

STATE EMPLOYEES' RETIREMENT SYSTEM OF ILLINOIS  
MINUTES OF THE  
RULES AND PERSONNEL COMMITTEE  
JUNE 18, 2019

The Rules and Personnel Committee of the Board of Trustees of the State Employees' Retirement System of Illinois convened on Tuesday, June 18, 2019 at 1:00 p.m. at the System's Springfield office located at 2101 South Veterans Parkway.

The following trustees were in attendance:

Danny Silverthorn, Trustee  
Jeremy "Tad" Hawk, Trustee

The following trustee was absent

Alan Latoza, Trustee

Others in attendance were:

Tim Blair, Executive Secretary  
Jeff Houch, Assistant to the Executive Secretary

The meeting was called to order at 1:00 p.m.

PUBLIC COMMENTS

There were no members of the public present.

APPROVAL OF MINUTES OF THE APRIL 29, 2019 MEETING

Trustee Silverthorn motioned to approve the minutes of the April 29, 2019 meeting of the committee, Trustee Hawk seconded the motion. The motion passed unanimously.

PERSONNEL DISCUSSION

Executive Secretary Blair led discussion related to personnel items. After discussing the dynamics, the committee agreed to address the personnel items in the final FY 2020 budget.

RULEMAKING AUTHORIZATION

Mr. Houch presented proposed rules recommended by staff for the committee's consideration. A portion of the proposed rules were related to the accelerated pension benefit payment program. The first rule was to extend the expiration date of the programs from 2021 to 2024, to reflect the change as provided by Public Act 101-0010. Additionally, a proposed rule provides that a member who elects the accelerated total pension benefit payment option may not elect the pre-

tax IRA option provided through the State's Deferred Compensation Plan if such member has an account with non-taxable contributions.

It is anticipated that HB 1580, a legislative bill that modernizes the disability program administered by SERS, will become law. The administrative rules would require technical corrections to reflect such changes. The first rule would change references to dated Social Security age references in the Temporary Disability Benefit and Nonoccupational disability benefit Sections. The current references use the actual number of 65, but the Federal Social Security has been amended to increase such age for younger citizens. By removing the actual number and replacing it with the term "Social Security full retirement age", the age referenced in the SERS plan will adjust in step with changes to the Social Security full retirement age. The reference deals with off-setting disability benefits by the amount a member is eligible to receive under Social Security.

Additionally, the proposed rules would reflect the change provided by HB 1580, which allows for other qualified medical professionals to authorized medical reports associated with disability benefits.

In addition, the proposed rules clarify that if there are two or more eligible survivors for a Tier 2 member, then the survivor benefits would be divided proportionally between the eligible survivors. Finally, the proposed rules would apply the gainful employment standard to adult dependent survivors.

After some discussion, Trustee Silverthorn motioned to authorize staff to pursue such rulemaking, which was seconded by Trustee Hawk. A copy of the detailed summary of the rules is maintained at the SERS office and made part of these minutes as *Exhibit A*.

#### OLD BUSINESS

There was no old business.

#### NEW BUSINESS

There was no new business.

#### ADJOURNMENT

There being no further business to be brought before the committee, Trustee Hawk made the motion to adjourn the meeting. Trustee Silverthorn seconded the motion and the meeting was adjourned at 3:30 p.m.