

COMMISSION ON GOVERNMENT FORECASTING AND ACCOUNTABILITY

PENSION IMPACT NOTE

102ND GENERAL ASSEMBLY

BILL NO: **SB 2104**

March 4, 2021

SPONSOR (S): Martwick

SYSTEM(S): SERS, Cook County, Downstate Firefighters, IMRF

FISCAL IMPACT: According to SERS, SB 2104 would have a minimal fiscal impact on the pension systems affected by this legislation as the total purchase cost for converting years of service would be paid.

SUBJECT MATTER: SB 2104 allows certain police officers in SERS to transfer up to 5 years of service credit from a Downstate Fire pension fund, IMRF, or the Cook County Pension fund to SERS by paying the applicable employee contributions, the employer's normal cost, plus interest at the actuarially assumed rate for the years of service to be established.

COMMENT: SB 2104 allows State police officers, arson investigators, and Commerce Commission police officers who are active SERS members to establish service credit in SERS based on the following types of service: service as a sheriff's law enforcement employee in IMRF, a Cook County corrections or court services officer under the Cook County article, or a firefighter under a Downstate Fire pension fund. The legislation allows for the establishment of up to 5 years of optional service in SERS for any of the foregoing types of service in the aforementioned funds. To establish the service credit, the SERS member must pay to the fund the applicable employee contributions, the employer's normal cost, plus interest at the actuarially assumed rate for the years of service to be established. The SERS must file an application to transfer the service credit within 6 months of the bill's effective date.

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