

COMMISSION ON GOVERNMENT FORECASTING AND ACCOUNTABILITY

PENSION IMPACT NOTE

98TH GENERAL ASSEMBLY

BILL NO: **SB 3309**

February 18, 2014

SPONSOR (S): Bertino-Tarrant

SYSTEM(S): GARS, SERS, JRS, Downstate Firefighters, Cook County Forest
 Preserve

FISCAL IMPACT: HB 3309 would have no discernible effect on pension liabilities for any of the affected systems. It is possible that money could be saved in the case of the Downstate Firefighters and Cook County Forest Preserve systems, but no discernible change in liabilities is expected for either system.

SUBJECT MATTER: HB 3309 amends the GARS, SERS, JRS, Downstate Firefighters and Cook County Forest Preserve articles of the Illinois Pension Code. Under this legislation, in the case of a miscalculation of benefits, the fund/system must recalculate the benefit as soon as practicable. In the case of underpayments, individuals would be paid their back benefits with interest. In the case of overpayments, the fund/system can recover the amount plus interest unless (in the case of GARS, SERS, and JRS) (1) the benefit amount was mistakenly set too high, and (2) the error was not discovered for three years or more, and (3) the error was not the result of incorrect information supplied by the participant/beneficiary.

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COMMENT: The three qualifications for non-repayment of overpayments to participants/beneficiaries only apply to GARS, JRS and SERS in this legislation.