COMMISSION ON GOVERNMENT FORECASTING AND ACCOUNTABILITY

PENSION IMPACT NOTE

95TH GENERAL ASSEMBLY

BILL NO: **HB 0002**   January 29, 2007

SPONSOR(S):   Bassi

SYSTEM(S):   Illinois Municipal Retirement Fund

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, the Chicago Metropolitan Agency for Planning would be required to make annual contributions to amortize the unfunded liability created by employees' past service credit. Allowing the Chicago Metropolitan Agency for Planning into IMRF would not affect the accrued liability or annual cost of any other IMRF employer.

SUBJECT MATTER: HB 0002 amends the Illinois Municipal Retirement Fund article of the Pension Code to authorize participation in IMRF by the Chicago Metropolitan Agency for Planning.

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COMMENT: HB 0002 allows employees of the Chicago Metropolitan Agency for Planning who were employed by the Chicago Area Transportation Study or the Northeastern Planning Commission to participate in IMRF provided they satisfy the minimum Illinois service and contribution requirements for temporary disability benefits, total and permanent disability benefits, and death benefits. The bill stipulates that contributions made to the State Employees' Retirement System and IMRF shall satisfy the foregoing requirements.

HB 0002 amends the State Mandates Act to require implementation without reimbursement.

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