

COMMISSION ON GOVERNMENT FORECASTING AND ACCOUNTABILITY

PENSION IMPACT NOTE

101ST GENERAL ASSEMBLY

BILL NO: **HB 5650**

February 21, 2020

SPONSOR (S): Ramirez

SYSTEM(S): Chicago Teacher's Pension Fund

FISCAL IMPACT: HB 5650 makes a clarifying change to codify current practice such that employers beyond the Board of Education can make employee contributions to CTPF. There is no discernible fiscal impact associated with HB 5650.

SUBJECT MATTER: HB 5650 amends the Chicago Teacher Article of the Pension Code. The bill makes a clarifying change, specifying that both employers and the Board of Education can make employee contributions on behalf of employees.

COMMENT: Under current law, the Board of Education can make employee contributions on the behalf of employees, this process is sometimes referred to as "picking up" the contribution.

HB 5650 amends the Chicago Teachers Article of the Illinois Pension Code. The bill clarifies that employers beyond the Board of Education can also make employee contributions, thereby including charter schools. This change matches current practice.

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