

COMMISSION ON GOVERNMENT FORECASTING AND ACCOUNTABILITY

PENSION IMPACT NOTE

95TH GENERAL ASSEMBLY

BILL NO: **HB 0219**

January 17, 2007

SPONSOR (S): Sacia

SYSTEM(S): Downstate Police, Chicago Police, IMRF, Cook County, State Employees' Retirement System, State Universities' Retirement System

FISCAL IMPACT: The fiscal impact of HB 0219 cannot be calculated as the amount of service credit to be transferred is unknown.

SUBJECT MATTER: HB 0219 allows any active member of the State Employees' Retirement System who is a State policeman, an investigator for the Secretary of State, or a conservation police officer to transfer up to 5 years of his or her creditable service from certain other pension funds to the State Employees' Retirement System.

FISCAL IMPACT: The fiscal impact of HB 0219 cannot be calculated as the amount of service credit to be transferred is unknown.

COMMENT: HB 0219 allows State police officers, Secretary of State investigators, and conservation police officers to transfer up to 5 years of service credit to SERS from the following pension funds: any Article 3 (Downstate Police) fund, the Chicago Police pension fund, IMRF, the Cook County pension fund, and the State Universities' Retirement System. If a State policeman, Secretary of State investigator, or conservation police officer elects to transfer service credit from any of the aforementioned funds to SERS, the bill requires the aforementioned fund(s) to transfer employee and employer contributions to SERS.

In addition, the bill requires the police officer to pay to SERS the difference between employee and employer contributions transferred to SERS and the amount that would have been contributed to SERS had employee contributions been made at the rates applicable to State policemen, plus interest at the "effective rate" (6% per year), compounded annually, from the date of service to the date of payment.

HB 0219 amends the State Mandates Act to require implementation without reimbursement.

DH:dkb

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