

COMMISSION ON GOVERNMENT FORECASTING AND ACCOUNTABILITY

PENSION IMPACT NOTE

102nd GENERAL ASSEMBLY

BILL NO: **HB 1568, as amended by SA 2**

April 8, 2022

SPONSOR (S): Vella – Yednock, et al (Martwick)

SYSTEM(S): SERS

FISCAL IMPACT: According to SERS, lowering the retirement age for Tier 2 State Troopers and the other police officials enumerated in the bill from age 60 to age 55 will result in an increase in actuarial accrued liability (AAL) of approximately \$250 million.

SUBJECT MATTER: HB 1568, as amended by SA 2, amends the General Provisions article of the Pension Code to allow certain Tier 2 law enforcement officers, as described in the comment section below, to be eligible to retire under the SERS alternative formula at age 55, rather than age 60, with 20 years of service credit.

COMMENT:

Currently, Tier 2 members in the SERS Alternative Formula can retire at age 60 with 20 years of service. HB 1568, as amended by SA 2, allows the following Tier 2 law enforcement personnel to retire at age 55 with 20 years of service under the alternative formula:

- State Police troopers;
- investigators for the Secretary of State;
- Conservation police officers;
- investigators for the Department of Revenue or the Illinois Gaming Board;
- investigators for the Office of the Attorney General; and
- Commerce Commission police officers or arson investigators

Members participating in the SERS Alternative Formula contribute 12.5% of salary towards their pensions, regardless of tier status. The bill does not change the member contribution amount.

JK:bs

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