



Commission on Government Forecasting and Accountability

PENSION IMPACT NOTE *103RD General Assembly*

BILL NO: HB 4321

February 20, 2024

SPONSOR (S): Cabello

SYSTEM: Downstate Police & Fire

FISCAL IMPACT

The fiscal impact of HB 4321 is unknown as the number of Downstate police officers and firefighters who would become eligible for a line of duty disability benefit due to COVID-19 exposure as outlined in the bill is not known. Under both the Downstate Police and Downstate Fire articles of the Pension Code, the duty disability benefit is equal to the greater of 65% of salary, or the earned pension amount at the time of disability. Ordinary (non-duty) disability benefits in both articles are equal to 50% of salary at the time of the award of the disability annuity.

As outlined below, both the Chicago Police and Fire Pension Funds have similar line-of-duty disability presumption clauses in statute. The Chicago Fire fund states that the fund saw three applicants for COVID-19 line-of-duty disability, two of whom were denied and one of whom was granted retroactive duty-disability. The Chicago Police fund has not yet responded to requests for information.

SUBJECT MATTER: HB 4321 amends the Downstate Police and Fire articles of the Pension Code. The bill provides that a police officer or firefighter who becomes disabled as a result of being exposed to COVID-19 shall be rebuttably presumed as having contracted COVID-19 while in the performance of an act of duty. The foregoing presumption of duty disability shall apply to any police officer or firefighter who was exposed to and contracted COVID-19 on or after March 9, 2020 and on or before June 30, 2021.

COMMENT: While there is no COVID-19 line-of-duty disability presumption in statute for Downstate Police and Fire, HB 3162, enacted as P.A. 103-0002, added a COVID-19 line-of-duty disability presumption for the Chicago Police and Fire articles. HB 4321 adds a similar rebuttable presumption to that as presented in P.A. 103-0002 to the Downstate Police and Fire articles. Specifically, the bill provides that any Downstate police officer or firefighter who becomes disabled as a result of exposure to COVID-19 shall be rebuttably presumed to have contracted the disease while in the performance of an act of duty. Duty disability benefits in both funds are equal to the higher of the following:

- A pension equal to 65% of salary; or
- The amount of the service retirement pension that the officer or firefighter has earned by virtue of years of service. (This does not mean that the officer or firefighter must retire; rather, the disability annuity is equal to the earned pension for the duration of the disability).

For Downstate Police and Fire funds, the ordinary disability benefit is equal to 50% of salary at the time of disability. Without the line-of-duty disability presumption presented in this bill, the decision as to whether a police officer or firefighter would receive an ordinary disability benefit or a line-of-duty disability benefit due to COVID-19 would be at the discretion of the pertinent pension fund board of trustees. If this bill were to be enacted, a Downstate police officer or firefighter would not automatically be granted a line-of-duty disability for COVID-19 exposure. The injured officer must still undergo examination by 3 physicians selected by the board, after which the board must take a record vote on the duty disability application.

The foregoing presumption of duty disability applies to any police officer or firefighter who was exposed to and contracted COVID-19 on or after March 9, 2020 and on or before June 30, 2021. The date of contraction of COVID-19 is either the date that the police officer or firefighter was diagnosed with the virus or was unable to work due to symptoms from the virus, whichever occurred first. The bill also contains a statement of legislative intent that any police officer or firefighter previously denied a disability pension due to COVID-19 exposure is entitled to a retroactive disability pension.

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