

# COMMISSION ON GOVERNMENT FORECASTING AND ACCOUNTABILITY

## PENSION IMPACT NOTE

### 102ND GENERAL ASSEMBLY

**BILL NO:** SB 0043 February 4, 2021  
**SPONSOR (S):** Martwick  
**SYSTEM(S):** GARS, IMRF, SERS, SURS, TRS, and JRS

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**FISCAL IMPACT:** There is no discernible fiscal impact associated with SB 0043. The language of the bill would bring the impacted systems into compliance with the Internal Revenue Code concerning the required age of distribution of pension benefits, which is 72 as of January 1, 2020 (age 70 ½ before January 1, 2020). This bill is being advanced to bring the impacted systems into compliance with the federal SECURE Act, which took effect on January 1, 2020.

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**SUBJECT MATTER:** SB 0043 amends various articles of the Pension Code to bring the impacted systems into compliance with the Internal Revenue Code's requirements for the age at which minimum distributions of pension benefits must begin.

**COMMENT:** The federal SECURE Act was passed in December 2019 and became effective on January 1, 2020. Under the law, a "required minimum distribution" is the minimum amount that a person must withdraw from a retirement plan when they reach age 72 after January 1, 2020 (the minimum distribution age before enactment of the SECURE Act was 70 ½). SB 0043 amends the GARS, IMRF, SERS, SURS, TRS, and JRS articles of the Illinois Pension Code. Broadly speaking, the bill brings all of the systems' respective articles into compliance with the new required age of distribution of pension benefits.

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