



plus (iii) interest on items (i) and (ii) from the date of first membership in the Fund to the date of payment. The Act stipulated that if payment was made during the 6-month period that began 3 months after the effective date, the required interest would be calculated at the rate of 2.5% per year, compounded annually, otherwise, the required interest rate would be calculated at the regular interest date.

P.A. 95-0483 allows members of IMRF to purchase up to 48 months of service credit for military service. The member must be a participating employee in service on or after its effective date, and must: apply to IMRF in writing and provide evidence of the military service that is satisfactory to the Board; obtain the written approval of the current employer; and make the employee and employer contributions (normal cost), plus regular interest from the date of first membership to the date of payment.

#### SERS Military Service Credit

Currently, if a member enters military service while working in a SERS-covered position, and returns to State service in the same or related position, he or she may receive service credit for up to 5 years of military service without making contributions. In addition to any such creditable service established, an employee may establish service credit for a period of up to 2 years spent in active military service that does not interrupt employment.

P.A. 95-0483 allows a member employed in positions covered under the alternative (state police) formula (i.e., state policeman, fire fighter, special agent, etc.) to establish eligible creditable service for up to 4 years spent in active military service before entering state employment. The Act provides that employee contributions must be based upon the employee's compensation and contribution rate on the date he or she last became a member of the System, plus an amount determined by the Board to be equal to the employer's normal cost of the benefit plus interest, but with all of the interest calculated from the date the employee last became a member of the System. The Act also provides that this new benefit increase will be funded through the employee contributions required to establish this optional service credit.

#### Downstate Police Service Credit

Currently, the Pension Code stipulates that membership in a Downstate Police (Article 3) pension fund is contingent upon becoming a sworn police officer in a municipality that has established such a fund. The police officer must, within 3 months of his or her first appointment or reappointment, make a written application to the board of trustees of the pension fund in order to establish membership in the police pension fund.

P.A. 95-0483 allows a police officer who was excluded from participation in the Shiloh police pension fund by reason of his or her failure to make written application to the board within 3 months of his or her first appointment or reappointment to elect to participate in the fund. The police officer must make a written application to the board no later than July 1, 2008, and shall begin participation on the first day of the month following the month in which the application is received by the board.

P.A. 95-0483 amends the State Mandates Act to require implementation without reimbursement.

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