

<b>Regulatory Analysis Form</b>		This space for use by IRRC <b>RECEIVED</b>
(1) Agency  State Employees' Retirement System		2008 JAN 18 PM 12:14  INDEPENDENT REGULATORY REVIEW COMMISSION
(2) I.D. Number (Governor's Office Use)  31-11		IRRC Number: 2668
(3) Short Title  Death Benefits.		
(4) PA Code Cite  4 Pa. Code § 247.7	(5) Agency Contacts & Telephone Numbers  Jill Straub, Esq. (717) 783-7317  Robert Gentzel (717) 787-9657  David Durbin (717) 783-7310	
(6) Type of Rulemaking (Check One)  <input checked="" type="checkbox"/> Proposed Rulemaking <input type="checkbox"/> Final Order Adopting Regulation <input type="checkbox"/> Final Order, Proposed Rulemaking Omitted		(7) Is a 120-Day Emergency Certification Attached?  <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes: By the Attorney General <input type="checkbox"/> Yes: By the Governor
(8) Briefly explain the regulation in clear and nontechnical language.  Proposed Section 247.7(c) states what information should be contained on a SERS nomination of beneficiary form in order for it to be considered by SERS to be a valid nomination of a beneficiary form.		
(9) State the statutory authority for the regulation and any relevant state or federal court decisions.  71 Pa. C.S. § 5902(h).		

## Regulatory Analysis Form

(10) Is the regulation mandated by any federal or state law or court order, or federal regulation? If yes, cite the specific law, case or regulation, and any deadlines for action.

No.

(11) Explain the compelling public interest that justifies the regulation. What is the problem it addresses?

The amendment to the regulation will assist members of SERS when completing a nomination of beneficiary form. This amendment clarifies what information should be contained on a SERS nomination of beneficiary form in order for it to be considered valid by SERS..

(12) State the public health, safety, environmental or general welfare risks associated with non-regulation.

None.

(13) Describe who will benefit from the regulation. (Quantify the benefits as completely as possible and approximate the number of people who will benefit.)

All members and their beneficiaries. This amendment will assist members in completing nomination of beneficiary forms. SERS membership currently exceeds 200,000.

## Regulatory Analysis Form

(14) Describe who will be adversely affected by the regulation. (Quantify the adverse effect as completely as possible and approximate the number of people who will be adversely affected.)

No one.

(15) List the persons, groups or entities that will be required to comply with the regulation. (Approximate the number of people who will be required to comply.)

All members when designating a beneficiary for their retirement account. SERS membership currently exceeds 200,000.

(16) Describe the communications with and input from the public in the development and drafting of the regulation. List the persons and/or groups who were involved, if applicable.

None.

(17) Provide a specific estimate of the costs and/or savings to the regulated community associated with compliance, including any legal, accounting or consulting procedures which may be required.

The regulation could save significant litigation costs and delays stemming from disputes regarding whether a nomination of beneficiary form is valid when it is received by SERS.

## Regulatory Analysis Form

(18) Provide a specific estimate of the costs and/or savings to local governments associated with compliance, including any legal, accounting or consulting procedures which may be required.

None.

(19) Provide a specific estimate of the costs and/or savings to state government associated with the implementation of the regulation, including any legal, accounting or consulting procedures which may be required.

The regulation could save significant litigation costs to the agency and its over 200,000 members.

## Regulatory Analysis Form

(20) In the table below, provide an estimate of the fiscal savings and cost associated with implementation and compliance for the regulated community, local government, and state government for the current year and five subsequent years.

	Current FY Year	FY +1 Year	FY +2 Year	FY +3 Year	FY +4 Year	FY +5 Year
<b>SAVINGS:</b>	\$	\$	\$	\$	\$	\$
Regulated Community						
Local Government						
State Government						
Total Savings						
<b>COSTS:</b>						
Regulated Community						
Local Government						
State Government						
Total Costs						
<b>REVENUE LOSSES:</b>						
Regulated Community						
Local Government						
State Government						
Total Revenue Losses						

(20a) Explain how the cost estimates listed above were derived.

N/A

## Regulatory Analysis Form

(20b) Provide the past three year expenditure history for programs affected by the regulation.

Program	FY-3	FY-2	FY-1	Current FY

(21) Using the cost-benefit information provided above, explain how the benefits of the regulation outweigh the adverse effects and costs.

N/A

(22) Describe the nonregulatory alternatives considered and the costs associated with those alternatives. Provide the reasons for their dismissal.

N/A

(23) Describe alternative regulatory schemes considered and the costs associated with those schemes. Provide the reasons for their dismissal.

