

# COMMISSION ON GOVERNMENT FORECASTING AND ACCOUNTABILITY

## PENSION IMPACT NOTE

96TH GENERAL ASSEMBLY

BILL NO: SB 0302

February 13, 2009

SPONSOR (S): Bomke

SYSTEM(S): SERS

---

**FISCAL IMPACT:** The exact number of workers who have been laid off and then became re-employed by the State is not known. Since the bill requires the laid off employee to make a contribution equal to the employee contributions, employer's normal cost, plus interest, the cost to the system should be minimal.

---

**SUBJECT MATTER:** SB 0302 amends the State Employee Article of the Illinois Pension Code. It allows an employee who was previously laid off but then returned to any State employment to establish creditable service for the period of the layoff. Also, SB 0302 provides that the funding for any new benefit increase will be provided by employee contributions.

**FISCAL IMPACT:** The exact number of workers who have been laid off and then became re-employed by the State is not known. Since the bill requires the laid off employee to make a contribution equal to the employee contributions, employer's normal cost, plus interest, the cost to the system should be minimal.

**COMMENT:** SB 0302 provides that an employee of the State who has been laid off but then has returned for any State employment is able to establish creditable service for the period of the layoff under the following circumstances: (1) the applicant must apply for the creditable service within 6 months after the effective date of this amendatory Act, (2) the applicant will not receive credit for that period under any other provision of this Code, (3) at the time of the layoff, the applicant can not be in an initial probationary status consistent with the rules of the Department of Central Management Services, and (4) the total amount of creditable service established by the applicant under the provisions can not exceed 3 years. Also, in order for the employee to establish creditable service for the period of the layoff, they will be required to pay the obligatory contributions to fund for any new benefit increase along with an amount determined by the Board to be equal to the employer's normal cost of the benefit plus interest.

MDM:dkb

LRB096 04280 AMC 14326 b