

COMMISSION ON GOVERNMENT FORECASTING AND ACCOUNTABILITY

PENSION IMPACT NOTE

98th GENERAL ASSEMBLY

BILL NO: **HB 1351**

February 22, 2013

SPONSOR(S): Poe

SYSTEM(S): Illinois Municipal Retirement Fund (IMRF)

FISCAL IMPACT: IMRF pension payments would increase under HB 1351 because it would allow retired employees already receiving a pension to go back to work for at least 599 hours per year without a suspension of their annuities. The fiscal impact upon IMRF cannot be precisely determined because the exact number of annuitants returning to work in the future cannot be determined at this time.

SUBJECT MATTER: HB 1351 amends the IMRF Article of the Illinois pension code to establish a permitted number of hours per year a retired employee can return to work without losing their retirement annuities.

FISCAL IMPACT: IMRF pension payments would increase under HB 1351 because it would allow retired employees already receiving a pension to go back to work for at least 599 hours per year without a suspension of their annuities, The fiscal impact upon IMRF cannot be precisely determined because the exact number of annuitants returning to work in the future cannot be determined at this time.

COMMENT: HB 1351 provides that an annuitant shall be subject to suspension of his or her annuity if they return to work as an employee and work more than 599 hours annually (or 999 hours annually with an employer that has adopted a resolution excluding from participation in IMRF any person employed in a position normally requiring less than 1000 hours of work annually). In addition, HB 1351 specifically excludes elected officials from suspension of any annuities when working in their elected position.

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