

COMMISSION ON GOVERNMENT FORECASTING AND ACCOUNTABILITY

PENSION IMPACT NOTE

97TH GENERAL ASSEMBLY

BILL NO: **HB 0206**

February 7, 2011

SPONSOR(S): McGuire

SYSTEM(S): Downstate Police

FISCAL IMPACT: The fiscal impact of HB 0206 has not been calculated, but there would be a small increase in annual costs and actuarial liability. The number of disability annuitants that would be affected by this bill is not known.

SUBJECT MATTER: HB 0206 amends the Downstate Police Article of the Illinois Pension Code to provide non-compounded automatic annual increases in certain duty disability pensions.

FISCAL IMPACT: The fiscal impact of HB 0206 has not been calculated, but there would be a small increase in annual costs and actuarial liability. The number of disability annuitants that would be affected by this bill is not known.

COMMENT: Currently, Downstate Police officers are entitled to a duty disability pension equal to the greater of (a) 65% of the salary attached to the rank on the police force held by the officer at the date of suspension of duty or retirements, or (b) the retirement pension that the police officer would be eligible to receive if he or she retired (excluding automatic annual increases). Under current law, duty disability pensions are not increased until the police officer reaches age 60.

HB 0206 provides that the monthly pension of a police officer who receives a line of duty disability pension who was hired on or before January 1, 1979 and who received a line of duty benefit on or after January 1, 1993 with at least 14 years of service, and who applies within 6 months of the effective date of this Act shall have his or her disability benefit increased in January of the year he or she attains age 50 by 3% of the original grant of pension for each year he or she receives pension payments. HB 0206 also stipulates that in each January thereafter, the police officer shall receive an additional 3% of the original pension.

HB 0206 amends the States Mandate Act to require implementation without reimbursement.