

# COMMISSION ON GOVERNMENT FORECASTING AND ACCOUNTABILITY

## PENSION IMPACT NOTE

96TH GENERAL ASSEMBLY

BILL NO: **HB 0576**

March 25, 2009

SPONSOR (S): Saviano

SYSTEM(S): Chicago Teachers' Pension Fund

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**FISCAL IMPACT:** The fiscal impact has not been calculated, but it would be slightly negative on the pension fund.

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**SUBJECT MATTER:** HB 0576 amends the Chicago Teachers' Article of the Pension Code to increase the minimum total survivor's pension to 50% of the earned retirement pension for survivors of members who died before January 1, 1987.

**FISCAL IMPACT:** The fiscal impact has not been calculated, but it would be slightly negative on the pension fund.

**COMMENT:** Currently, the minimum total survivor's and children's pension payable upon the death of a contributor or annuitant which occurs after December 31, 1986, shall be 50% of the earned retirement pension of such contributor or annuitant, calculated without early retirement discount in the case of death in service. HB 0576 declares that, beginning January 1, 2010, the minimum total survivor's pension payable upon the death of a contributor or annuitant that occurred before January 1, 1987 shall be 50% of the earned retirement pension of the contributor or annuitant, calculated without early retirement discount in the case of death in service.

MDM:dkb

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