

COMMISSION ON GOVERNMENT FORECASTING AND ACCOUNTABILITY

PENSION IMPACT NOTE

96TH GENERAL ASSEMBLY

BILL NO: **HB 4790**

January 25, 2010

SPONSOR (S): Zalewski

SYSTEM(S): Chicago Municipal

FISCAL IMPACT: There is no discernable fiscal impact associated with HB 4790.

SUBJECT MATTER: HB 4790 amends the Chicago Municipal Article of the Illinois Pension Code to indemnify trustees and staff of the pension fund against all damage claims and suits when damages are sought for the negligent or wrongful acts committed in the scope of employment or under the direction of the trustees.

FISCAL IMPACT: There is no discernable fiscal impact associated with HB 4790.

COMMENT: Currently, the General Provisions Article of the Illinois Pension Code stipulates that every retirement system or pension fund governed by the Pension Code may indemnify and protect the trustees, staff and consultants against all damage claims and suits when damages are sought for negligent or wrongful acts alleged to have been committed in the scope of employment or under the direction of the trustees. HB 4790 amends the Chicago Municipal Article of the Pension Code to provide for mandatory indemnification in all such cases, with the exception of cases of willful misconduct or gross negligence.

DH:bj
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