



ISSUE BRIEF

House Bill 2592:

Participation by Elected Officials

IMRF Position:

NEUTRAL

Sponsor(s):

Representative Cabello

Proposed Change in the Law

This bill would prohibit participation in any pension fund as an elected official. Elected officials who participated with respect to that position prior to the effective date would be grandfathered. The provisions would apply to all pension funds.

Reasons for Position

IMRF has seen a major increase in audit activity and, consequently, appeals before the Benefit Review Committee regarding whether an elected official's position actually meets the hourly standard for participation.

The provisions of this bill would not affect current participants, so there are no constitutional concerns. Like other proposals regarding employer and employee participation, the decision as to whether elected officials are eligible for participation is a public policy decision to be determined by the General Assembly.

The change in this bill would make the standard for participation as an elected official easy to determine by excluding all from eligibility and would create a consistent standard across all of the systems. While the provisions apply to all of the systems equally, CTPF, SERS, SURS, and TRS, as well as the public safety systems, likely have few, if any, elected officials eligible for participation.

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