



## Commission on Government Forecasting and Accountability

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

BILL NO:                **SB 1956**

February 10, 2023

SPONSOR (S):        Fine

SYSTEM:              Chicago Police

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#### **FISCAL IMPACT**

**SB 1956 would have a positive fiscal impact, as the bill gives the Fund the authority to use legal proceedings to recover damages from a third party in the event that the injury or death of the police officer creates a legal liability upon that third party. The pension fund would seek to recover payments made in the form of death or disability benefits, as the case may be.**

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**SUBJECT MATTER:** SB 1956 amends the Chicago Police Article of the Pension Code. The bill grants the Fund the authority to use legal proceedings to recover damages and/or other liabilities from third parties in cases where that third party may have caused the injury or death of the police officer such that the pension fund must pay death or disability benefits, as the case may be.

**COMMENT:** Under current law, the Fund does not have the explicitly expressed legal authority to seek damages in the event that a police officer's cause of injury or death is legally attributable to a third party. SB 1956 adds language to the Chicago Police Article of the Illinois Pension Code such that, in cases where the injury or death for which a disability or death benefit is payable was caused under circumstances creating a legal liability on the part of some third party, legal proceedings can be taken against said third party to enforce that payment of damages, either in place of the Fund's liability to the police officer or to reimburse the Fund when damages are collected. (The meaning of the term "subrogation" refers to collecting damages from a Third Party, as described above).

SB 1956 allows the Fund to intervene in an action brought by a disabled policeman or personal representative at any time after the Fund is notified of said action being filed. In the event that the police officer or personal representative has not taken any action within the 3 month-period

before the statute of limitations expires, the Fund may, in its own name or in the name of the representative, undertake a subrogation action in the circuit courts.

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