

COMMISSION ON GOVERNMENT FORECASTING AND ACCOUNTABILITY

PENSION IMPACT NOTE

102ND GENERAL ASSEMBLY

BILL NO: **SB 3877**

January 28, 2022

SPONSOR (S): Crowe

SYSTEM(S): Downstate Police, IMRF

FISCAL IMPACT: SB 3877 states that IMRF will require payment of the actual cost of the optional service credit that would be transferred from a Downstate Police pension fund to IMRF, minus any amounts transferred from a Downstate Police fund. Therefore, there should be no fiscal impact to the IMRF participating municipality because of this bill.

SUBJECT MATTER: SB 3877 amends the Downstate Police and Illinois Municipal Retirement Fund articles of the Pension Code. SB 3877 allows IMRF Sheriff's Law Enforcement Personnel (SLEP) to transfer up to 10 years of service credit from a Downstate Police pension fund to IMRF, as explained below.

COMMENT: SB 3877 amends the Downstate Police and Illinois Municipal Retirement Fund articles of the Pension Code. The bill allows for IMRF SLEP participants to transfer up to 10 years of creditable service from a Downstate Police pension fund to IMRF. The SLEP employee must pay to IMRF the actual cost of the benefits associated with the service to be established, minus employee and employer contributions transferred from the Downstate Police pension fund. Participation in the Downstate Police pension fund would terminate on the date of the transfer. The bill contains no sunset date for the transfer of service credit, so therefore this provision would exist in perpetuity.

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