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 THE GENERAL ASSEMBLY OF PENNSYLVANIA
 

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# HOUSE BILL

No. **2418** Session of  
2020

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INTRODUCED BY O'NEAL AND RYAN, APRIL 17, 2020

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AS AMENDED ON THIRD CONSIDERATION, IN SENATE, JUNE 23, 2020

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AN ACT

1 Amending the act of April 9, 1929 (P.L.177, No.175), entitled  
 2 "An act providing for and reorganizing the conduct of the  
 3 executive and administrative work of the Commonwealth by the  
 4 Executive Department thereof and the administrative  
 5 departments, boards, commissions, and officers thereof,  
 6 including the boards of trustees of State Normal Schools, or  
 7 Teachers Colleges; abolishing, creating, reorganizing or  
 8 authorizing the reorganization of certain administrative  
 9 departments, boards, and commissions; defining the powers and  
 10 duties of the Governor and other executive and administrative  
 11 officers, and of the several administrative departments,  
 12 boards, commissions, and officers; fixing the salaries of the  
 13 Governor, Lieutenant Governor, and certain other executive  
 14 and administrative officers; providing for the appointment of  
 15 certain administrative officers, and of all deputies and  
 16 other assistants and employes in certain departments, boards,  
 17 and commissions; providing for judicial administration; and  
 18 prescribing the manner in which the number and compensation  
 19 of the deputies and all other assistants and employes of  
 20 certain departments, boards and commissions shall be  
 21 determined," IN ORGANIZATION OF DEPARTMENTAL ADMINISTRATIVE <--  
 22 BOARDS AND COMMISSIONS AND OF ADVISORY BOARDS AND  
 23 COMMISSIONS, FURTHER PROVIDING FOR STATE GEOSPATIAL  
 24 COORDINATING BOARD; IN INDEPENDENT FISCAL OFFICE, FURTHER  
 25 PROVIDING FOR ADDITIONAL DUTIES; AND providing for COVID-19  
 26 debt cost reduction review.

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

29 ~~Section 1. The act of April 9, 1929 (P.L.177, No.175), known <--~~  
 30 ~~as The Administrative Code of 1929, is amended by adding an~~

1 ~~article to read:~~

2 SECTION 1. SECTION 432.1(B) (1) (VII) AND (VIII) AND (J) OF <--  
3 THE ACT OF APRIL 9, 1929 (P.L.177, NO.175), KNOWN AS THE  
4 ADMINISTRATIVE CODE OF 1929, ARE AMENDED, SUBSECTION (B) (1) IS  
5 AMENDED BY ADDING A SUBPARAGRAPH AND THE SECTION IS AMENDED BY  
6 ADDING A SUBSECTION TO READ:

7 SECTION 432.1. STATE GEOSPATIAL COORDINATING BOARD.--\* \* \*

8 (B) (1) THE STATE GEOSPATIAL COORDINATING BOARD SHALL  
9 CONSIST OF THE FOLLOWING MEMBERS:

10 \* \* \*

11 (VI.1) THE SECRETARY OF AGRICULTURE OR A DESIGNEE.

12 (VII) THREE MEMBERS APPOINTED BY THE PRESIDENT PRO TEMPORE  
13 OF THE SENATE IN CONSULTATION WITH THE MAJORITY LEADER AND  
14 MINORITY LEADER OF THE SENATE. ONE MEMBER SHALL BE A  
15 REPRESENTATIVE OF A MUNICIPAL AUTHORITY. [ONE MEMBER] TWO  
16 MEMBERS SHALL BE [AN ELECTED] LOCAL GOVERNMENT [OFFICIAL  
17 REPRESENTING A RURAL COMMUNITY. ONE MEMBER SHALL BE AN ELECTED  
18 LOCAL GOVERNMENT OFFICIAL REPRESENTING A SUBURBAN COMMUNITY]  
19 OFFICIALS OR EMPLOYEES.

