

COMMISSION ON GOVERNMENT FORECASTING AND ACCOUNTABILITY

PENSION IMPACT NOTE

100TH GENERAL ASSEMBLY

BILL NO: **HB 0418**

February 3, 2017

SPONSOR (S): Wehrli

SYSTEM(S): Downstate Police

FISCAL IMPACT: HB 0418 will likely have a very slight positive impact on Downstate Police pension funds. This is due to the fact that pension payments will no longer be paid to members who have returned to service and are accumulating additional benefits. The bill applies to members hired on or after the effective date; current members are not impacted.

SUBJECT MATTER: HB 0418 amends the Downstate Police article of the pension code. It provides that members notify their respective funds when making changes to their employment or pension statuses. This bill also suspends pension payments for police officers and chiefs of police who re-enter service. The provisions of this bill apply to members hired on or after the effective date; current active members are unaffected by the changes made by HB 0418.

COMMENT: HB 0418 amends the Downstate Police Article of the Illinois Pension Code. It provides that a chief of police who elects to participate in the Illinois Municipal Retirement Fund (IMRF) shall immediately:

- Give notice of that employment to every downstate police pension fund in which he or she has service credit.
- Give notice to IMRF of every police pension fund in which he or she has service credit.

If a new member is receiving pension payments and enters active service as a police officer with a different municipality or as a chief of police, he or she shall immediately notify the pension fund that is making those payments of the return to the service, and the pension payments shall be suspended while the person is in service. The suspension shall end upon termination of employment.

JL:dkb

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