COMMISSION ON GOVERNMENT FORECASTING AND ACCOUNTABILITY

PENSION IMPACT NOTE

100TH GENERAL ASSEMBLY

BILL NO: HB 0291 January 12, 2017

SPONSOR (S): Olsen - Skillicorn

SYSTEM(S): Illinois Municipal

FISCAL IMPACT: According to IMRF, there are currently 1,689 non-county elected officials participating in the system. A full-time/part-time breakdown was not given. The part-time officials included in this number would not be impacted by this bill; hence it should be noted that the total non-county elected official headcount is intended to give some insight as to the scope of participation, and should not be interpreted as a reliable prediction of the number of future members who would be impacted by this bill.

<u>SUBJECT MATTER</u>: HB 0291 amends the IMRF article of the Illinois Pension Code. The bill prohibits part-time elected officials from participating in IMRF after the effective date, absent a declaration of full-time status by the legal counsel of the applicable municipality. If no such declaration is made, all elected officials shall be presumed to be part-time, and thus ineligible for participation in IMRF.

<u>COMMENT</u>: P.A. 99-900 (SB 2701), which became effective on August 26th, 2016, prohibited service in IMRF to county board members other than those who first elected to participate in the fund before the effective date of the Act (8/26/16). The Act included several other attendant provisions, such as requiring the elected official and the county to submit a notice of the elected official's intent to participate in the fund, and the requirement that the elected official must submit required time sheets evidencing hourly work requirements.

HB 0291 disqualifies from participation in IMRF any person who holds part-time elected office after the effective date of this Amendatory Act. (Whereas P.A. 99-900 pertained strictly to county officials, HB 0291 presumably impacts all part-time elected positions in IMRF-covered jurisdictions). The bill establishes a presumption that an elective office is "part-time" if there is no official job description or determination by the legal advisor of the applicable municipality declaring the position to be full-time.

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