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*Bill Analysis*  
*Legislative Service Commission*

## **S.B. 93**

123rd General Assembly  
(As Introduced)

Sen. Watts

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### **BILL SUMMARY**

- Permits a member of the Public Employees Retirement System who has 25 years of service as a law enforcement officer to retire with full benefits at age 48 or older.

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### **CONTENT AND OPERATION**

#### **Background**

Current law governing the Public Employees Retirement System (PERS) includes special provisions for members who are law enforcement officers. These provisions apply to such law enforcement officers as sheriffs, township police officers, park district police officers, and others who have completed police officer training.<sup>1</sup> PERS provisions for law enforcement officers differ from those for other PERS members with regard to contribution rates, retirement eligibility, and the formulas used to compute retirement benefits.

#### **The bill**

(sec. 145.33)

Under current law, a PERS member with 25 years of service as a law enforcement officer, including credit for military service, may retire with full benefits at age 52. A member who is age 48 or older with 25 years' law enforcement service may retire prior to age 52, but the retirement benefit is reduced for every year of age under age 52 (see **COMMENT**).

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<sup>1</sup> *The provisions do not apply to full-time municipal police officers because they are in the Police and Firemen's Disability and Pension Fund rather than PERS.*

The bill permits a PERS member with 25 years' service as a law enforcement officer to retire with full benefits at age 48 or older.

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## COMMENT

Currently, the benefit for a PERS member who is age 52 or older and has 25 or more years' service as a law enforcement officer is an amount equal to 2.5% of final average salary for each of the first 20 years of service plus 2.1% of final average salary for each year in excess of 20.<sup>2</sup> Therefore, a law enforcement officer who retires at age 52 with 25 years of service credit receives an annual retirement benefit equal to 60% of final average salary.

The following chart shows the percentage of the full benefit that is payable under current law to a member with 25 years' law enforcement service who retires before age 52.

| Age at Retirement | Percentage of Full Age & Service Retirement Benefit |
|-------------------|-----------------------------------------------------|
| 48                | 75%                                                 |
| 49                | 80%                                                 |
| 50                | 86%                                                 |
| 51                | 93%                                                 |

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## HISTORY

| ACTION     | DATE     | JOURNAL ENTRY |
|------------|----------|---------------|
| Introduced | 03-04-99 | pp. 161-162   |

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<sup>2</sup> "Final average salary" is the average of a member's three highest years of compensation for which PERS contributions were made.