

COMMISSION ON GOVERNMENT FORECASTING AND ACCOUNTABILITY

PENSION IMPACT NOTE

102ND GENERAL ASSEMBLY

BILL NO: **HB 3938**

March 16, 2021

SPONSOR (S): McCombie

SYSTEM(S): SERS

FISCAL IMPACT: According to SERS, the prior service portion of HB 3938 would have a negative, though minimal, fiscal impact to the state, as employer normal cost for the service credit being applied for by the participants is not being paid by the member.

SUBJECT MATTER: HB 3938 amends the General Provisions and State Employees articles of the Illinois Pension Code to allow certain Secretary of State investigators to qualify for the alternative (state police) formula in SERS.

COMMENT: According to SERS, this legislation would affect approximately 10 active Secretary of State employees who have accrued no less than 10 years of credit, and are at least 60 years of age. Some unfunded liability would be created, as there is no provision for payment of the employer normal cost portion of the ten years of service credit.

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