

# COMMISSION ON GOVERNMENT FORECASTING AND ACCOUNTABILITY

## PENSION IMPACT NOTE

95TH GENERAL ASSEMBLY

BILL NO:           **HB 1023**

February 22, 2007

SPONSOR (S):     Poe

SYSTEM(S):       Illinois Municipal Retirement Fund

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**FISCAL IMPACT:** The fiscal impact of HB 1023 cannot be determined because the number of future deaths is not known. Under HB 1023, each qualifying death would cost the Illinois Municipal Retirement Fund an additional \$2,000.

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**SUBJECT MATTER:** HB 1023 amends the Illinois Municipal Retirement Fund Article of the Illinois Pension Code to increase the death benefit from \$3,000 to \$5,000.

**FISCAL IMPACT:** The fiscal impact of HB 1023 cannot be determined because the number of future deaths is not known. Under HB 1023, each qualifying death would cost the Illinois Municipal Retirement Fund an additional \$2,000.

**COMMENTS:** The death benefit for IMRF participants is \$3,000. HB 1023 increases this death benefit to \$5,000 for all deaths on or after its effective date. Currently, this death benefit is paid: (1) Upon the death of an employee in an employment relationship, or (2) Upon the death of an employee who has service and was entitled to a pension on the date of death, or (3) Upon the death of an employee, who has separated from service and was entitled to a pension on the date of death, or (4) Upon the death of an employee annuitant, or (5) Upon the death of the participating employee whose annuity was suspended upon his return to employment.

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