

# COMMISSION ON GOVERNMENT FORECASTING AND ACCOUNTABILITY

## PENSION IMPACT NOTE

### 97TH GENERAL ASSEMBLY

BILL NO:           **SB 2498**

January 25, 2012

SPONSOR (S):     Sandack

SYSTEM(S):       GARS

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**FISCAL IMPACT:** The fiscal impact of SB 2498 has not yet been calculated. The bill does not specify what retirement benefits would be offered to new members of the General Assembly who begin service after January 1, 2013 in lieu of participation in GARS. According to GARS FY 2011 actuarial valuation, the system has an employer's normal cost of 22.12% of payroll. By contrast, SERS has an employer's normal cost of 13.35% of payroll.

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**SUBJECT MATTER:** SB 2498 amends the General Assembly article of the Illinois Pension Code to restrict membership in GARS to persons who first begin participation in the system before January 1, 2013.

**FISCAL IMPACT:** The fiscal impact of SB 2498 has not yet been calculated. The bill does not specify what retirement benefits would be offered to new members of the General Assembly who begin service after January 1, 2013 in lieu of participation in GARS. According to GARS FY 2011 actuarial valuation, the system has an employer's normal cost of 22.12% of payroll. By contrast, SERS has an employer's normal cost of 13.35% of payroll.

**COMMENT:** SB 2498 effectively closes GARS to new members on January 1, 2013. According to GARS' FY 2011 actuarial valuation, GARS has 180 active members, 291 members receiving retirement annuities, 118 persons receiving survivor's annuities, and 86 inactive members.

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