

COMMISSION ON GOVERNMENT FORECASTING AND ACCOUNTABILITY

PENSION IMPACT NOTE

96TH GENERAL ASSEMBLY

BILL NO: **HB 4657, as amended by HA #1** March 8, 2010

SPONSOR (S): Gordon - McGuire

SYSTEM(S): Downstate Fire

FISCAL IMPACT: The fiscal impact of HB 4657, as amended, cannot be calculated as the number of Downstate Firefighters who volunteered or spent time as an on-call firefighter is unknown.

SUBJECT MATTER: HB 4657, as amended, amends the Downstate Firefighter Article of the Illinois Pension Code to allow an active firefighter to establish creditable service for time spent as an on-call firefighter or volunteer firefighter at the rate of one year of creditable service for each 5 years of time spent as an on-call firefighter or volunteer firefighter.

FISCAL IMPACT: The fiscal impact of HB 4657, as amended, cannot be calculated as the number of Downstate Firefighters who volunteered or spent time as an on-call firefighter is unknown.

COMMENT: HB 4657, as amended, stipulates that an active firefighter may establish creditable service for time spent as an on-call firefighter or volunteer firefighter at the rate of one year of creditable service for each 5 years of time spent as an on-call firefighter or volunteer firefighter, provided the following conditions:

1. The firefighter has at least 5 years of creditable service as an active firefighter;
2. The firefighter spent at least 5 years as an on-call firefighter or volunteer firefighter for a municipality;
3. The firefighter contributes to the Fund an amount representing employee contributions for the number of years of creditable service granted, based on the salary and contribution rate in effect for the firefighter at the date of entry into the Fund plus an amount equal to the employer's normal cost of the benefit plus interest at the actuarially assumed rate.
4. Not more than 3 years of creditable service may be granted; and
5. The firefighter applies within 6 months after the effective date of this amendatory Act.

HB 4657, as amended, amends the State Mandates Act to require implementation without reimbursement.

MDM: bj
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