

COMMISSION ON GOVERNMENT FORECASTING AND ACCOUNTABILITY

PENSION IMPACT NOTE

99TH GENERAL ASSEMBLY

BILL NO: **HB 2747**

February 24, 2015

SPONSOR (S): Andersson

SYSTEM(S): GARS

FISCAL IMPACT: HB 2747 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.

SUBJECT MATTER: HB 2747 amends the General Assembly article of the Illinois Pension Code to limit participation in GARS to individuals who become participants before January 1, 2016.

FISCAL IMPACT: HB 2747 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 January 1, 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 has an immediate effective date and is identical to HB 0138 from the 99th GA.

AB:dkb

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