

COMMISSION ON GOVERNMENT FORECASTING AND ACCOUNTABILITY

PENSION IMPACT NOTE

96TH GENERAL ASSEMBLY

BILL NO: **HB 4892** January 26, 2010

SPONSOR (S): Poe

SYSTEM(S): State Employees' Retirement System

FISCAL IMPACT: HB 4892 allows employees to receive up to 12 days of service credit without paying any contribution to the System for a voluntary or involuntary furlough, therefore the bill will have a very significant impact on SERS since every employee who took furlough days would likely apply for the free service credit.

SUBJECT MATTER: HB 4892 amends the State Employee Article of the Illinois Pension Code to allow employees to receive up to 12 days of service credit for voluntary or involuntary furloughs used to address a State fiscal emergency.

FISCAL IMPACT: HB 4892 allows employees to receive up to 12 days of service credit without paying any contribution to the System for a voluntary or involuntary furlough, therefore the bill will have a very significant impact on SERS since every employee who took furlough days would likely apply for the free service credit.

COMMENT: HB 4892 would allow employees who were furloughed, either voluntarily or involuntarily, to receive up to 12 days of service credit for the applicable time of the furlough period. HB 4892 requires that the furlough must begin on or after July 1, 2010 and must end on or before June 30, 2011. An SERS member must submit in writing to the System on or before December 31, 2011 to receive this credit. HB 4892 clarifies that no additional contribution is required for this credit.

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