment of membership dues
5 by at least 15% of the active members of the system.

6 * * *

7 "Annuitant association." A voluntary membership organization
8 that is all of the following:

9 (1) Incorporated in this Commonwealth with a governing
10 body consisting exclusively of annuitants.

11 (2) Classified as a nonprofit organization under section
12 501(c)(4) of the Internal Revenue Code of 1986 (Public Law
13 99-514, 26 U.S.C. § 501(c)(4)).

14 (3) Supported with the self-payment of membership dues
15 in retirement by at least 15% of the annuitant members of the
16 system.

17 * * *

18 Section 2. Section 8502 of Title 24 is amended by adding
19 subsections to read:

20 § 8502. Administrative duties of board.

21 * * *

22 (g) Information to active employee and annuitant
23 associations.--

24 (1) An active employee association or annuitant
25 association shall be entitled to receive from the board
26 members' names and home addresses for the purpose of
27 promoting membership in the active employee association or
28 annuitant association. In addition to all other information
29 made available to the public under the laws of this
30 Commonwealth, including the act of February 14, 2008 (P.L.6,

1 No.3), known as the Right-to-Know Law, and that is available
2 in electronic form the board shall provide to an active
3 employee association and annuitant association the members'
4 names and home addresses. The board shall not make available
5 to the public or to active employee associations and
6 annuitant associations the name and home address of a
7 member's designated beneficiary.

8 (2) Within 30 days of the effective date of this
9 subsection, the board shall provide to all members written
10 notice of the disclosure of information pursuant to this
11 subsection and an opportunity to refuse to allow the
12 disclosure. Members shall have 90 days to respond to this
13 notice, and no information shall be transmitted to an active
14 employee or annuitant association under this subsection until
15 the conclusion of that period. With the application for entry
16 into the system, each new member shall be given notice of the
17 disclosure pursuant to this subsection and an opportunity to
18 refuse to allow disclosure. The board shall establish a
19 procedure for timely processing of the requests of members
20 who wish to change the protected status of their information.
21 If any member refuses to allow disclosure, the member's
22 information shall not be subject to disclosure under this
23 subsection.

24 (3) The board shall produce and transmit either
25 electronically or by mail the member information subject to
26 disclosure under paragraph (1) to each active employee
27 association and annuitant association by the tenth day of
28 each month for the preceding month unless the association
29 shall consent to a less frequent schedule for production and
30 transmittal of the information, if the active employee

1 association or annuitant association reimburses the board for
2 the actual or reasonable cost the board incurs each month in
3 providing the information.

4 (4) Any information or records provided to an active
5 employee association or annuitant association under this
6 subsection shall be held in confidence by that association
7 and any individual employed by or associated with that
8 association. No active employee association or annuitant
9 association may give, transfer, sell or, in any other manner,
10 distribute to any person or entity outside the active
11 employee association or annuitant association the information
12 for any individual member obtained under this subsection. The
13 information and records shall not be open to examination for
14 any purpose not directly connected with the administration of
15 the services specified as the purpose under paragraph (1).

16 (5) Except as otherwise set forth under this subsection,
17 nothing under this subsection shall be construed to limit the
18 use by an active employee association or annuitant
19 association of any information on active employees or
20 annuitants who elect membership in the active employee
21 association or annuitant association.

22 (r) Civil relief against active employee associations and
23 annuitant associations.--

24 (1) The Office of Attorney General or any active
25 employee or annuitant may bring civil action against an
26 active employee association or annuitant association which
27 intentionally violates subsection (g).

28 (2) In addition to any other remedy provided by law, the
29 Attorney General or an active employee or an annuitant
30 bringing an action under this subsection may:

1 (i) Seek injunctive relief to restrain the active
2 employee association or annuitant association from
3 distributing the records or information.

4 (ii) Recover actual damages arising from the willful
5 violation by an active employee association or an
6 annuitant association.

7 (iii) Seek both injunctive relief and recovery of
8 damages as provided by this subsection.

9 Section 3. Section 5102 of Title 71 is amended by adding a
10 definition to read:

11 § 5102. Definitions.

