



Commission on Government Forecasting and Accountability

PENSION IMPACT NOTE *104th General Assembly*

BILL NO: **HB 2474**

February 10, 2025

SPONSOR: Elik

SYSTEM: Illinois Municipal Retirement Fund (IMRF)

FISCAL IMPACT

The fiscal impact of HB 2474 is presumed to be negligible. The number of SLEP annuitants that are employed as either school security guards or school resource officers and would work up to the 999 hours annually, instead of 599 hours, is unknown. To the extent that such annuities would be paid out to retired SLEP members that would otherwise be suspended, there would be a slight negative impact to IMRF.

SUBJECT MATTER: HB 2474 amends the IMRF article of the Pension Code to specify that Sheriff's Law Enforcement Personnel (SLEP) annuitants employed as school security guards or school resource officers are allowed to work up to 999 hours a year before having their annuity suspended, until January 1, 2030. Essentially, the bill allows IMRF employers to employ retired SLEP officers up to 999 hours annually without having to pass a resolution allowing for this extended return-to-work service period.

COMMENT: Under current law, an annuitant that is employed by a participating IMRF employer has their annuity suspended if they work in excess of 599 hours a year. An employer may enact an ordinance or resolution to extend the hourly standard to 999 hours a year. Upon suspension of annuity, the member is automatically re-enrolled in IMRF, and they then accrue service credits from their position. To avoid getting their pension suspended, an annuitant would have to cease employment the same month they worked in excess of 599 or 999 hours, as the case may be, depending on the municipality.

Passage of a 1,000-hour resolution by an IMRF employer permanently increases the annual work limit for retirees from 600 to 1,000 hours and applies to all employees under the employer's purview. This resolution is irrevocable, meaning the employer cannot later revert to the 600-

hour standard or set an expiration date for the change. HB 2474 amends the IMRF article of the Pension Code to specify that Sheriff's Law Enforcement Personnel (SLEP) annuitants employed as school security guards or school resource officers are allowed to work up to 999 hours a year before having their annuity suspended. Participating municipalities and instrumentalities that employ such retired officers would no longer be required to pass a resolution extending the hourly standard from 599 to 999 hours for SLEP employees. This bill has a sunset date of January 1, 2030.

RF:bs

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