

COMMISSION ON GOVERNMENT FORECASTING AND ACCOUNTABILITY

PENSION IMPACT NOTE

98TH GENERAL ASSEMBLY

BILL NO: **HB 1236**

February 1, 2013

SPONSOR (S): Sandack

SYSTEM(S): GARS

FISCAL IMPACT: HB 1236 would have a long-term positive effect on the GARS. As membership would be limited to individuals who join before January 1, 2014, no additional service credit would be earned after that date.

SUBJECT MATTER: HB 1236 amends the General Assembly Article of the Illinois Pension Code. The proposed legislation restricts membership in GARS to individuals who become participants before January 1, 2014. No future General Assembly members would be eligible to participate in GARS.

FISCAL IMPACT: HB 1236 would have a long-term positive effect on the GARS. As membership would be limited to individuals who join before January 1, 2014, no additional service credit would be earned after that date.

COMMENT: Under current law, newly elected members of the Illinois General assembly automatically become members of GARS unless they file a notice not to participate within 24 months of taking office. HB 1236 would limit membership to individuals participating in GARS before January 1, 2014, which would limit the total anticipated liability. However, current pension obligations as of January 1, 2014 would still need to be met.

AB:dkb

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