

COMMISSION ON GOVERNMENT FORECASTING AND ACCOUNTABILITY

PENSION IMPACT NOTE

100TH GENERAL ASSEMBLY

BILL NO: **HB 5183**

March 28, 2018

SPONSOR (S): D. Burke

SYSTEM(S): Chicago Fire

FISCAL IMPACT: According to the Chicago Firefighters Pension Fund, there are currently 349 participants who receive a minimum retirement annuity of \$1,264.58 based on 125% of the Federal Poverty Level (FPL). HB 5183 would increase this annuity to \$1,517.50, based on 150% of the FPL.

SUBJECT MATTER: HB 5183 increases the minimum retirement annuity for certain Chicago firefighters and the minimum widow's annuity from 125% to 150% of the Federal Poverty Level.

COMMENT: HB 5183 amends the Chicago Firefighter Article of the Illinois Pension Code. The bill proposes that beginning in 2019, the minimum retirement annuity payable to any current or future retiree who is at least 50 years of age with at least 20 years of service shall be no less than 150% of the Federal Poverty Level. This formula also applies to the minimum widow's annuity for survivors of participating Chicago firefighters. Current law grants a minimum retirement annuity and minimum widow's annuity of only 125% of the Federal Poverty Level.

JL:bj

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