

COMMISSION ON GOVERNMENT FORECASTING AND ACCOUNTABILITY

PENSION IMPACT NOTE

101ST GENERAL ASSEMBLY

BILL NO: **SB 1671, as amended by SA 1**

April 10, 2019

SPONSOR (S): Martinez

SYSTEM(S): General Provisions Article

FISCAL IMPACT: There is no discernible fiscal impact associated with SA 1 to SB 1671.

SUBJECT MATTER: SA 1 to SB 1671 amends the General Provisions article of the Illinois Pension Code to refine the definition of “emerging investment manager,” by adding an exclusion for contracts with an “emerging investment manager,” and defining “qualified manager of emerging investment managers services.”

COMMENT: The proposed amendment to the legislation defines “emerging investment manager” as a qualified investment adviser that manages an investment portfolio of at least \$10 million but less than \$20 billion at the time of the initial contract with the retirement system, pension fund, or investment board (current law makes no such point-in-time distinctions). The legislation also adds an exclusion for “emerging investment manager” contracts in a provision requiring a competitive process for awarding investment contracts. In addition, a definition is made for “qualified manager of emerging investment managers services” along with their utilization in law. This legislation has an immediate effective date.

AB:bj

LRB101 07919 RPS 58888 a