



State Employees' Retirement System

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SERS LEGISLATIVE CHANGES

During the spring 2001 legislative session, three bills that affect SERS members were passed by the General Assembly, but still require Governor Ryan's signature.

Alternative Formula Employees

With House Bill 0250, the alternative formula changes to a flat rate of 2.5% for each year of service for coordinated employees, and 3.0% for noncoordinated employees. The maximum allowable pension increases from 75 to 80% of final average compensation.

The new formula also applies to alternative formula members who retired on January 1, 2001 to the present. Members who retire within four months after the date the Governor signs this bill will also receive their first 3% yearly pension increase on January 1, 2002 if they are 55 or older.

Security employees and educators with the Department of Human Services (DHS) who have daily contact with security unit residents, or spend at least 50% of their time working with security unit residents will also participate in the alternative formula.

Highway Maintenance Workers

House Bill 0267 puts highway maintenance workers with IDOT or the Illinois State Toll Highway Authority under the alternative retirement formula if their primary responsibility is to perform necessary highway repairs. To receive the alternative formula, members must be actively employed on or after the date the bill becomes law.

Military Service Purchases

House Bill 0513 changes the method of calculating interest when buying certain periods of military service. The interest will now be calculated from the date the employee last became a SERS member, or November 19, 1991, whichever is later.

This change applies to military credit purchased on or after the bill's effective date, and does not entitle a member to receive a refund of interest if the service credit is already paid in full. Adjustments will be made for members currently purchasing military credit on an installment basis.

Retirement Coordinator Regional Meetings

Regional meetings for RCs will be held during the month of July. The main topic will be SERS legislation passed during the spring session. We will also distribute updated RC manuals containing current legislation.

Registration forms for the regional meetings will be faxed to you within the next few weeks. If there are other topics you would like discussed at the meetings, please make a note of it on your registration form.

Below is the list of tentative meeting dates and locations:

July 9, 10, 13	Springfield
July 17	Chicago
July 19	Starved Rock
July 20	Collinsville
July 27	Rend Lake
July 31	Joliet