

# COMMISSION ON GOVERNMENT FORECASTING AND ACCOUNTABILITY

## PENSION IMPACT NOTE

### 96TH GENERAL ASSEMBLY

BILL NO: **SB 1611**

February 24, 2009

SPONSOR (S): Clayborne Jr.

SYSTEM(S): Illinois Municipal Retirement Fund

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**FISCAL IMPACT:** Employees of employers joining IMRF receive credit (without making contributions) for 5 years or 20% of service with the employer, whichever is less. Upon joining IMRF, regional councils of government would be required to make annual contributions to amortize the unfunded liability (over 10 years) created by employees past service credit. Allowing regional councils of government into IMRF would not affect the accrued liability or annual cost of any other IMRF employer.

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**SUBJECT MATTER:** SB 1611 amends the IMRF Article of the Illinois Pension Code to authorize participation in IMRF by regional councils of government, which is not defined in the bill.

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**COMMENT:** Non-taxing entities are not allowed to participate in IMRF unless they are cited as eligible to participate in the Illinois Pension Code (40 ILCS 5/7-132) and the Board of Trustees of IMRF approves an application to participate.

SB 1611 would allow regional councils of government and their employees to participate in IMRF as a non-taxing entity.

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