

COMMISSION ON GOVERNMENT FORECASTING AND ACCOUNTABILITY

PENSION IMPACT NOTE

95TH GENERAL ASSEMBLY

BILL NO: **SB 1539**

March 2, 2007

SPONSOR(S): Watson

SYSTEM: Downstate Police Pension Funds

FISCAL IMPACT: The fiscal impact of SB 1539 cannot be determined, but is estimated to be minor. The number of widows who would become eligible for a widow's annuity, per SB 1539, is expected to be relatively small.

SUBJECT MATTER: SB 1539 amends the Downstate Police Article of the Pension Code to allow the widows of members who marry after retirement to be eligible for a widow's annuity, if the marriage is in effect for one year prior to the date of death.

FISCAL IMPACT: The fiscal impact of SB 1539 cannot be determined, but is estimated to be minor. The number of widows who would become eligible for a widow's annuity, per SB 1539, is expected to be relatively small.

COMMENT: Currently, spouses who marry members of a Downstate Police Pension Fund after retirement are not eligible for a widow's annuity. Beginning on the effective date of the Amendatory Act, SB 1539 allows widows of members who marry after retirement to be eligible for a widow's annuity if the marriage is in effect for one year prior to the date of death. The bill specifies that it applies to all retirees and survivors, regardless of the date of withdrawal or the date of death.

SB 1539 specifies that for deaths that occur before the effective date of the Amendatory Act, the survivor's pension will begin to accrue the first day of the month following the date of application, but in no event sooner than the effective date of the Amendatory Act. Also, if a refund of survivor annuity contributions was paid to the member, no survivor annuity would become payable.

SB 1539 amends the State Mandates Act to require implementation without reimbursement.

DH:dkb

LRB095 10781 AMC 31024 b