

COMMISSION ON GOVERNMENT FORECASTING AND ACCOUNTABILITY

PENSION IMPACT NOTE

95TH GENERAL ASSEMBLY

BILL NO: HB 0857, as engrossed April 27, 2007
SPONSOR (S): Molaro – Black (Raoul)
SYSTEM(S): State Universities’ Retirement System

FISCAL IMPACT: HB 0857, as engrossed, will have no fiscal impact on any pension fund or retirement system in the State of Illinois.

SUBJECT MATTER: HB 0857, as engrossed, changes the State Universities Article of the Illinois Pension Code to modify a provision requiring the Board of Trustees of the State Universities’ Retirement System to have the System’s actuary prepare an annual report on various aspects of the employee optional retirement plan.

FISCAL IMPACT: HB 0857, as engrossed, will have no fiscal impact on any pension fund or retirement system in the State of Illinois.

COMMENT/DISCUSSION: The Board of Trustees of the State Universities’ Retirement System is currently required to have the System’s actuary prepare an annual report showing the actual rate of participation in the self-managed plan and the extent to which employee optional retirement plan participation has reduced the State’s required contribution to the system. HB 0857, as engrossed, modifies this report by deleting the requirement for analysis of the extent the State’s required contribution has been reduced by participation in the self-managed plan. It also provides that, in addition to warrants and checks, the State Comptroller and payroll officers may use electronic funds transfers to pay employees. In provisions concerning service for employment in public schools and other public employment, HB 0857, as engrossed, replaces references to service in the military forces with references to service in a capacity essentially similar or equivalent to teaching.

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