

COMMISSION ON GOVERNMENT FORECASTING AND ACCOUNTABILITY

PENSION IMPACT NOTE

95TH GENERAL ASSEMBLY

BILL NO: **HB 0970**

February 20, 2007

SPONSOR(S): McAuliffe

SYSTEM(S): Chicago Police Pension Fund

FISCAL IMPACT: The fiscal impact of HB 0970 has not been calculated, but would be substantial.

SUBJECT MATTER: HB 0970 amends the Chicago Police Article of the Pension Code to increase the minimum retirement annuity from \$1,050 per month to \$1,250 per month, effective January 1, 2008. In addition, the bill increases the minimum widow's annuity from \$1,000 per month to \$1,200 per month, effective January 1, 2008.

FISCAL IMPACT: The fiscal impact of HB 0970 has not been calculated, but would be substantial.

COMMENTS: HB 0970 makes the following changes to the Chicago Police Article of the Pension Code:

Minimum Retirement Annuity

Currently, the minimum Chicago Police retirement annuity for members who retired at age 50 or over with at least 20 years of service is \$1,050 per month. For these retirees, HB 0970 increases the minimum monthly annuity to \$1,250 per month, effective January 1, 2008. The Chicago Firefighters' Article currently provides a minimum retirement annuity of \$1,050 per month.

Minimum Widow's Annuity

Currently, the minimum Chicago Police widow's annuity for anyone entitled to such annuity is \$1,000 per month, effective January 1, 2005. HB 0970 increases the minimum widow's annuity to \$1,200 per month for anyone entitled to such annuity, beginning January 1, 2008. The Chicago Firefighters' Article provides a minimum widow's annuity of \$1,000 per month to anyone entitled to such annuity.

HB 0970 amends the State Mandates Act to require implementation without reimbursement.

DH:dkb

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