



Commission on Government Forecasting and Accountability

PENSION IMPACT NOTE *104TH General Assembly*

BILL NO: **HB 1833**

January 30, 2025

SPONSOR (S): Delgado

SYSTEM: Chicago Municipal, Chicago Laborers, Judges, CTA Pension Fund,
CTA Retiree Health Care Trust

FISCAL IMPACT

HB 1833 would have no discernible fiscal impact on any of the above-mentioned funds. The bill only makes conforming technical changes to bring about conformity in the Pension Code with the larger scope of the bill, which is to create a new consolidated transit entity under the auspices of the Metropolitan Mobility Authority Act. There are no benefit changes or enhancements in the bill.

SUBJECT MATTER: HB 1833 creates the Metropolitan Mobility Authority Act. The bill consolidates the Chicago Transit Authority, Metra, Pace Bus, and the Regional Transportation Authority (RTA) into a newly-created transit entity called the Metropolitan Mobility Authority. In order to bring this change about, the bill repeals the current Metropolitan Transit Authority Act and replaces it with the Metropolitan Mobility Authority Act. Various conforming technical changes are made across several articles of the Pension Code in accordance with this transit overhaul measure.

COMMENT: HB 1833 amends various articles of the Illinois Pension Code to remove all statutory references to the three current service boards (CTA, Metra and PACE) and the RTA. Where appropriate, the bill replaces references to the Metropolitan Transit Authority Act with the Metropolitan Mobility Authority Act. In the Chicago Transit Article of the Pension Code, the bill makes technical changes to specify that the Metropolitan Mobility Authority would assume the duties that the CTA Board currently performs, such as the responsibility for making employer contributions to the fund and the appointment of members to the CTA Pension Fund board, among other ongoing statutory duties.

Regarding CTA Pension Fund board appointees, 6 members of the 11-person board would be appointed by the new Metropolitan Mobility Authority, in lieu of the 5 who are currently appointed by the CTA Board and the one member appointed by the RTA. A similar change would take place with the CTA Retiree Health Care Trust; 4 members of the 7-person board would be appointed by the new Metropolitan Mobility Authority Board in lieu of the 3 who are currently appointed by the CTA Board and the one member appointed by the RTA.

The CTA Pension Fund and the CTA Retiree Healthcare Trust will continue to operate in their current capacities, with no changes to eligibility requirements or benefit levels. However, with the consolidation of the CTA into the Metropolitan Mobility Authority, it is unclear how participation in the fund will be structured in the absence of the CTA as a distinct entity. Nonetheless, all of the changes described above are technical in nature.

DH:bs

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