

# COMMISSION ON GOVERNMENT FORECASTING AND ACCOUNTABILITY

## PENSION IMPACT NOTE

95TH GENERAL ASSEMBLY

BILL NO: **SB 0647, as engrossed**

April 30, 2007

SPONSOR(S): **Wilhelmi (McGuire)**

SYSTEM(S): **Illinois Municipal Retirement Fund**

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**FISCAL IMPACT:** The impact of SB 0647, as engrossed, cannot be determined as the number of members who will purchase military service credit is unknown.

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**SUBJECT MATTER:** SB 0647, as engrossed, amends the Illinois Municipal Retirement Fund article of the Pension Code to allow certain members to purchase up to 4 years of creditable service for service in the armed forces of the United States that preceded IMRF employment.

**FISCAL IMPACT:** The impact of SB 0647, as engrossed, cannot be determined as the number of members who will purchase military service credit is unknown.

**COMMENT:** Currently, IMRF members who served in the United States Armed forces shall be entitled to purchase creditable service for military service that did not follow IMRF employment. Creditable service shall be granted upon payment by the member, plus interest at the effective rate. SB 0647, as engrossed, allows members of IMRF to purchase up to 4 years of service credit for military service. The member is required to; 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 employer and employer contributions (normal cost), plus interest from the date of first membership to the date of payment. The required interest shall be calculated at the regular interest rate.

SB 0647, as engrossed, amends the State Mandates Act to require implementation without reimbursement.

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