

# COMMISSION ON GOVERNMENT FORECASTING AND ACCOUNTABILITY

## PENSION IMPACT NOTE

### 97TH GENERAL ASSEMBLY

BILL NO: **HB 1758**

February 22, 2011

SPONSOR (S): Zalewski

SYSTEM(S): Chicago Laborers

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**FISCAL IMPACT:** According to the Chicago Laborers pension fund, no additional costs will be incurred as a result of HB 1758. The pension fund is already adequately insured against the types of lawsuits contemplated in this bill.

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**SUBJECT MATTER:** HB 1758 amends the Chicago Laborers article of the Pension Code. The bill requires the pension fund to indemnify and protect the trustees, staff, and consultants against all damage claims and suits when damages are sought for negligent or wrongful acts alleged to have been committed in the scope of employment or under the direction of pension fund trustees.

**FISCAL IMPACT:** According to the Chicago Laborers pension fund, no additional costs will be incurred as a result of HB 1758. The pension fund is already adequately insured against the types of lawsuits contemplated in this bill.

**COMMENT:** Currently, the General Provisions Article of the Pension Code provides that every retirement system or pension fund established under the Pension Code *may* indemnify and protect the trustees and staff against all damage claims and suits that arise during the scope of regular employment or at the direction of the pension fund trustees. HB 1758 goes beyond this permissive language of the General Provisions Article for the purposes of requiring the Chicago Laborers pension fund to indemnify its trustees and staff.

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