COMMISSION ON GOVERNMENT FORECASTING AND ACCOUNTABILITY

PENSION IMPACT NOTE

102nd GENERAL ASSEMBLY

BILL NO: **HB 4459, as amended by HA 1** February 10, 2022

SPONSOR (S): Yednock – McCombie, et al

SYSTEM(S): IMRF

FISCAL IMPACT: There is no discernible fiscal impact associated with HB 4459, as amended by HA 1. Employees of regional offices of education would be able to combine sick leave service credit from multiple employers, but they would not be able to apply more than 12 months of unused sick leave for pension service credit, as is currently the maximum under the IMRF article of the Pension Code.

SUBJECT MATTER: HB 4459, as amended by HA 1, amends the IMRF article of the Pension Code. The bill stipulates that employees of regional offices of education will be subject to a provision allowing for pension service credit for unused sick leave from more than one employer, subject to certain limitations as explained below in the Comment section.

COMMENT: Currently, under the IMRF article of the pension code, participating employees who apply for retirement annuities shall be entitled to pension service credit for unused sick leave for which payment is not received, subject to certain conditions; among these conditions are that the number of sick leave days shall be limited to those accumulated under a sick leave plan established by the employing entity. By law, no more than 12 months of unused sick leave may be credited to a retiring employee. If the employee was in service of more than one IMRF employer, then the sick leave days from all such employers shall be credited, as long as the service associated with those sick days does not exceed the foregoing statutory limitation.

HB 4459, as amended by HA 1, amends the IMRF article of the Pension Code to stipulate that employees of regional offices of education will fall under the aforementioned sick leave service credit policy.

HA 1 makes a technical cleanup change to the School Code portion of the bill by changing one word. This change has no bearing upon the IMRF Pension Code provisions previously enumerated.

DH:bs
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