20 (VIII) THREE MEMBERS APPOINTED BY THE SPEAKER OF THE HOUSE  
21 OF REPRESENTATIVES IN CONSULTATION WITH THE MAJORITY LEADER AND  
22 MINORITY LEADER OF THE HOUSE OF REPRESENTATIVES. ONE MEMBER  
23 SHALL BE A LOCAL [ELECTED] GOVERNMENT OFFICIAL OR EMPLOYEE  
24 REPRESENTING AN URBAN COMMUNITY. ONE MEMBER SHALL BE AN EMPLOYEE  
25 OF A COUNTY EMERGENCY MANAGEMENT AGENCY. ONE MEMBER SHALL BE AN  
26 INDIVIDUAL WITH EXPERTISE IN GEOSPATIAL TECHNOLOGY.

27 \* \* \*

28 (F.1) THE BOARD MAY, WITH THE APPROVAL OF THE GOVERNOR,  
29 APPOINT AN EXECUTIVE DIRECTOR WHO SHALL SERVE AT THE PLEASURE OF  
30 THE BOARD. THE SELECTION AND REMOVAL OF THE EXECUTIVE DIRECTOR

1 SHALL BE MADE BY A SIMPLE MAJORITY OF THE VOTING MEMBERS OF THE  
2 BOARD THAT CONSTITUTE A QUORUM. COMPENSATION FOR THE EXECUTIVE  
3 DIRECTOR SHALL BE SET BY A VOTE OF A MAJORITY OF THE BOARD  
4 MEMBERS IDENTIFIED IN SUBSECTION (B) (1) (I), (II), (III), (IV),  
5 (V), (VI) AND (VI.1), SUBJECT TO THE APPROVAL OF THE EXECUTIVE  
6 BOARD. FUNDING FOR THE EXECUTIVE DIRECTOR'S COMPENSATION SHALL  
7 BE EVENLY APPORTIONED AMONGST ALL OF THE COMMONWEALTH AGENCIES  
8 REPRESENTED BY MEMBERS IN SUBSECTION (B) (1) (I), (II), (III),  
9 (IV), (V), (VI) AND (VI.1) AND ADMINISTERED BY THE GOVERNOR'S  
10 BUDGET OFFICE. THE EXECUTIVE DIRECTOR SHALL BE QUALIFIED FOR THE  
11 DUTIES OF THE POSITION, AS DETERMINED BY THE BOARD, AND SHALL  
12 CONDUCT THE WORK OF THE BOARD UNDER THE BOARD'S DIRECTION AND  
13 SUPERVISION. NO CURRENT MEMBER OF THE BOARD MAY SERVE AS THE  
14 EXECUTIVE DIRECTOR. THE EXECUTIVE DIRECTOR'S APPOINTMENT SHALL  
15 NOT CONTINUE BEYOND THE EXPIRATION OF THIS SECTION. THE  
16 EXECUTIVE DIRECTOR SHALL BE SUBJECT TO THE SAME POLICIES AND  
17 PROCEDURES AS EMPLOYEES OF THE OFFICE OF ADMINISTRATION.

18 \* \* \*

19 (J) THIS SECTION SHALL EXPIRE JUNE 30, [2020] 2024.

20 SECTION 2. SECTION 615-B(A) OF THE ACT IS AMENDED AND THE  
21 SECTION IS AMENDED BY ADDING A SUBSECTION TO READ:

22 SECTION 615-B. ADDITIONAL DUTIES.

23 (A) ACTUARIAL NOTES.--THE OFFICE SHALL PREPARE ACTUARIAL  
24 NOTES BY SELECTING AN ENROLLED PENSION ACTUARY TO PREPARE [AN  
25 ACTUARIAL NOTE] ACTUARIAL NOTES FOR BILLS OR AMENDMENTS WHICH  
26 COULD HAVE A MATERIAL ACTUARIAL IMPACT ON A PUBLIC EMPLOYEE  
27 RETIREMENT PLAN. ACTUARIAL NOTES SHALL INCLUDE A RELIABLE  
28 ESTIMATE OF THE FINANCIAL AND ACTUARIAL EFFECT OF THE PROPOSED  
29 CHANGE IN ANY PENSION OR RETIREMENT SYSTEM. THE FINANCIAL  
30 ANALYSIS CONTAINED IN ACTUARIAL NOTES FOR LEGISLATION THAT

