

COMMISSION ON GOVERNMENT FORECASTING AND ACCOUNTABILITY

PENSION IMPACT NOTE

97TH GENERAL ASSEMBLY

BILL NO: **HB 1765**

February 22, 2011

SPONSOR (S): Zalewski

SYSTEM(S): Chicago Municipal

FISCAL IMPACT: There is no discernable fiscal impact associated with HB 1765.

SUBJECT MATTER: HB 1765 amends the Chicago Municipal 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: There is no discernable fiscal impact associated with HB 1765.

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 Municipal pension fund to indemnify its trustees and staff.

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