

COMMISSION ON GOVERNMENT FORECASTING AND ACCOUNTABILITY

PENSION IMPACT NOTE

100TH GENERAL ASSEMBLY

BILL NO: **HB 0775**

January 30, 2017

SPONSOR (S): Lilly

SYSTEM(S): All, except Downstate Police and Downstate Firefighters

FISCAL IMPACT: HB 0775 would have no impact on pension liabilities as this legislation does not affect current or future member liabilities.

SUBJECT MATTER: HB 0775 amends the General Provisions article of the Illinois Pension Code to require every pension fund except Downstate Police and Downstate Firefighters to develop a climate change risk minimization policy before December 31, 2018.

COMMENT: The proposed legislation would require a policy to consider the financial risk to the investments held by the pension fund depending on different levels of climate change. It also requires the policy to consider the scope of financial risk of climate-related events. In addition, this legislation would require a pension fund to determine a policy for minimizing long-term risk to pension fund assets from increased climate change.

AB:dkb

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