



Commission on Government Forecasting and Accountability

PENSION IMPACT NOTE *103RD General Assembly*

BILL NO: HB 3392

March 7, 2023

SPONSOR (S): Sosnowski

SYSTEM: Downstate Firefighters' and Chicago Firefighters'

FISCAL IMPACT

HB 3392 would expand the number of conditions or impairments for which firefighters of the Downstate and Chicago Firefighter Pension Funds would be eligible to receive an occupational disease disability pension. The occupational disease disability pension benefit in both Articles is equal to 65% of the participant's salary on the date of removal from payroll. As of December 31, 2021, there were 80 annuitants who received the occupational disease disability pension benefits in the Chicago Fire Pension Fund, and an unknown amount within the Downstate Funds. The increase in accrued liabilities and employer contributions that would result from expanding eligibility for occupational disease disability benefits would need to be subjected to actuarial analysis.

SUBJECT MATTER: HB 3392 amends the Downstate Firefighter and Chicago Firefighter Articles of the Pension Code. The bill expands upon the impairments and conditions for which firefighters in both articles are eligible for the occupational disease disability pension. These conditions, which are enumerated below in the Comment section, would be rebuttably presumed to have resulted in service as a firefighter.

COMMENT: Under current law, the following impairments or conditions qualify a firefighter for an occupational disease disability pension in both the Downstate Fire and Chicago Fire Articles of the Pension Code:

1. Heart Disease;
2. Stroke;
3. Tuberculosis; and
4. Any disease of the lungs or respiratory tract

HB 3392 expands on this list by including bloodborne pathogens, contagious staph infection, MRSA, lung or respiratory diseases, vascular diseases, hypertension, cancer resulting in any disability, or hearing loss resulting from service as being entitled to an occupational disease disability pension. It must be noted the occupational disease disability pension for Downstate Firefighters' is available to active firefighters with 5 or more years of creditable service, whereas Chicago Firefighters must complete 7 or more years to be eligible. "Ordinary," or non-duty disability benefits in both articles are equal to 50% of the salary attached to the rank of the firefighter at the time of separation from service. Currently, all of the conditions that HB 3392 would bring under the ambit of occupational disease disability benefits qualify as "ordinary" disabilities.

As of December 31, 2021 (the most recent Actuarial Valuation for the Firemen's Annuity and Benefit Fund of Chicago), there were 80 annuitants who received occupational disease disability benefits, of which the sum of the payments totaled \$5,753,092. No such data was available for the Downstate Fire pension funds. The occupational disease disability benefits are equal to 65% of the participant's salary on the date of removal from payroll. This benefit is fixed at the time the participant leaves the Fire Department payroll and is payable until the earlier of death, retirement, or a return to active duty.

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