

# COMMISSION ON GOVERNMENT FORECASTING AND ACCOUNTABILITY

## PENSION IMPACT NOTE

98TH GENERAL ASSEMBLY

BILL NO: **HB 2289**

February 19, 2013

SPONSOR (S): Mautino

SYSTEM(S): General Provisions Article (Downstate Police & Fire)

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**FISCAL IMPACT:** The fiscal impact of HB 2289 is indiscernible, however it may have a positive impact since the bill mandates that the 16-hour continuing education requirement must be completed every two years after initial certification rather than annually after initial certification.

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**SUBJECT MATTER:** HB 2289 amends the General Provisions Article of the Illinois Pension Code. The bill requires the initial 32-hour training requirement for new police and fire pension fund trustees to be completed in 2 years rather than 1 year. The bill also requires that the 16-hour annual continuing education requirement for police and fire pension trustees be fulfilled on a bi-annual basis rather than every year.

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**COMMENT:** P.A. 96-0429 (SB 1974), which took effect on August 13<sup>th</sup>, 2009, created a training requirement for elected and appointed Downstate police and fire pension fund trustees. The training consists of an initial 32 hours of classes in fiduciary responsibility, adjudication of pension claims, actuarial and accounting techniques, amongst other areas. The Act also required an additional 16 hours of continuing education training each year after the first year that the trustee is elected or appointed.

HB 2289 would allow the elected or appointed trustee to complete the initial 32-hour program during the first 2 years after taking office, rather than the current 1-year timeframe. The bill also mandates that at least 8 hours of the training be devoted to trustee ethics and the fiduciary duties and liabilities of pension trustees. The bill also mandates that the 16 hours of continuing education must be completed bi-annually rather than annually.

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