



## Commission on Government Forecasting and Accountability

### PENSION IMPACT NOTE *104<sup>TH</sup> General Assembly*

BILL NO:           **HB 3122**

February 10, 2025

SPONSOR (S):     Wilhour

SYSTEM:           GARS

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#### FISCAL IMPACT

**HB 3122 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 General Assembly members entering the system. This information would need to be known before the fiscal impact could be accurately calculated. GARS had unfunded liabilities of \$275.6 million with a funding ratio of 24.75% as of the June 30, 2024 actuarial valuation.**

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SUBJECT MATTER: HB 3122 amends the General Assembly article of the Illinois Pension Code to limit participation in GARS by members of the General Assembly 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 General Assembly member participants before the effective date of the legislation, but it leaves open the possibility of new members who are dependents of current GARS members. The most recent actuarial valuation estimates 626 total members (active members, retirees, and vested inactive members) by June 30, 2026, and an unfunded actuarial liability of \$275.6 million. There are currently 128 active members including legislators and statewide officers projected to be participating in the system as of June 30, 2026. It is unknown at this time what GARS would be replaced with under this legislation.

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