

COMMISSION ON GOVERNMENT FORECASTING AND ACCOUNTABILITY

PENSION IMPACT NOTE

100TH GENERAL ASSEMBLY

BILL NO: **SB 3154**

February 28, 2018

SPONSOR (S): Cunningham

SYSTEM(S): Chicago Fire

FISCAL IMPACT: The fiscal impact of SB 3154 is not known at this time. An updated impact note will be issued when an actuarial study is made available from the pension fund.

SUBJECT MATTER: SB 3154 amends the Chicago Fire article of the Pension Code to expand eligibility for the 3% annual non-compounded increase in retirement to all firefighters born after December 31, 1954 who meet the relevant age and service requirements.

COMMENT: Pursuant to P.A. 100-0539, which took effect on November 7, 2017, any firefighter born after December 31, 1954 but before January 1, 1966 is entitled to an annual noncompounded increase in retirement equal to 3%. The annual increase is given on the first anniversary of retirement if the firefighter is 55 or over on that date, or upon the first of the month following his attainment of age 55 if that date occurs after the first anniversary of the retirement date. SB 3154 removes the foregoing birth date eligibility criterion for the 3% annual non-compounded increase. Under the bill, effective January 1, 2017, any firefighter born after December 31, 1954 shall be eligible for the 3% noncompounded annual increase at age 55 on the first anniversary of retirement or upon the first of the month following attainment of age 55 if that date occurs after the first anniversary of the retirement date.

DH:bj

LRB100 20094 RPS 35377 b