COMMISSION ON GOVERNMENT FORECASTING AND ACCOUNTABILITY

PENSION IMPACT NOTE

95TH GENERAL ASSEMBLY

BILL NO: **HB 3400** March 2, 2007

SPONSOR (S): Nekritz

SYSTEM(S): All retirement systems and pension funds under the Illinois Pension Code

FISCAL IMPACT: HB 3400 will have no fiscal impact on any retirement system or pension fund in the State of Illinois.

<u>SUBJECT MATTER</u>: HB 3400 amends the Illinois Pension Code to make changes concerning the composition of the boards of trustees for the retirement systems and pension funds.

<u>FISCAL IMPACT</u>: HB 3400 will have no fiscal impact on any retirement system or pension fund in the State of Illinois.

<u>COMMENT/DISCUSSION</u>: The Illinois Pension Code defines the size of the boards of trustees for each retirement system and pension fund under the Code. It further specifies the individual with the authority to appoint each board member. HB 3400 amends the Code to require additional members on each of these boards of trustees, and spells out the requirements and restrictions applicable to each new member. All members of the boards of trustees without 5 years of experience in the direct management, analysis, supervision and investment of assets must undergo annual financial training under rules prescribed by the board.

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