1 PROPOSES SUBSTANTIAL BENEFIT DESIGN CHANGES UNDER 24 PA.C.S. PT.  
2 IV (RELATING TO RETIREMENT FOR SCHOOL EMPLOYEES) AND 71 PA.C.S.  
3 PT. XXV (RELATING TO RETIREMENT FOR STATE EMPLOYEES AND  
4 OFFICERS) SHALL INCLUDE, BUT NOT BE LIMITED TO, A RISK TRANSFER  
5 ANALYSIS AND, IF REQUESTED BY AN OFFICER LISTED IN THIS  
6 SUBSECTION, AN ANALYSIS OF THE POTENTIAL IMPACT ON THE ASSET  
7 ALLOCATION AND RELATED COSTS FOR THE SYSTEMS. THE ACTUARIAL NOTE  
8 SHALL BE FACTUAL, AND SHALL, IF POSSIBLE, PROVIDE A RELIABLE  
9 ESTIMATE OF BOTH THE IMMEDIATE COST AND EFFECT OF THE BILL AND,  
10 IF DETERMINABLE OR REASONABLY FORSEEABLE, THE LONG-RANGE  
11 ACTUARIAL COST AND EFFECT OF THE BILL. THE STATE EMPLOYEES'  
12 RETIREMENT SYSTEM OR THE PUBLIC SCHOOL EMPLOYEES' RETIREMENT  
13 SYSTEM SHALL PROVIDE THE OFFICE WITH ALL INFORMATION NECESSARY  
14 TO COMPLETE AN ACTUARIAL NOTE WITHIN 14 DAYS OF THE REQUEST FOR  
15 INFORMATION BY THE OFFICE. THE OFFICE SHALL TRANSMIT ACTUARIAL  
16 NOTES IN ELECTRONIC FORM TO THE GOVERNOR AND ALL MEMBERS OF THE  
17 GENERAL ASSEMBLY WITHIN THE TIME PERIODS SPECIFIED UNDER THIS  
18 SECTION UPON THE REQUEST OF ANY OF THE FOLLOWING:

19 (1) THE PRESIDENT PRO TEMPORE OF THE SENATE OR THE  
20 SPEAKER OF THE HOUSE OF REPRESENTATIVES.

21 (2) THE MAJORITY LEADER OR THE MINORITY LEADER OF THE  
22 SENATE.

23 (3) THE MAJORITY LEADER OR THE MINORITY LEADER OF THE  
24 HOUSE OF REPRESENTATIVES.

25 (4) THE CHAIRPERSON OR MINORITY CHAIRPERSON OF THE  
26 APPROPRIATIONS COMMITTEE OF THE SENATE.

27 (5) THE CHAIRPERSON OR MINORITY CHAIRPERSON OF THE  
28 APPROPRIATIONS COMMITTEE OF THE HOUSE OF REPRESENTATIVES.

29 (6) THE CHAIRPERSON OR MINORITY CHAIRPERSON OF THE  
30 STANDING COMMITTEE OF THE SENATE TO WHICH THE BILL IS

1 REFERRED.

2 (7) THE CHAIRPERSON OR MINORITY CHAIRPERSON OF THE  
3 STANDING COMMITTEE OF THE HOUSE OF REPRESENTATIVES TO WHICH  
4 THE BILL IS REFERRED.

