



PRESS RELEASE

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CONTACT INFORMATION:

Patrick Hayes
Legal Director

May 16, 2008

Phone: 815-967-6946

E-mail: patrick.hayes@rockfordil.gov

MAYOR MORRISSEY ENCOURAGES SUPPORT FOR PENSION REFORM

ROCKFORD – May 16, 2008 - Mayor Lawrence J. Morrissey today encouraged state legislator’s to support the newly revised House Bill 4905 (HB 4905) calling the bill “common sense pension reform that will provide accountability for the present pension fund status and predictability for any future benefit increases for downstate Police and Firefighters in the State of Illinois.”

HB 4905, had been stalled for several weeks as concerned parties worked through language concerns. A key amendment, shifting the responsibility of fiscal analysis from the Financial and Professional Regulation (IDFPR) to the Commission on Governmental Forecasting and Accountability (COGFA), allowed the bill to gain forward momentum. With this change, House Majority Leader Barbara Currie (D-Chicago) conveyed her support and requested that interested unions finalize their objections. Unions remained silent to the request, allowing the bill to move into committee hearing early next week. A companion bill, Senate Bill 2090 (SB 2090), is also expected to benefit from the amendment and will begin its progression through the Senate in the next week.

Key provision of amendments also include:

- ◆ Ethics requirements for pension fund fiduciaries;

- ◆ Contractual disclosure requirements for vendors seeking business with police and firefighter pension funds;
- ◆ Public transparency of pension fund performance;
- ◆ Anti-fraud protection for pension awards;
- ◆ Verification of pension payment calculations to avoid benefit award errors;
- ◆ More detailed fiscal notes on introduced pension legislation;
- ◆ Publication of pension study every two years by the Commission on Governmental Forecasting and Accountability;
- ◆ More frequent pension audits by the Illinois Department of Financial and Professional Regulation.

In an informational letter to members on Friday, IML expressed appreciation to the involvement and effort “put forth by Majority Leader Barbara Currie (D), Representative Beaubien (R) and Senator Garret (D) for their involvement and effort in moving the bills forward”.

Mayor Morrissey echoed the IML support and further encouraged area legislators to sign-on as co-sponsors of both HB 4905 and SB 2090. “There has been a tremendous amount of work put forth to ensure that labor was in agreement with these changes. Reaching this point is a tremendous success and we must continue to push forward to reach our goal of ensuring fiscal transparency in the pension process,” he concluded.

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