

COMMISSION ON GOVERNMENT FORECASTING AND ACCOUNTABILITY

PENSION IMPACT NOTE

99TH GENERAL ASSEMBLY

BILL NO: **HB 1379**

February 10, 2015

SPONSOR (S): Phelps

SYSTEM(S): Chicago Police and Chicago Firefighters

FISCAL IMPACT: HB 1379 should have a positive effect on the Chicago Police and Firefighters pension systems. This bill would allow additional income for the systems without additional liabilities from new annuitants entering the systems.

SUBJECT MATTER: HB 1379 amends the Chicago Police and Firefighter articles of the Illinois Pension Code. The proposed legislation would deposit at least 20% of any proceeds collected by the city of Chicago from new gaming sources arising from legislation enacted in 2013 or later.

FISCAL IMPACT: HB 1379 should have a positive effect on the Chicago Police and Firefighters pension systems. This bill would allow additional income for the systems without additional liabilities from new annuitants entering the systems.

COMMENT: The proposed legislation would deposit additional revenues for the Chicago Police and Firefighters pension systems above and beyond current sources of revenues (contributions, investment returns, etc.). At this time, the total amount of additional revenue is unknown due to uncertainties with the sources of additional gaming revenues and percentage allocations of said revenues to the City of Chicago itself. Existing casinos and their gaming positions bring in significant tax revenues for the state, but this legislation would only take 20% of the portion of such revenues that would be allocated to the City of Chicago. As such, at this time, no reliable estimate of said future revenues for the aforementioned pension systems is possible.

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