

COMMISSION ON GOVERNMENT FORECASTING AND ACCOUNTABILITY

PENSION IMPACT NOTE

102nd GENERAL ASSEMBLY

BILL NO: **SB 0460**

March 2, 2021

SPONSOR (S): Harris

SYSTEM(S): Chicago Municipal

FISCAL IMPACT: There is no discernible fiscal impact associated with SB 0460.

SUBJECT MATTER: SB 0460 amends the Chicago Municipal Article of the Pension Code to provide a procedure whereby the pension fund may hire an emerging investment manager.

COMMENT: SB 0460 amends the Chicago Municipal Article of the Pension Code to mandate that all contracts for investment services shall be awarded by the board of trustees of the pension fund using a competitive process that is substantially similar to the process required for professional and artistic services under the Illinois Procurement Code. The bill also provides that the board may select an emerging investment manager based upon the written recommendation of an investment advisor that provides qualified emerging investment managers that have provided investment services in the multimanager portfolio for at least 24 months. Under the General Provisions Article of the Pension Code, “emerging investment manager” means a qualified investment adviser that manages investment portfolios of at least \$10 million and is minority-owned, women-owned, or owned by a person with a disability.

DH:bs

LRB101 09956 RPS 15274 b