

# COMMISSION ON GOVERNMENT FORECASTING AND ACCOUNTABILITY

## PENSION IMPACT NOTE

96TH GENERAL ASSEMBLY

BILL NO: **HB 4643**

January 12, 2010

SPONSOR (S): Poe

SYSTEM(S): SERS

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**FISCAL IMPACT:** The fiscal impact of HB 4643 has not been calculated; however it would be significant since affected employees are not required to make any contribution to establish this service credit. The retirement system would be obligated to grant one year of free service credit for every 22 workers (approximately) who apply for credit under HB 4643.

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**SUBJECT MATTER:** HB 4643 amends the State Employees article of the Illinois Pension Code to allow a member to establish service credit for a period of voluntary or involuntary furlough, not exceeding 12 days, during FY 2010. The member must apply in writing to the system by December 31, 2010. No additional contributions are required for this credit.

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**COMMENT:** It can be assumed that since no employee contribution is required to establish service under HB 4643, almost all employees who took furlough days in FY 2010 can be expected to apply for service credit. Therefore, the cost will be significant.

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