

COMMISSION ON GOVERNMENT FORECASTING AND ACCOUNTABILITY

PENSION IMPACT NOTE

100TH GENERAL ASSEMBLY

BILL NO: **HB 4652**

February 15, 2018

SPONSOR (S): Hoffman

SYSTEM(S): General Provisions

FISCAL IMPACT: According to SERS, HB 4652 will impact about 250 active State troopers. This amounts to less than 1.5% of all Tier 2 members. However, the exact cost cannot be determined without an actuarial study which contemplates the benefit to both current State troopers and future entrants.

SUBJECT MATTER: HB 4652 amends the General Provisions Article by proposing that Tier 2 eligible State police officers shall be eligible to retire at age 50 with not less than 20 years of service. Current law dictates that Tier 2 State police officers must attain age 60 with 20 years of service.

COMMENT: HB 4652 amends the General Provisions Article of the Illinois Pension Code. Current law grants the SERS Alternative Annuity (in lieu of the regular or minimum retirement annuity) to the following Tier 2 eligible employees as long as they have retired with at least 20 years of service and are at least 60-years-old:

- State police officers
- Firefighters in the fire protection service of a department
- Security employee of the Department of Corrections or Department of Juvenile Justice

HB 4652 proposes that a State police officer who is eligible for a Tier 2 annuity, is entitled to the SERS Alternative Annuity in lieu of the regular or minimum retirement annuity only if the police officer has withdrawn from service with at least 20 years of service and is at least 50 years of age.

JL:bj

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