



Commission on Government Forecasting and Accountability

PENSION IMPACT NOTE *103RD General Assembly*

BILL NO: SB 0131

January 25, 2023

SPONSOR (S): Stoller

SYSTEM: GARS

FISCAL IMPACT

SB 131 would have an unknown fiscal impact to the state, as no detail is provided within the legislation as to the way existing liabilities would be paid down without new members entering the system. This information would need to be known before the fiscal impact could be accurately calculated. GARS had unfunded liabilities of \$283.4 million with a funding ratio of 21.95% as of the June 30, 2022 actuarial valuation.

SUBJECT MATTER: SB 131 amends the General Assembly article of the Illinois Pension Code to limit participation in GARS to individuals who are first elected or appointed to the General Assembly before the effective date of the legislation.

COMMENT: The proposed legislation would eliminate any additional liability for GARS beyond its current obligations and any new participants before the effective date of the legislation. The most recent actuarial valuation estimates 620 total members (active members, retirees, and vested inactive members) by June 30, 2024, and an unfunded actuarial liability of \$283.4 million. There are currently 122 active members including legislators and statewide officers projected to be participating in the system as of June 30, 2024. It is unknown at this time what GARS would be replaced with under this legislation.

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