

COMMISSION ON GOVERNMENT FORECASTING AND ACCOUNTABILITY

PENSION IMPACT NOTE

96TH GENERAL ASSEMBLY

BILL NO: **SB 2110**

March 9, 2009

SPONSOR (S): Harmon

SYSTEM(S): IMRF

FISCAL IMPACT: The fiscal impact of SB 2110 cannot be determined because the number of employees who would be eligible to establish additional service credit in IMRF is not known. The bill requires the IMRF member to pay to the system an amount equal to the actuarial present value of the additional service. Thus, there should be little or no cost to IMRF.

SUBJECT MATTER: SB 2110 amends the IMRF article of the Illinois Pension Code to allow for the purchase of up to 24 months of reciprocal service prior to participation in IMRF.

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COMMENT: SB 2110 amends the IMRF Article of the Illinois Pension Code to provide an active participating employee who was enrolled in a reciprocal pension system under the Pension Code prior to participation in IMRF to establish up to 24 months of retroactive service in IMRF upon filing a written application for the excess retroactive service, approved by the employer's authorized agent, and payment by the employee of the actuarial present value of the additional service, based on those factors that the Board determines to be relevant. The member has until January 31, 2011 to establish this additional service credit.

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