5 \* \* \*

6 (L) SUBMISSION OF BASELINE DATA.--NO LATER THAN OCTOBER 1,  
7 2020, JULY 31, 2021, AND JULY 31 OF EACH YEAR THEREAFTER, THE  
8 STATE EMPLOYEES' RETIREMENT SYSTEM AND THE PUBLIC SCHOOL  
9 EMPLOYEES' RETIREMENT SYSTEM SHALL EACH SUBMIT TO THE OFFICE  
10 DATA SHOWING THE 30-YEAR BASELINE PROJECTIONS FOR THE RETIREMENT  
11 SYSTEMS BASED ON THE STATE LAW IN EFFECT AT THE TIME OF THE  
12 SUBMISSION. THE OFFICE MAY SPECIFY THE DATA FIELDS AND THE FILE  
13 FORMAT FOR THE DATA TO BE TRANSMITTED UNDER THIS SUBSECTION.  
14 DATA SUBMITTED UNDER THIS SUBSECTION SHALL INCLUDE PROJECTIONS  
15 WHICH SIMULATE A 1.0 PERCENTAGE POINT INCREASE AND A 1.0  
16 PERCENTAGE POINT DECREASE TO THE OFFICIAL ASSUMED RATE OF RETURN  
17 USED BY EACH RETIREMENT SYSTEM.

18 SECTION 2 3. THE ACT IS AMENDED BY ADDING AN ARTICLE TO  
19 READ:

20 ARTICLE XXI-C

21 COVID-19 DEBT COST REDUCTION REVIEW

22 Section 2101-C. Review of refinancing opportunities.

23 The Treasury Department, in conjunction with the Secretary of  
24 the Budget, the Auditor General and any chairperson of an  
25 authority, commission, agency, OR board or other State <--  
26 authorized entity that has the power to issue debt, shall  
27 identify and review all outstanding debt obligations of the  
28 Commonwealth and its authorities, commissions, agencies, OR <--  
29 boards or other State authorized entities and submit a report of <--  
30 the findings to the General Assembly no later than June <--  
OCTOBER <--

1 30, 2020. In addition to the identification and review of all  
2 outstanding debt obligations, the report shall identify options  
3 for the refinancing of the outstanding debt obligations to  
4 reduce the costs to the Commonwealth and its authorities. EACH <--  
5 AGENCY IDENTIFIED UNDER THIS SECTION SHALL PROVIDE TO THE  
6 TREASURY DEPARTMENT, WITHIN 30 DAYS AFTER THE EFFECTIVE DATE OF  
7 THIS SECTION, INFORMATION REQUESTED BY THE TREASURY DEPARTMENT,  
8 INCLUDING THE FOLLOWING, RELATED TO ALL OUTSTANDING DEBT  
9 OBLIGATIONS OF THE AGENCY:

10 (1) TOTAL OUTSTANDING AMOUNT OF ALL OBLIGATIONS.

11 (2) MOST RECENT AUDITED FINANCIAL STATEMENT OF THE  
12 AGENCY.

13 (3) DESCRIPTION OF EACH OBLIGATION, IDENTIFYING SENIOR  
14 OR SUBORDINATE DEBT AND FEDERAL TAX TREATMENT.

15 (4) ACCOUNT OF ALL SECURITY PLEDGED FOR EACH OBLIGATION.

16 (5) MOST RECENT RATING ASSOCIATED WITH EACH DEBT  
17 OBLIGATION, INCLUDING RATE COVENANT AND MATURITY DATE.

18 (6) LIST OF ALL ADDITIONAL ASSOCIATED AGENCY OBLIGATIONS  
19 OR COVENANTS.

20 (7) ANNUAL DEBT SERVICE COST, DEBT SERVICE FUND AND DEBT  
21 SERVICE RESERVE FUND FOR EACH DEBT OBLIGATION.

22 (8) RISK FACTORS AND DISCLOSURE STATEMENTS ASSOCIATED  
23 WITH EACH DEBT OBLIGATION.

24 (9) PENDING LITIGATION THAT MAY FINANCIALLY IMPACT THE  
25 DEBT OBLIGATIONS OF THE AGENCY.

26 Section 2 3 4. This act shall take effect immediately. <--