

# COMMISSION ON GOVERNMENT FORECASTING AND ACCOUNTABILITY

## PENSION IMPACT NOTE

### 96TH GENERAL ASSEMBLY

BILL NO:           **HB 1565, as amended by HA #1**                               November 15, 2010  
SPONSOR(S):       Poe  
SYSTEM(S):        State Employees' Retirement System

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**FISCAL IMPACT:** HB 1565, as amended by HA 1, requires members to contribute an amount equal to the employee contribution, the employer's normal cost, plus interest at the actuarially assumed rate, in order to establish creditable service for periods of furlough. Therefore, the cost should be minimal.

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**SUBJECT MATTER:** HB 1565, as amended by HA 1, amends the State Employees Article of the Illinois Pension Code to allow employees to establish service credit for periods of furlough beginning on or after July 1, 2008.

**FISCAL IMPACT:** HB 1565, as amended by HA 1, requires employees to contribute an amount equal to the employee contribution, the employer's normal cost, plus interest at the actuarially assumed rate, in order to establish creditable service for periods of furlough. Therefore, the cost should be minimal.

**COMMENT:** HB 1565, as amended by HA 1, would allow employees who were furloughed on or after July 1, 2008 to receive service credit for the applicable time of the furlough period. HB 1565, as amended by HA 1, requires that in order to receive this service credit, the employee must apply in writing to the System before December 31, 2011 and not receive compensation for the furlough period.

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