



Commission on Government Forecasting and Accountability

PENSION IMPACT NOTE *103RD General Assembly*

BILL NO: SB 2915

January 30, 2024

SPONSOR (S): Villa

SYSTEM: Illinois Municipal Retirement Fund (IMRF) Article

FISCAL IMPACT

SB 2915 increases the IMRF death benefit lump sum payment from \$3,000 to \$8,000 as of the effective date of the bill. IMRF's actuary estimates that the increase in employer contributions will be no more than .11% of system-wide payroll (IMRF payroll was \$8.3 billion as of the last reported fiscal year), for an estimated total increase of \$9.13 million across all IMRF employers.

SUBJECT MATTER: SB 2915 amends the Illinois Municipal Retirement Fund (IMRF) article of the Pension Code. This bill increases the amount of the lump-sum survivor death benefit from \$3,000 to \$8,000 for retired members after January 1, 2025, the effective date of the bill. The death benefit will remain at \$3,000 for members who retire prior to the bill's effective date, and no recalculations of benefits will be permitted for those members who retired before the effective date of the bill.

COMMENT: Under current law, the beneficiary (typically a surviving spouse or child) of a deceased IMRF annuitant is paid a \$3,000 lump sum death benefit in addition to a survivor's pension. SB 2915 increases the amount of this death benefit to \$8,000 for members who retire after January 1, 2025. The beneficiaries of those annuitants who retire before the effective date will receive the current-law \$3,000 death benefit. The bill does not provide for a recalculation of any benefits for persons who retire before the effective date.

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