

COMMISSION ON GOVERNMENT FORECASTING AND ACCOUNTABILITY

PENSION IMPACT NOTE

95th GENERAL ASSEMBLY

BILL NO: SB 0067

February 16, 2007

SPONSOR(S): Righter

SYSTEM(S): Illinois Municipal Retirement Fund

FISCAL IMPACT: The number of SLEP annuitants who return to service in a part-time capacity is unknown. As the bill exempts these employees from participation in IMRF, the employing municipality or participating instrumentality would not be required to make employer contributions on their behalf.

SUBJECT MATTER: SB 0067 amends IMRF Article of the Pension Code to allow employees of a participating municipality or instrumentality that have at least 600 hours and less than 1,000 hours of duty per year to be eligible for a retirement annuity if they meet the definition of a Sheriff's Law Enforcement employee other than the requirement of employment on a full-time basis.

FISCAL IMPACT: The number of SLEP annuitants who return to service in a part-time capacity is unknown. As the bill exempts these employees from participation in IMRF, the employing municipality or participating instrumentality would not be required to make employer contributions on their behalf.

COMMENT: Currently, the IMRF Article of the Pension Code stipulates that if an annuitant again becomes an employee and receives earnings from employment in a position normally requiring performance of duty during 600 hours or more per year for any participating municipality or participating instrumentality, then that person's annuity may be suspended. An IMRF retirement annuity may also be suspended if the annuitant returns to work in a position that requires the annuitant to again become a participating employee. SB 0067 stipulates that a retired Sheriff's Law Enforcement Employee who returns to work in a position requiring less than 1,000 hours per year shall not be disqualified from receiving his or her retirement annuity by reason of that part-time employment.

SB 0067 amends the State Mandates Act to require implementation without reimbursement.

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