

COMMISSION ON GOVERNMENT FORECASTING AND ACCOUNTABILITY

PENSION IMPACT NOTE

95TH GENERAL ASSEMBLY

BILL NO: SB 2595, as amended by HA #4 September 12, 2008

SPONSOR (S): Trotter – Collins, et al. (Currie – Ryg, et al.)

SYSTEM(S): State Employees' Retirement System, Judges' Retirement System

FISCAL IMPACT: The fiscal impact of SB 2595, as amended by HA #4, is yet to be determined as it is uncertain if additional agents will be needed under the newly created Office of Gaming Enforcement. According to the Department of Revenue, the Gaming Enforcement Division currently has 74 total employees.

SUBJECT MATTER: SB 2595, as amended by HA #4, amends the State Employees' Article of the Illinois Pension Code by making the position of Investigator for the Office of Gaming Enforcement eligible for the alternative (State Police) formula. The Judges' Retirement Article of the Illinois Pension Code is amended by allowing retired judges to serve on the Illinois Gaming Board or as the Director of Gaming enforcement without forfeiting their retirement annuities.

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COMMENTS:

State Employee's Retirement System

Members of the State Employees' Retirement System who qualify for the alternative (State Police) formula accrue service credit at a rate of 3% of final average salary for each year of creditable service, up to a maximum of 80% of final average salary. These members contribute 12.5% of salary towards their pensions. SB 2595, as amended by HA #4, adds the position of Investigator for the Office of Gaming Enforcement to the list of positions eligible to receive the alternative formula.

The bill, as amended, also allows an SERS annuitant who is a member of the Illinois Gaming Board or who accepts employment as a member of the Illinois Gaming Board or as Director of Gaming Enforcement the option to elect not to participate in SERS with respect to service in either of the foregoing positions.

Judges' Retirement System

Currently, a person receiving a retirement annuity under the Judge's Retirement System who is employed by an employer other than a county shall have his or her retirement annuity payments suspended during such employment. SB 2595, as amended by HA #4, adds service on the Illinois Gaming Board or employment as the Director of Gaming Enforcement to a list of positions where an annuitant does not have to forfeit his or her pension.

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