



## Commission on Government Forecasting and Accountability

### PENSION IMPACT NOTE *103<sup>RD</sup> General Assembly*

BILL NO:           **HB 5266**

February 28, 2024

SPONSOR (S):     Kifowit

SYSTEM:           Chicago Police

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#### FISCAL IMPACT

**The fiscal impact of HB 5266 is unknown as the number of Chicago police officers who would become eligible for disability benefits due to not being reinstated as a police officer because of a mental or physical condition is not known. The bill would create a presumption of disability in such circumstances, i.e., a police officer has been denied a disability benefit but has not been reinstated or offered a limited-duty position. If a disability benefit is granted under such circumstances, then the officer would be eligible for disability payments retroactive to January 1, 2023.**

**The Chicago Police fund has not yet responded to requests for information regarding the number of officers who might be impacted by this bill. An updated note will be issued upon receipt of that information.**

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SUBJECT MATTER: HB 5266 amends the Chicago Police Article of the Illinois Pension Code by adding a presumption of disability to (1) officers who are denied reinstatement due to “physical or mental incapacity” and apply for disability benefits, and (2) officers who, unless reinstated or offered a limited-duty position, otherwise meet the requirements for disability benefits. The bill also entitles officers who were denied a disability benefit without being offered reinstatement or a limited-duty position after January 1, 2023 to retroactive disability benefits. These changes are further detailed in the Comment section below.

COMMENT: Under current law, there is no presumption of disability for Chicago police officers. If seeking disability benefits under the Chicago Police Article of the Pension Code, police officers must provide proof of disability, via evidence from a physical examination

conducted by at least one licensed and practicing physician appointed by the fund's board. If deemed disabled, the officer must undergo annual physical examinations to monitor the disability and is entitled to one of the following benefit types, dependent on the circumstances by which the officer became disabled:

- Duty disability
  - Equal to 75% of the officer's salary at the time disability is awarded; or
- Occupational disease disability
  - Equal to 65% of the officer's salary at the time the disability occurred; or
- Ordinary (non-duty) disability
  - Equal to 50% of the officer's salary at the time the disability occurred.

When the disability ceases, disability benefits are discontinued and the officer is to return to police service, unless the officer is deemed to be permanently disabled.

HB 5266 adds a presumption of disability to the Chicago Police Article of the Illinois Pension Code. Specifically, the bill states that a police officer who is denied reinstatement as an officer due to a "physical or mental incapacity" and applies for disability benefits is to be presumed disabled. Furthermore, a police officer who otherwise meets the requirements for a disability benefit is similarly presumed disabled, and cannot be denied a disability benefit unless the officer is either reinstated or offered a limited-duty position. Under the bill, the foregoing provisions are deemed to be retroactive to January 1, 2023, and any officer denied a disability benefit without being offered reinstatement or a limited-duty position after January 1, 2023 is entitled to retroactive disability benefits.

ND:bs

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