COMMISSION ON GOVERNMENT FORECASTING AND ACCOUNTABILITY

PENSION IMPACT NOTE

102ND GENERAL ASSEMBLY

BILL NO: **SB 3785, as amended by SA 1** February 10, 2022

SPONSOR (S): Curran

SYSTEM(S): Downstate Police, IMRF

FISCAL IMPACT: To the extent that amounts transferred from IMRF to a Downstate Police pension fund are greater than or equal to the increase in actuarial liability to the Downstate Police pension fund for prior service credit transferred for service as a county corrections officer or a person employed by a participating municipality under IMRF to perform administrative duties related to law enforcement, SB 3785, as amended by SA 1, should have little to no impact on the pertinent Downstate Police fund.

SUBJECT MATTER: SB 3785, as amended by SA 1, amends the Downstate Police and IMRF articles of the Pension Code to allow a Downstate Police officer to transfer an unlimited amount of service credit from IMRF to a Downstate police pension fund for periods of service as either 1) a county correctional officer or 2) a person employed by a participating municipality under IMRF to perform administrative duties related to law enforcement. Service credit will be transferred by paying the amounts enumerated below in the Comment section.

COMMENT: SB 3785, as amended by SA 1, amends the Downstate Police and IMRF articles of the Pension Code. The bill provides that within 6 months of the effective date, a member of a Downstate Police Pension Fund may transfer to that fund an unlimited amount of service credit accumulated in IMRF as a county correctional officer, or as person employed by a participating municipality to perform administrative duties related to law enforcement. In order to establish the service credit, the member must transfer from IMRF to the Downstate Police Pension Fund the employee and employer contributions made for that period of service, the difference between the aforementioned amounts and the amounts that would have been contributed had such service been rendered in the Downstate Police fund, plus interest at the Downstate Police fund's actuarial rate of return, compounded annually, from the date of service to the date of payment.

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