12 The following words and phrases as used in this part, unless
13 a different meaning is plainly required by the context, shall
14 have the following meanings:

15 * * *

16 "Voluntary Employee Benefits Association." A voluntary
17 membership organization that is all of the following:

18 (1) Incorporated in this Commonwealth with a governing
19 body consisting exclusively of annuitants.

20 (2) Classified as a nonprofit organization under section
21 501(c)(9) of the Internal Revenue Code of 1986 (Public Law
22 99-514, 26 U.S.C. § 501(c)(9)).

23 (3) Supported with the self-payment of membership dues
24 in retirement by at least 15% of the members of the system.

25 Section 4. Section 5902 of Title 71 is amended by adding
26 subsections to read:

27 § 5902. Administrative duties of the board.

28 * * *

29 (p) Information to active employee and annuitant
30 associations.--

1 (1) A voluntary employee benefits association shall be
2 entitled to receive from the board members' names and home
3 addresses for the purpose of promoting membership in the
4 voluntary employee benefits association. In addition to all
5 other information made available to the public under the laws
6 of this Commonwealth, including the act of February 14, 2008
7 (P.L.6, No.3), known as the Right-to-Know Law, and that which
8 is available in electronic form, the board shall provide to
9 the voluntary employee benefits associations the members'
10 names and home addresses. That board shall not make available
11 to the public or to voluntary employee benefits associations
12 the names and home addresses of a member's designated
13 beneficiary.

14 (2) Within 30 days of the effective date of this
15 subsection, the board shall provide to all members written
16 notice of the disclosure of information pursuant to this
17 subsection and an opportunity to refuse to allow the
18 disclosure. Members shall have 90 days to respond to this
19 notice, and no information shall be transmitted to a
20 voluntary employee benefits association under this subsection
21 until the conclusion of that period. With the application for
22 entry into the system, each new member shall be given notice
23 of the disclosure pursuant to this subsection and an
24 opportunity to refuse to allow disclosure. The board shall
25 establish a procedure for timely processing the requests of
26 members who wish to change the protected status of their
27 information. If any member refuses to allow disclosure, the
28 member's information shall not be subject to disclosure under
29 this subsection.

30 (3) The board shall produce and transmit either

1 electronically or by mail the member information subject to
2 disclosure under paragraph (1) to each voluntary employee
3 benefits association by the tenth day of each month for the
4 preceding month unless the association shall consent to a
5 less frequent schedule for production and transmittal of the
6 information, if the voluntary employee benefits association
7 reimburses the board for the actual or reasonable cost the
8 board incurs each month in providing the information.

9 (4) Any information or records provided to a voluntary
10 employee benefits association under this subsection shall be
11 held in confidence by that association and any individual
12 employed by or associated with that association. No voluntary
13 employee benefits association may give, transfer, sell or in
14 any other manner distribute to any person or entity outside
15 the voluntary employee benefits association the information
16 for any individual member obtained under this subsection. The
17 information and records shall not be open to examination for
18 any purpose not directly connected with the administration of
19 the services specified as the purpose under paragraph (1).

20 (5) Except as otherwise set forth under this subsection,
21 nothing under this subsection shall be construed to limit the
22 use by a voluntary employee benefits association of any
23 information on active employees or annuitants who elect
24 membership in the voluntary employee benefits association.

25 (q) Civil relief against voluntary employee benefits
26 associations.--

27 (1) The Office of Attorney General or any active
28 employee or annuitant may bring civil action against a
29 voluntary employee benefits association which intentionally
30 violates subsection (p).

1 (2) In addition to any other remedy provided by law, the
2 Attorney General or an active employee or an annuitant
3 bringing an action under this subsection may:

4 (i) Seek injunctive relief to restrain the voluntary
5 employee benefits association from distributing the
6 records or information.

7 (ii) Recover actual damages arising from the willful
8 violation by a voluntary employee benefits association.

9 (iii) Seek both injunctive relief and recovery of
10 damages as provided by this subsection.

11 Section 5. This act shall take effect in 60 days.