

Senate Bill 65:

Downstate Police and Fire Fund Opt-Out

IMRF Position: OPPOSE

Sponsor:
Senator Laura Fine

Proposed Change in the Law

This bill would allow municipalities that have either created an Article 3 downstate police or Article 4 downstate fire fund by referendum and remain below 5,000 in population or were mandated to do because they were above 5,000 in population and have since dropped below that threshold may close the fund or funds by referendum and enroll new members in IMRF. Those who were enrolled prior to the effective date of the referendum would remain in the applicable fund and would not be eligible for IMRF. The election to participate in these funds is currently irrevocable.

Reasons for Position

There are some concerns with the current language that have the potential to create unintended problems. First, the referendum would require that new police officers be enrolled in IMRF. There is currently one non-IMRF employer that has a police pension fund and that could increase in the future. The language in the referendum and the statute states that the new officers/firefighters must be placed into IMRF, which would be impossible for a community that does not have IMRF.

In addition, the statute requires that all "police officers" or "firefighters" (as applicable) are required to be placed into IMRF without regard to any other enrollment requirements in Article 7. Employees must work a minimum number of hours per year to be eligible for participation.