N/A

## Regulatory Analysis Form

(24) Are there any provisions that are more stringent than federal standards? If yes, identify the specific provisions and the compelling Pennsylvania interest that demands stronger regulation.

N/A

(25) How does the regulation compare with those of other states? Will the regulation put Pennsylvania at a competitive disadvantage with other states?

N/A

(26) Will the regulation affect existing or proposed regulations of the promulgating agency or other state agencies? If yes, explain and provide specific citations.

No.

(27) Will any public hearings or informational meetings be scheduled? Please provide the dates, times, and locations, if available.

No.

## Regulatory Analysis Form

(28) Will the regulation change existing reporting, record keeping, or other paperwork requirements? Describe the changes and attach copies of forms or reports which will be required as a result of implementation, if available.

No.

(29) Please list any special provisions which have been developed to meet the particular needs of affected groups or persons including, but not limited to, minorities, elderly, small businesses, and farmers.

N/A

(30) What is the anticipated effective date of the regulation; the date by which compliance with the regulation will be required; and the date by which any required permits, licenses or other approvals must be obtained?

The regulation is anticipated to be effective upon final publication.

(31) Provide the schedule for continual review of the regulation.

N/A



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FACE SHEET  
FOR FILING DOCUMENTS  
WITH THE LEGISLATIVE REFERENCE BUREAU  
(Pursuant to Commonwealth Documents Law)

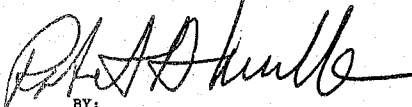
INDEPENDENT REGULATORY  
REVIEW COMMISSION

DO NOT WRITE IN THIS SPACE

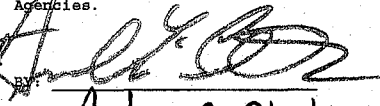
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Agencies.

  
BY: \_\_\_\_\_  
(DEPUTY ATTORNEY GENERAL)

State Employees' Retirement System  
\_\_\_\_\_  
(AGENCY)

  
BY: \_\_\_\_\_  
Andrew C. Clark

DOCUMENT/FISCAL NOTE NO. 31-11

DEC 10 2007

NOV 20 2007

DATE OF APPROVAL

DATE OF ADOPTION: September 12, 2007

DATE OF APPROVAL

BY:   
Leonard Knepp

Acting Executive Director  
TITLE: \_\_\_\_\_  
(EXECUTIVE OFFICER, CHAIRMAN OR SECRETARY)

☐ Check if applicable.  
Copy not approved.  
Objections attached.

☐ Check if applicable.  
No Attorney General approval  
or objection within 30 days  
after submission.

PROPOSED RULEMAKING  
COMMONWEALTH OF PENNSYLVANIA

4 PA.CODE, CH. 247, SECTION 247.7

Proposed Section 247.7(c) states what information should be  
contained on a SERS nomination of beneficiary form in order for it  
to be considered valid by SERS.

**Notice of Proposed Rulemaking  
State Employees' Retirement Board  
State Employees' Retirement System  
(4 Pa. Code Chapter 247)**

**Preamble**

The State Employees' Retirement Board ("Board") proposes to amend 4 Pa. Code, Chapter 247 by adding a subsection to Section 247.7. This new subsection states what information should be contained on a SERS nomination of beneficiary form in order for it to be considered valid by SERS.

**A. Effective Date**

The proposed regulation will go into effect upon publication in the *Pennsylvania Bulletin* as a final rulemaking.

**B. Contact Person**

For further information contact Robert Gentzel, Director of Communications and Policy, State Employees' Retirement System, 30 North Third Street, Suite 150, Harrisburg, PA 17101-1716, (717) 787-9657, or Jill Straub, Assistant Counsel, State Employees' Retirement System, 30 North Third Street, Suite 150, Harrisburg, PA 17101-1716, (717) 783-7317. Information regarding submitting comments on this proposal appears in Section H of this preamble.

**C. Statutory Authority**

This proposed regulation is being promulgated under the authority of Section 5902(h) of the State Employees' Retirement Code ("Retirement Code"), 71 Pa.C.S. Sections 5101 *et seq.*

**D. Background and Purpose**

This additional subsection states what information must be contained on a SERS nomination of beneficiary form in order for it to be considered valid by SERS.

**E. Benefits, Costs and Compliance**

Executive Order 1996-1 requires a cost/benefit analysis of the proposed regulation.

**Benefits**

The regulation is intended to alleviate confusion and prevent possible disputes with regard to proper naming of beneficiaries by members.

**Costs**

There are no costs to the Commonwealth, its citizens or state employees associated with this proposal.

**Compliance Costs**

The proposed regulation is not expected to impose any additional compliance costs.

