

COMMISSION ON GOVERNMENT FORECASTING AND ACCOUNTABILITY

PENSION IMPACT NOTE

95TH GENERAL ASSEMBLY

BILL NO: **SB 0240**

February 14, 2007

SPONSOR (S): Risinger - Cullerton

SYSTEM(S): State Employees' Retirement System

FISCAL IMPACT: The fiscal impact of SB 0240 cannot be calculated, as the amount of additional service credit that would be established for employment with selected governmental units outside Illinois is unknown.

SUBJECT MATTER: SB 0240 amends the State Employees Article of the Illinois Pension Code to change the deadline for applying to establish service credit for certain periods of employment by the federal government or a unit of state or local government located outside Illinois.

FISCAL IMPACT: The fiscal impact of SB 0240 cannot be calculated, as the amount of additional service credit that would be established for employment with selected governmental units outside Illinois is unknown.

COMMENT/DISCUSSION: SB 0240 changes the deadline for allowing contributing employees to establish additional service credit for certain periods of employment by the federal government or a unit of state or local government located outside Illinois. The employee is required to apply by June 30, 2008 and pay the specified contributions. SB 0240 constitutes a new benefit increase and the required funding shall be provided by additional employee contributions equaling normal costs plus interest.

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