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| Regulatory Analysis Form | | This space for use by IRRRC RECEIVED |
| (1) Agency State Employees' Retirement System | | 2008 JAN 18 PM 12:14 INDEPENDENT REGULATORY REVIEW COMMISSION |
| (2) I.D. Number (Governor's Office Use) 31-10 | | IRRC Number: 2669 |
| (3) Short Title Deletion of subsection (a) "Return to service and multiple service election." | | |
| (4) PA Code Cite 4 Pa. Code § 247.6(a) | (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. The proposed deletion of subsection 247.6(a) will eliminate obsolete language and language that is repetitive of language in the Retirement Code. The language contained in this subsection that refers to multiple service is obsolete. The remainder of the language in this subsection is repetitive of language currently contained in Sections 5706(a) and 5906(g) and (h) of the Retirement Code, 71 Pa. C.S. §5706, 71 Pa. C.S. §5906. | | |
| (9) State the statutory authority for the regulation and any relevant state or federal court decisions. 71 Pa. C.S. § 5902 (h). | | |

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(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?

SERS is not writing a new regulation. The proposed amendment of the regulation will remove language that has been rendered obsolete by subsequent changes to the agency's enabling legislation and language that is repetitive of language in the Retirement Code. The deletion will avoid potential confusion and potential litigation as noted in (13) below.

(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.)

SERS members and the retirement system as a whole will benefit from deletion of subsection 247.6(a). The deletion will avoid potential confusion on the part of members of SERS and the agency's personnel and potential litigation.

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(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.)

A subsection of a regulation is being deleted, not promulgated.

(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.

SERS members and the retirement system as a whole will benefit from deletion of subsection 247.6(a). The deletion will avoid potential confusion on the part of members of SERS and the agency's personnel and potential litigation. It is not possible to estimate the potential savings to the regulated community.

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(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.

SERS members and the retirement system as a whole will benefit from deletion of subsection 247.6(a). The deletion will avoid potential confusion on the part of members of SERS and the agency's personnel and potential litigation. SERS membership currently exceeds 200,000. It is not possible to estimate the potential savings to the regulated community.

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 |
|------------------------|--------------------|---------------|---------------|---------------|---------------|---------------|
| SAVINGS: | \$ | \$ | \$ | \$ | \$ | \$ |
| Regulated Community | | | | | | |
| Local Government | | | | | | |
| State Government | | | | | | |
| Total Savings | | | | | | |
| COSTS: | | | | | | |
| Regulated Community | | | | | | |
| Local Government | | | | | | |
| State Government | | | | | | |
| Total Costs | | | | | | |
| REVENUE LOSSES: | | | | | | |
| 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

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(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 deletion is anticipated to be effective upon final publication.

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

N/A

CDL-1

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FACE SHEET
FOR FILING DOCUMENTS
WITH THE LEGISLATIVE REFERENCE BUREAU

INDEPENDENT REGULATORY
REVIEW COMMISSION

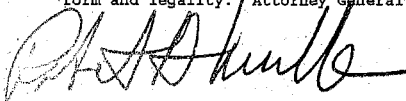
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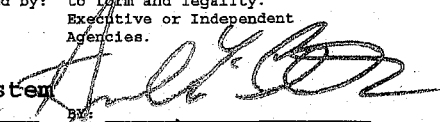
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Executive or Independent
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BY: _____
(DEPUTY ATTORNEY GENERAL)

State Employees' Retirement System

(AGENCY)


BY: _____
Andrew C. Clark

DEC 17 2007

DOCUMENT/FISCAL NOTE NO. 31-10

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 247.6

The proposed deletion of subsection 247.6(a) will eliminate obsolete language and language that is repetitive of language in the Retirement Code. The language contained in this subsection that refers to multiple service is obsolete. The remainder of the language in this subsection is repetitive of language currently contained in Sections 5706(a) and 5906(g) and (h) of the Retirement Code, 71 Pa. C.S. §5706, 71 Pa. C.S. §5906.

**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 deleting subsection (a).

A. Effective Date

The proposed deletion 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 deletion is being made 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

The subsection to be deleted contains obsolete language and language that is repetitive of language in the Retirement Code. Deleting this section will avoid potential confusion on the part of members of SERS and the agency's personnel and potential litigation.

E. Benefits, Costs and Compliance

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

Benefits

The proposed deletion of this subsection would benefit SERS and its members. This subsection regulation is unnecessary, parts of which are repetitive and parts of which are

obsolete. Repealing this subsection of the regulation will avoid potential confusion on the part of members of SERS and the agency's personnel and potential litigation.

Costs

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

Compliance Costs

The proposed deletion 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 deletion 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 deletion, 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 deletion, 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 deletion 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 regulation deletion by the Board.

H. Public Comments

Written Comments - Interested persons are invited to submit comments regarding the proposed deletion 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 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

§ 247.6. **Termination of Annuities.**

[(a) *Return to service and multiple service election.* An annuity payable under the code shall be automatically discontinued if the annuitant returns to State service except as otherwise provided in section 5706 of the code (relating to termination of annuities). An annuity payable under the code shall also cease if the annuitant enters school service and elects multiple service membership within 30 days thereafter and for all periods of State and school service until there is a subsequent discontinuance thereof. No annuitant entering school service, who has failed to elect multiple service membership within 30 days thereafter, shall be eligible to elect multiple service membership.]

[(b)] *Disability annuitant.* The requirement that the subsequent annuity of a member who returns to active service, having once been on retirement, be reduced on the basis of benefits received prior to superannuation age, shall not be applicable to a member who returns to active State service from a disability annuity.

**TRANSMITTAL SHEET FOR REGULATIONS SUBJECT TO THE
REGULATORY REVIEW ACT**

RECEIVED

I.D. NUMBER: 31-10
 SUBJECT: DELETION OF SUBSECTION (a) "RETURN TO SERVICE AND
 MULTIPLE SERVICE ELECTION"
 AGENCY: STATE EMPLOYEES' RETIREMENT SYSTEM

2008 JAN 18 PM 12:14
 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 | <u>Peter Hill</u> | HOUSE COMMITTEE ON STATE GOVERNMENT |
| 1/18/08 | <u>Marianne Spitzer</u> | MAJORITY CHAIRMAN <u>Babette Josephs</u> |
| 1/18/08 | <u>fly</u> | SENATE COMMITTEE ON FINANCE |
| 1/18/08 | <u>Beth Jane</u> | MAJORITY CHAIRMAN <u>Patrick M. Braune</u> |
| 1/18/08 | <u>Dr. Selvest</u> | INDEPENDENT REGULATORY REVIEW COMMISSION |
| | | ATTORNEY GENERAL (for Final Omitted only) |
| 1/18/08 | <u>Maya Garcia</u> | LEGISLATIVE REFERENCE BUREAU (for Proposed only) |