

COMMISSION ON GOVERNMENT FORECASTING AND ACCOUNTABILITY

PENSION IMPACT NOTE

101ST GENERAL ASSEMBLY

BILL NO: SB 194

February 1, 2019

SPONSOR (S): Fowler

SYSTEM(S): Downstate Fire, Illinois Municipal Retirement Fund (IMRF)

FISCAL IMPACT: SB 194 presumably deals with a situation where a Downstate Fire pension fund was created in the wake of the 2010 federal census and a firefighter who had theretofore been a Tier 1 participant in IMRF began service in the newly created Downstate Fire pension fund as a Tier 2 employee. It is unknown how many firefighters were impacted in this way.

SUBJECT MATTER: SB 194 amends the Downstate Fire and IMRF Articles of the Illinois Pension Code. The bill establishes that firefighters who were transferred from participation in IMRF to a municipality's Article 4 (Downstate Fire) pension fund upon its creation are considered to have become a member in the municipality's Article 4 pension fund on the firefighter's first date of participation in IMRF.

COMMENT: The proposed legislation deems the first date of participation in IMRF as the date used to determine the applicable tier of benefits in the Downstate Fire pension fund, notwithstanding whether that start date was before January 1, 2011, or the effective date for Tier 2 benefits. Presumably, the scope of the bill is confined to clarifying that a firefighter who had been a Tier 1 IMRF member would remain a Tier 1 member in the applicable Downstate Fire pension fund.

EW:bj

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