COMMISSION ON GOVERNMENT FORECASTING AND ACCOUNTABILITY

PENSION IMPACT NOTE

96TH GENERAL ASSEMBLY

BILL NO: **HB 4657** November 12, 2009

SPONSOR (S): Gordon - McGuire

SYSTEM(S): Downstate Fire

FISCAL IMPACT: The fiscal impact of HB 4657 cannot be calculated as the number of Downstate Firefighters who would be eligible to purchase service credit for time spent as an on-call or volunteer fireman is unknown.

<u>SUBJECT MATTER</u>: HB 4657 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.

<u>FISCAL IMPACT</u>: The fiscal impact of HB 4657 cannot be calculated as the number of Downstate Firefighters who would be eligible to purchase service credit for time spent as an on-call or volunteer fireman is unknown.

<u>COMMENT</u>: HB 4657 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 as 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:
- 4. Not more than 3 years of creditable service may be granted; and
- 5. The municipality consents to allow the employee to establish the creditable service.

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

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