**F. Sunset Review**

Not applicable.

**G. Regulatory Review**

Under Section 5(a) of the Regulatory Review Act (71 P.S. § 745.5(a)), on January 18, 2008, the Board submitted a copy of the proposed additional subsection to the Independent Regulatory Review Commission (IRRC) and the Chairpersons of the House State Government Committee and the Senate Finance Committee. In addition to submitting the proposed additional subsection, the Board has provided IRRC and the Committees with a detailed regulatory analysis form prepared by the Board in compliance with Executive Order 1996-1, "Regulatory Review and Promulgation". A copy of this material is available to the public upon request.

Under section 5(g) of the Regulatory Review Act, if IRRC has objections to any portion of the proposed additional subsection, it will notify the Board within 10 days of the close of the Committees' review period. The notification shall specify the regulatory review criteria that have not been met by the portion of the proposed additional subsection to which an objection has been made. The Regulatory Review Act specifies detailed procedures for review by the General Assembly and the Governor of objections raised by IRRC prior to final publication of the additional subsection by the Board.

#### H. Public Comments

**Written Comments** - Interested persons are invited to submit comments regarding the proposed additional subsection to Robert Gentzel, Director of Communications and Policy, State Employees' Retirement System, 30 North Third Street, Suite 150, Harrisburg, PA 17101-1716. Comments submitted by facsimile will not be accepted. The Board must receive comments, suggestions, or objections within 30 days of publication in the *Pennsylvania Bulletin*.

**Electronic Comments** - Comments may be submitted electronically to the Board at [rgentzel@state.pa.us](mailto:rgentzel@state.pa.us) and must be received by the Board within 30 days of publication in the *Pennsylvania Bulletin*. A subject heading of the proposal and a return name and address must be included in each transmission. If an acknowledgment of electronic comments is not received by the sender within two working days, the comments should be retransmitted to ensure receipt.

NICHOLAS J. MAIALE  
Chairman  
State Employees' Retirement Board

## ANNEX "A"

(Deletions appear in brackets; new language is underscored)

4 Pa. Code Chapter 247

### § 247.7. **Death Benefits.**

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(c) Beneficiary Nomination. To be considered valid, any nomination of beneficiary form filed by a member after the effective date of this regulation should contain the following information, all of which should be current as of the date of the member's execution thereof:

- (1) If a natural person is designated by the member as the member's beneficiary, included with that designation should be the name of the person along with the person's date of birth and address. (A designation solely by relationship is not a valid nomination.)
- (2) If a trust is designated by the member as the member's beneficiary, included with that designation should be the name of the trust along with the name(s), of the trustee(s), the date the trust was established and the address(es) of the trustee(s).
- (3) If the member's estate is designated by the member as the member's beneficiary, included with that designation should be the name(s) of the executor(s) of the estate and the address(es) of said executor(s).
- (4) If a corporation, partnership, limited liability company, business trust, other association, governmental entity (other than the Commonwealth) or foundation is designated by the member as the member's beneficiary, included with that designation should be the full name of the corporation, partnership, limited liability company, business trust, other association, governmental entity or foundation along with the full name and address of the individual at such entity who should be contacted upon the death of the member.

TRANSMITTAL SHEET FOR REGULATIONS SUBJECT TO THE  
REGULATORY REVIEW ACT

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I.D. NUMBER: 31-11

SUBJECT: DEATH BENEFITS

2008 JAN 18 PM 12:14

AGENCY: STATE EMPLOYEES' RETIREMENT SYSTEM

INDEPENDENT REGULATORY  
REVIEW COMMISSION

TYPE OF REGULATION

X Proposed Regulation

Final Regulation

Final Regulation with Notice of Proposed Rulemaking Omitted

120-day Emergency Certification of the Attorney General

120-day Emergency Certification of the Governor

Delivery of Tolled Regulation

a. With Revisions

b.

Without Revisions

FILING OF REGULATION

DATE

SIGNATURE

DESIGNATION

1/18/08 *[Signature]*

HOUSE COMMITTEE ON STATE GOVERNMENT

1/18/08 *[Signature]*

MAJORITY CHAIRMAN *Babette Josephs*

1/18/08 *[Signature]*

SENATE COMMITTEE ON FINANCE

1/18/08 *[Signature]*

MAJORITY CHAIRMAN *Patrick M. Browne*

1/18/08 *[Signature]*

INDEPENDENT REGULATORY REVIEW COMMISSION

\_\_\_\_\_

ATTORNEY GENERAL (for Final Omitted only)

1/18/08 *[Signature]*

LEGISLATIVE REFERENCE BUREAU (for Proposed only)