

COMMISSION ON GOVERNMENT FORECASTING AND ACCOUNTABILITY

PENSION IMPACT NOTE

96TH GENERAL ASSEMBLY

BILL NO: **HB 4439** January 22, 2010

SPONSOR (S): Senger – Cavaletto, et al.

SYSTEM(S): General Assembly Retirement System

FISCAL IMPACT: There is no discernable fiscal impact associated with HB 4439.

SUBJECT MATTER: HB 4439 amends the General Assembly Article of the Illinois Pension Code to require the system to submit a quarterly report to the Commission on Government Forecasting and Accountability pertaining to former members of the system employed in positions covered under participating systems under the Retirement Systems Reciprocal Act.

FISCAL IMPACT: There is no discernable fiscal impact associated with HB 4439.

COMMENT: Public Act 88-593, which became effective on August 22, 1994, states that for a participant who is a member of the General Assembly on his or her last day of service, earnings limitations apply to earnings under any other participating system under the Retirement Systems Reciprocal Act that are considered in calculating a proportional annuity, except in the case of a person who first became a member of this System before the effective date of the Act (August 22, 1994).

Under HB 4439, GARS must make a quarterly report to the Commission on Government Forecasting and Accountability. These reports must include the following:

- (1) The name and current salary, according to data in the possession of the System, for each participant in the System who:
 - (A) first became a member of the System before August 22, 1994;
 - (B) has not begun receiving a retirement annuity under this Article; and
 - (C) is employed in a position covered by a participating system under the Retirement Systems Reciprocal Act and the name of his or her current employer
- (2) Beginning with the second quarterly report after the effective date, the name of each participant who has begun receiving a retirement annuity under the Article since the preceding quarterly report and, if the salary used to calculate his or her proportional annuity under the Article is higher than his or her highest

salary for annuity purposes who would have been if he or she were not exempted from the earnings limitation, the salary level used to calculate his or her proportional annuity and the name of his or her employer under the other participating system.

In addition, HB 4439 requires that the Commission on Government Forecasting and Accountability submit a report to the General Assembly that contains information submitted to the Commission by GARS.

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