

RULES AND REGULATIONS

Title 4—ADMINISTRATION

STATE EMPLOYEES' RETIREMENT BOARD

[4 PA. CODE CHS. 243 AND 245]

Retirement Contributions

The State Employees' Retirement Board (Board) is amending §§ 243.6, 245.4, 245.5 and 245.6. The amendments are being made to remove restrictions for purchasing retirement credit, thereby allowing the costs of purchase to be deducted from the actuarial value of the retirement account.

A. *Effective Date*

These amendments will go into effect upon publication in the *Pennsylvania Bulletin* as a final-form rulemaking.

B. *Contact Person*

For further information contact Sean Sanderson, Director of Communications, State Employees' Retirement System, 30 North Third Street, P.O. Box 1147, Harrisburg, PA, (717) 787-9657; or Brian E. McDonough, Deputy Chief Counsel, State Employees' Retirement System, 30 North Third Street, P.O. Box 1147, Harrisburg, PA, 17108-1147, (717) 787-9657.

C. *Statutory Authority*

These amendments are authorized under 71 Pa.C.S. § 5907(d) and (h) (relating to State Employees' Retirement Code) (code).

D. *Background and Purpose*

The Board is responsible for implementing the purchase of service provisions of the code, and a component of that purchase program is a method of paying for that purchase by eligible members, that is, their contributions. Although the act of May 17, 2001 (P.L. _____, No. 9) amended the code to authorize the contributions to be made in a manner that permits the purchase price to be subtracted from the actuarial value of the member's account, the current regulations limit payment methods. Deletion of these regulations will allow the Board to authorize the actuarial debiting of the member's account as an agreed upon way to make these contributions.

The purpose of this final repeal of these restrictions is to permit the Board to allow member contributions for the purchase of service to be made from the value of their retirement account. Members would still have the options of paying by lump sum or payroll deduction but also would have the option to authorize an actuarial reduction in the value of their account to pay for the requested purchase. This would substantially reduce or eliminate out of pocket costs for members to avail themselves of service purchase authorized by the code. A sister agency, the Public School Employees' Retirement System, currently permits the actuarial reduction of school member accounts for service purchases. These regulatory repeals would enable the Board to offer similar opportunities to State employees.

E. *Benefits, Costs and Compliance*

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

Benefits

These amendments would benefit State employees eligible for service purchases under the code. By reducing the potential out of pocket costs to members with an offsetting actuarial reduction in the value of their accounts, easier access to statutorily authorized service purchases would ensue without any loss in the fiscal integrity of the State Employees' Retirement System (SERS). Customer service would be improved together with a corresponding reduction in bookkeeping and record keeping to the extent that payroll deductions would be reduced.

Costs

There are no additional costs to the Commonwealth, its citizens or State employees associated with this final-form rulemaking.

Compliance Costs

The final-form rulemaking is not expected to impose any additional compliance costs on State employees.

F. *Sunset Review*

A sunset date has not been established by the Board for these regulations.

G. *Regulatory Review*

Under section 5(a) of the Regulatory Review Act (71 P.S. § 745.5(a)), on June 15, 2001, the Board submitted a copy of the notice of proposed rulemaking, published at 31 Pa.B. 1587 (March 24, 2001), 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 final-form amendments, the Board has provided IRRC and the Committees with a detailed regulatory analysis form prepared by the Department 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 5.1(d) of the Regulatory Review Act (71 P.S. § 745.5a(d)), on July 5, 2001, this final-form rulemaking was deemed approved by the House and Senate Committees. Under section 5.1(e) of the Regulatory Review Act, the final-form rulemaking was deemed approved by IRRC effective July 6, 2001.

H. *Public Comments*

There have been no public comments.

Findings

The Board finds that:

(1) Public notice of intention to delete these regulations herein was given under 1 Pa. Code § 7.1 (relating to notice of proposed rulemaking required) by publication at 31 Pa.B. 1587.

(2) The amendments to the rules and procedures deleted herein are necessary and appropriate for the administration of the code.

Order

The Board, acting under The Administrative Code of 1929 and the Commonwealth Documents Law, including particularly those sections specified in the several author-

ity citations herein specified with respect to each provision of the rules and procedures of SERS deleted by this order, orders:

(a) The regulations for the Board, 4 Pa. Code Chapters 243 and 245, are amended by amending §§ 243.6, 245.4 and 245.6 and deleting § 245.5 to read as set at 31 Pa.B. 1587.

(b) The amendments shall be submitted to the Office of Attorney General for approval as to legality as required by law.

(c) The Secretary of the Board shall certify this order and 31 Pa.B. 1587 and deposit them with the Legislative Reference Bureau as required by law.

(d) This order shall take effect immediately upon publication in the *Pennsylvania Bulletin*.

NICHOLAS J. MAIALE,
Chairperson

(Editor's Note: For the text of the order of the Independent Regulatory Review Commission relating to this document, see 31 Pa.B. 4136 (July 28, 2001).)

Fiscal Note: Fiscal Note 31-1 remains valid for the final adoption of the subject regulations.

[Pa.B. Doc. No. 01-1413. Filed for public inspection August 3, 2001, 9:00 a.m.]

Title 25—ENVIRONMENTAL PROTECTION

DEPARTMENT OF ENVIRONMENTAL PROTECTION

[25 PA. CODE CH. 121]

Corrective Amendment to 25 Pa. Code § 121.1

The Department of Environmental Protection has discovered a discrepancy between the agency text of 25 Pa. Code § 121.1 (relating to definitions) as deposited with the Legislative Reference Bureau and the official

text as published at 29 Pa.B. 1879 (April 10, 1999), and as published in the *Pennsylvania Code Reporter* (Master Transmittal Sheet No. 295) and as it currently appears in the *Pennsylvania Code*. When the amendments at 29 Pa.B. 1879 were codified, the definition of the term "commercial fuel oil" was inadvertently omitted.

Therefore, under 45 Pa.C.S. § 901: The Department of Environmental Protection has deposited with the Legislative Reference Bureau a corrective amendment to 25 Pa. Code § 121.1. The corrective amendment to 25 Pa. Code § 121.1 is effective as of April 10, 1999, the date the defective official text was printed in the *Pennsylvania Bulletin*.

The correct version of 25 Pa. Code § 121.1 appears in Annex A, with ellipses referring to the existing text of the regulation.

Annex A

TITLE 25. ENVIRONMENTAL PROTECTION PART I. DEPARTMENT OF ENVIRONMENTAL PROTECTION

Subpart C. PROTECTION OF NATURAL RESOURCES

ARTICLE III. AIR RESOURCES

CHAPTER 121. GENERAL PROVISIONS

§ 121.1. Definitions.

The definitions in section 3 of the act (35 P. S. § 4003) apply to this article. In addition, the following words and terms, when used in this article, have the following meanings, unless the context clearly indicates otherwise:

* * * * *

Commercial fuel oil—Commercial fuel oil and mixtures of commercial fuel oils with other fuels where greater than 50% of the heat content is derived from the commercial fuel oil.

* * * * *

[Pa.B. Doc. No. 01-1414. Filed for public inspection August 3, 2001, 9:00 a.m.]