COMMISSION ON GOVERNMENT FORECASTING AND ACCOUNTABILITY

PENSION IMPACT NOTE

96TH GENERAL ASSEMBLY

BILL NO: HB 2579

April 27, 2009

SPONSOR (S): McAuliffe

SYSTEM(S): Chicago Police Pension Fund

FISCAL IMPACT: The fiscal impact has not been calculated, but it is expected to be significant.

<u>SUBJECT MATTER</u>: HB 2579 amends the Chicago Police Article of the Pension Code to increase the minimum duty disability benefit to 75% of the current salary attached from time to time to the rank held by the officer at the time of removal from the police department payroll, effective January 1, 2010.

FISCAL IMPACT: The fiscal impact has not been calculated, but it is expected to be significant.

<u>COMMENT</u>: Currently, the initial duty disability benefit is equal to 75% of salary at the time the disability is allowed. Per Public Act 92-0052, the minimum duty disability benefit (that has been payable for at least 7 years) is 60% of the current salary attached to the rank and grade held by the police officer at the time of removal from the department payroll. In addition, Chicago Police officers with a permanent and total disability (as determined by the Board of Trustees) receive a benefit that is always equal to 75% of the salary attached to the rank and grade held by the officer at the time of removal from the time of removal from the time of the salary attached to the rank and grade held by the officer at the time of removal from the time of the salary attached to the rank and grade held by the officer at the time of removal from the department.

HB 2579 changes these provisions to require <u>all</u> duty disability benefits to <u>always</u> be equal to 75% of the current salary attached to the rank and grade held by the police officer at the time of removal from the department payroll. The bill applies to current and future duty disability benefit recipients, effective January 1, 2010.

HB 2579 amends the State Mandates Act to require implementation without reimbursement.

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