

COMMISSION ON GOVERNMENT FORECASTING AND ACCOUNTABILITY

PENSION IMPACT NOTE

95TH GENERAL ASSEMBLY

BILL NO: **HB 0049, as engrossed** April 12, 2007

SPONSOR (S): Feigenholtz – Sommer, et al. (Hendon - Cullerton)

SYSTEM(S): All Systems

FISCAL IMPACT: The fiscal impact of HB 0049, as engrossed, cannot be calculated, but is expected to be minor.

SUBJECT MATTER: HB 0049, as engrossed, amends the General Provisions Article of the Illinois Pension Code to stipulate that legally adopted children shall be entitled to the same benefits as other children. The bill also provides that no child's or survivor's benefit shall be disallowed because the child is an adopted child.

FISCAL IMPACT: The fiscal impact of HB 0049, as engrossed, cannot be calculated, but is expected to be minor.

COMMENT: The current eligibility requirements for children's and survivor's benefits for adopted children are summarized below for each respective pension fund. HB 0049, as engrossed, deletes all of the following provisions and stipulates, via the General Provisions Article of the Pension Code, that legally adopted children shall be entitled to the same benefits as other children.

General Assembly Retirement System – Adopted children have the same status as children of a participant or annuitant, but only if proceedings for adoption commence at least one year prior to the date of the participant's or annuitant's death.

Downstate Police – Adopted children are eligible for benefits only if judicial proceedings for adoption commence at least one year prior to the death or disability of the police officer. Adoption proceedings must have begun prior to the police officer attaining age 50.

Downstate Fire – Adopted children are eligible for survivor's benefits if the child was adopted before the firefighter attained age 50.

Chicago Police – The child must have been adopted before the policeman withdraws from service. The policeman must be married and living with his wife at the time of

the adoption, and must have initiated adoption proceedings at least 6 months prior to the policeman's death, unless the policeman's death occurs as a result of an act of duty.

Chicago Fire – The child must have been legally adopted by the firefighter at least one year prior to the firefighter's death or withdrawal, unless the firefighter's death occurs as a result of an act of duty.

Illinois Municipal Retirement Fund – The legal proceedings for adoption must have commenced at least one year before the death of the participating employee, county official, or annuitant.

Chicago Municipal – The child must have been legally adopted at least one year prior to the date any benefit for the child or children accrues.

Cook County Employees and Officers – The child must have been legally adopted by the employee at least one year prior to the date any benefit for a child or children accrues. Legal adoption must have occurred before the employee attains age 55. For county officers, proceedings for legal adoption must have commenced at least one year prior to the date of the elected county officer's death.

Chicago Laborers – The child must have been legally adopted by the employee at least one year prior to the death of the employee.

Chicago Park District – Proceedings for legal adoption must have commenced at least one year prior to the death of the employee and the attainment of age 55 by the employee.

Metropolitan Water Reclamation District – The proceedings for adoption must have been instituted at least one year prior to the employee's or commissioner's death.

SERS – The proceedings for adoption must have commenced at least one year prior to the member's death.

SURS – Proceedings for adoption must have been initiated at least one year before the death or retirement of the participant or annuitant.

Judges' Retirement System – Proceedings for adoption must commence at least six months prior to the death of the annuitant or participant.

HB 0049, as engrossed, amends the State Mandates Act to require implementation without reimbursement.

DH:dkb

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