

# COMMISSION ON GOVERNMENT FORECASTING AND ACCOUNTABILITY

## PENSION IMPACT NOTE

### 99TH GENERAL ASSEMBLY

BILL NO:       **HB 0179**

January 15, 2015

SPONSOR (S):   McSweeney

SYSTEM(S):     GARS

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**FISCAL IMPACT:** HB 0179 would have an unknown fiscal impact to the state, as no detail is provided within the legislation as to the way existing liabilities would be paid down without new members entering the system. This information would need to be known before the fiscal impact could be accurately calculated.

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**SUBJECT MATTER:** HB 0179 amends the General Assembly article of the Illinois Pension Code to limit participation in GARS to individuals who become participants before November 8, 2016.

**FISCAL IMPACT:** HB 0179 would have an unknown fiscal impact to the state, as no detail is provided within the legislation as to the way existing liabilities would be paid down without new members entering the system. This information would need to be known before the fiscal impact could be accurately calculated.

**COMMENT:** The proposed legislation would eliminate any additional liability for GARS beyond its current obligations and any new participants before November 8, 2016. The most recent actuarial valuation estimates 675 members by June 30, 2015, and an unfunded actuarial liability of \$268.6 million. It is unknown at this time what GARS would be replaced with under this legislation. This legislation is similar to HB 4427 and HB 2906 from the 98<sup>th</sup> GA, though the effective date is different.

AB:dkb

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