

# COMMISSION ON GOVERNMENT FORECASTING AND ACCOUNTABILITY

## PENSION IMPACT NOTE

### 95TH GENERAL ASSEMBLY

BILL NO: **HB 0287**

January 30, 2007

SPONSOR (S): Franks

SYSTEM(S): Downstate Police, Downstate Fire

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**FISCAL IMPACT:** The fiscal impact of HB 0287 cannot be calculated as the number of Article 4 (Downstate Fire) participants who have service credit in an Article 3 (Downstate Police) pension fund is unknown.

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**SUBJECT MATTER:** HB 0287 amends the Downstate Fire and Downstate Police Articles of the Illinois Pension Code to allow a member of a Downstate Fire Pension Fund to transfer his or her creditable service in a Downstate Police Pension Fund to a Downstate Fire pension fund.

**FISCAL IMPACT:** The fiscal impact of HB 0287 cannot be calculated as the number of Article 4 (Downstate Fire) participants who have service credit in an Article 3 (Downstate Police) pension fund is unknown.

**COMMENT:** HB 0287 stipulates that a firefighter may transfer service credit in a Downstate Police pension fund to a Downstate Fire pension fund upon payment by the Downstate Police pension fund to the Downstate Fire pension fund of an amount equal to employee contributions, employer contributions, plus any interest paid by the applicant in order to reinstate past service. HB 0287 also contains a provision for a firefighter to reinstate service credit in a Downstate Police pension fund by paying to the police pension fund the amount of the refund with interest at the rate of 6% per year, compounded annually, from the date of the refund to the date of payment.

HB 0287 amends the State Mandates Act to require implementation without reimbursement.

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