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LEGISLATIVE ACTION ALERT

PA Public Employee Pension Forfeiture Act - Senate Bill 611

Senate of Pennsylvania Session of 2017 - 2018 Regular Session MEMORANDUM Posted: March 27, 2017 09:01 AM

 From:
 Senator John DiSanto

 To:
 All Senate members

 Subject:
 Pension Forfeiture-- Any Felony Offense

In the near future, I will introduce legislation to strengthen the Public Employee Pension Forfeiture Act to require pension forfeiture if a public employee or public official is convicted, pleads guilty, or no defense to any felony offense related to his or her employment. Any public employee who violates the public trust by committing a crime graded as a felony should forfeit his or her pension.

Currently, the Public Employee Pension Forfeiture Act only requires a public employee to forfeit his or her pension for certain crimes already listed in the Act. In practice, this law allows public employees charged with a forfeiture crime to plead guilty to a different nonforfeiture crime in order to avoid pension forfeiture.

For example, former high school principal Frank Michaels did not lose his \$5,000 a month pension by pleading guilty to a felony count of child endangerment, a non-forfeitable crime. Michaels was also charged with two forfeitable crimes of perjury and false swearing for lying under oath during a 2015 trial resulting from a sex crime perpetrated by a teacher on a student. In exchange for Michaels' guilty plea, these other counts were dismissed.

It is time to close loopholes such as these and require offenders to face a financial penalty for violating the public trust. This would include making restitution to Pennsylvania taxpayers for financial losses to the public employer or paying fines owed as a result of these convictions out of the employee's accumulated contributions.

In addition, my legislation addresses reporting criminal convictions to state pension boards. Current law does not require the employee, courts, or state agencies to send copies of court records upon conviction. Instead, PSERS learns of pension forfeiture cases through agency websites and newspaper articles. Courts will now be required to notify state pension systems of all pension forfeiture cases.

Introduced as SB611

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