

COMMISSION ON GOVERNMENT FORECASTING AND ACCOUNTABILITY

PENSION IMPACT NOTE

97TH GENERAL ASSEMBLY

BILL NO: **SB 1872**

March 2, 2011

SPONSOR (S): Raoul

SYSTEM(S): Chicago Police

FISCAL IMPACT: The fiscal impact of SB 1872 has not been calculated, but the cost would be significant.

SUBJECT MATTER: SB 1872 amends the Chicago Police article of the Pension Code to grant widows of police officers who became members of the system before Jan. 1, 2011 (the effective date of P.A. 96-1495) annuities of 66 2/3% of the policeman's earned annuity at the date of death.

FISCAL IMPACT: The fiscal impact of SB 1872 has not been calculated, but the cost would be significant.

COMMENT: Under current law, widows of deceased Chicago police officers receive annuities equal to 50% of the deceased officer's annuity. P.A. 96-1495, the police and fire reform bill, granted widow's annuities of 66 2/3% for the widows of Chicago police officers hired on or after Jan. 1, 2011. SB 1872 would grant this increased widow's annuity amount to current recipients of widow's annuities. In addition, the bill would provide the same increase in widow's annuities for current widows that P.A. 96-1495 granted to recipients of widow's annuities for members who begin service on or after Jan. 1, 2011 – the lesser of 3% or 1/2 the increase in the Consumer Price Index, whichever is less. These increases would not be compounded.

DH:dkb

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