
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE RESOLUTION

No. 1085 Session of
2020

INTRODUCED BY MERSKI, KINSEY, CALTAGIRONE, WILLIAMS, T. DAVIS,
FREEMAN, LONGIETTI AND MILLARD, NOVEMBER 10, 2020

REFERRED TO COMMITTEE ON STATE GOVERNMENT, NOVEMBER 10, 2020

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 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
19 public school employees; and

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

4 RESOLVED, That the House of Representatives direct the
5 Legislative Budget and Finance Committee to conduct a cost
6 analysis study of early retirement for members of SERS and PSERS
7 who are 55 years of age or older or who have at least 30 years
8 of service; and be it further

9 RESOLVED, That the analysis include:

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

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

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

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

22 and be it further

23 RESOLVED, That the Legislative Budget and Finance Committee
24 be authorized to request actuarial studies for the study on
25 behalf of the House of Representatives; and be it further

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

29 RESOLVED, That a report on the study be submitted to the
30 State Government Committee in a public forum during the month of

1 March 2021 and that the report be disseminated promptly
2 thereafter to all members of the General Assembly and the
3 Governor for consideration.