

PARSS Legislative Update

October 21, 2022

Down to the Wire

The current legislative session is coming to a close as the upcoming election dominates the discussion statewide. After this week's voting week, the Senate will have four session days scheduled while the House will return next week for a total of six days. Both chambers will adjourn sine die before Thanksgiving. Then all attention will turn to January when a new governor is inaugurated and the election results of the full House and half of the Senate will shape the new session.

Typically, the legislative calendar focuses on less controversial issues in the run up to biannual statewide elections in the fall, but there is also the last minute push to get bills to the governor before adjournment. Additionally, this year (and quadrennially the potential is for gubernatorial politics to bleed into the Legislature) can lead to an interesting final few months in Harrisburg.

This year is no different. In fact, by one count the Senate and House have taken fifty-five votes this month. Bills continue to move between chambers and some have made it to the Governor for signing, but you will not find many of them making front page headlines. Let's take a look at a some of them.

A bill sponsored by GOP candidate for governor, Doug Mastriano (R-Franklin), cleared the Senate. The legislation, [Senate Bill 488](#), imposes additional disclosure requirements under the state's Right-to-Know Law on the state-related higher education institutions (Penn State, Pitt, and Temple). It passed by a vote of 38-12 last month. In addition, another Mastriano bill, ([Senate Bill 139](#)), requires a moment of silence to commemorate the victims of 9/11, passed unanimously on October 19.

The Senate also sent to the House a bill ([Senate Bill 1243](#)) imposing a graduation requirement for students to complete an individual economics and personal finance course. The bill passed on a party line vote.

Last month, the House did send to the Senate a bill that would impose additional transparency on the state pension plans for schools and state employees. A number of documents of PSERS and SERS will become subject to the state's Right-to-Know Law, including a provision requiring livestreaming of board meetings. House Bill 1671 will also stipulate additional reports to be prepared by the pension systems. You can [read much more about House Bill 1671 here](#).

There is good news to report from PSERS. On October 13, the system announced that the investment performance for the fiscal year ending June 30 was 2.28%. While that is below the assumed rate of return of 7%, it was among the top five of 80 U.S. pension funds according to the trade journal Pensions and Investments. For the three year period ending June 30, the PSERS return was 8.82%, 8.47% over five years, and over ten years the return was 7.92%. You can [read the PSERS press release here](#).

There have also been calls in the Legislature, so far only from Democrats, to consider a cost-of-living-adjustment (COLA) for PSERS annuitants. It has been two decades since the last COLA and the new push has not only pointed out the passage of time since the last COLA, but also the

more recent impact of inflation on pensioners. You can read more about the legislative efforts on the COLA front by [clicking here](#).