COMMISSION ON GOVERNMENT FORECASTING AND ACCOUNTABILITY

PENSION IMPACT NOTE

102nd GENERAL ASSEMBLY

BILL NO: **HB 2522** February 22, 2021

SPONSOR (S): Kifowit

SYSTEM(S): Police Officers' Pension Investment Fund

FISCAL IMPACT: There is no discernible fiscal impact associated with HB 2522.

SUBJECT MATTER: HB 2522 amends the Police Officers' Pension Investment Fund Article of the Pension Code to rescind a requirement that the chairmanship of the Board of Trustees of the fund must alternate between a trustee who represents municipalities and a trustee who represents employees or retirees.

COMMENT: P.A. 101-0610, which became effective on January 1, 2020, created the Police Officers Investment Fund for the purposes of commingling and managing assets for Article 3 (Downstate Police) pension funds. The Act stipulated that the Board of Trustees of the fund shall select the chairperson of the fund from among the trustees, and the chairperson shall serve for a period of 2 years. The Act also mandated that the office of chairperson shall alternate a between board member who represents municipalities and a board member who represents participating members or annuitants. HB 2522 would rescind this alternating chairmanship provision. The term of office of the chairman would remain at 2 years.

Although the bill references the transition board, the permanent board was seated on January 8th, 2021.

DH:bs
LRB102 12527 RPS 17865 b