

# COMMISSION ON GOVERNMENT FORECASTING AND ACCOUNTABILITY

## PENSION IMPACT NOTE

### 100TH GENERAL ASSEMBLY

BILL NO: **SB 2608**

February 15, 2018

SPONSOR (S): Mulroe – Sandoval

SYSTEM(S): State Employees' Retirement System

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**FISCAL IMPACT:** According to SERS, SB 2608 would not affect many State police officers in Illinois. SERS could not provide an exact number. They predict that relatively few officers would be eligible to obtain the service credit. The bill requires officers to pay employee contributions, the employer's normal cost, and interest on both, for the years for which they wish to establish this optional service credit.

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**SUBJECT MATTER:** SB 2608 amends the State Employee's Article of the Illinois Pension Code by allowing State police officers to establish up to 5 years of creditable service from employment by federal government or a state or local agency from outside of Illinois.

**COMMENT:** SB 2608 amends the State Employees' Article of the Illinois Pension Code. It authorizes a State police officer to elect to establish up to 5 years of eligible creditable service as a full-time law enforcement officer employed by the federal government or a state or local government located outside of Illinois. In order to apply for this credit, the police officer must not have credit held in any other public employee pension fund or retirement system. The applicant must provide to the Board a written application, acceptable evidence of eligibility, and a payment of an amount equal to the sum of:

1. Employee contributions for the credit being established
2. Employer's normal cost of benefits accrued for the credit being established
3. Regular interest on the two previous amounts

All calculations are solely derived beginning with the first day that the applicant became an alternative formula employee.

JL:bj

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