



VISION M.A.I. Consulting
Lobbyist Report – September 15, 2023

ILLINOIS POLICE OFFICERS’ PENSION INVESTMENT FUND

I. ENACTED LEGISLATION – RELEVANT OR BILLS OF INTEREST

Bill Number: HB1363

Description: Expands the responsibilities of an employer to respond to gender-related violence in the workplace.

Action: Signed

Effective: Immediately

Bill Number: HB1767

Description: Waives the Illinois residence requirement for public university system law enforcement examinations.

Action: Signed

Effective: January 1, 2024

Bill Number: HB2297

Description: Expands reporting requirements for state agencies to include non-binary or gender non-confirming in their employment reports.

Action: Signed

Effective: July 1, 2025

Bill Number: HB2431

Description: Makes it unlawful to videoconference while driving.

Action: Signed

Effective: January 1, 2024

Bill Number: HB2493

Description: Expands unpaid leave from work so an employee can take a total of not more than 2 workweeks of unpaid leave for specified reasons relating to a family or household member who is killed in a crime of violence, which must be completed within 60 days after the date on which the employee receives notice of the death of the victim.

Action: Signed

Effective: January 1, 2024

Bill Number: HB2782

Description: Requires investment managers of governmental units to provide a description of how sustainability factors are integrated into investment decisions, analysis, the portfolio, and ownership.

Action: Signed

Effective: January 1, 2024

Bill Number: HB3249

Description: Allows injured law enforcement officers, corrections, and firefighting employees and their surviving spouses and children to choose between any health insurance plan available to current employees.

Action: Signed

Effective: January 1, 2024

Bill Number: HB3751

Description: Non-citizens may apply to be police officers.

Action: Signed

Effective: Immediately

Bill Number: HB3819

Description: Authorizes law enforcement to development and implement deflection programs in Illinois that offer immediate pathways to services as an alternative to criminal justice involvement and unnecessary admission to emergency departments.

Action: Signed

Effective: Immediately

Bill Number: HB3903

Description: Includes several prohibitions on engagement with public officials for contractors that provide equipment and services for automated law enforcement, automated speed enforcement, or automated railroad grade crossing enforcement systems to municipalities or counties, as well as any political action committee created by such a contractor.

Action: Signed

Effective: Immediately

Bill Number: SB1543

Description: Establishes a new position within the Illinois Law Enforcement Training Standards Board (ILETSB) to serve as the Statewide PTSD Mental Health Coordinator.

Action: Signed

Effective: January 1, 2024

Bill Number: SB1515

Description: Amends the Right to Privacy in the Workplace Act. Places restrictions on the use of Employment Eligibility Verification Systems.

Action: Veto

Bill Number: HB1122

Description: Creates the Freelance Worker Protection Act. Protects freelance workers from intimidation, harassment, and discrimination from hiring parties, requires timely compensation and requires employers to provide freelance workers with written contracts.

Action: Signed

Effective: July 1, 2024

Bill Number: SB1824

Description: Amends the General Provisions and Illinois Municipal Retirement Fund

(IMRF) Articles of the Illinois Pension Code. Exempts wage increases above 6 percent or 1.5 times CPI when calculating final average earnings if required by State or Federal law.

Action: Signed

Effective: January 1, 2024

Bill Number: SB2100

Description: Amends the Police Officers' Pension Investment Fund Article of the Illinois Pension Code. Updates provisions for the Board of Trustees of the Fund.

Action: Signed

Effective: Immediately

Bill Number: SB2152

Description: Provides that the State Treasurer may manage, upon the affirmative vote of three-fifths of each Board, the State Universities, Downstate Teachers' and the Board of Investment's domestic and international proxy voting activity and execute required ballots on behalf of the System or Investment Board.

Action: Signed

Effective: Immediately

Bill Number: SB2034

Description: Creates the Child Extended Bereavement Leave Act. Provides that an employee of a large employer that employs 250 or more full-time employees is entitled to use a maximum of 12 weeks of unpaid leave if the employee experiences the loss of a child by suicide or homicide. Provides that an employee of a company that employs between 50 and 250 full-time employees is entitled to 6 weeks of unpaid leave.

Action: Signed

Effective: January 1, 2024

II. HOUSE PERSONNEL AND PENSIONS SUBJECT MATTER HEARINGS

- a. On August 23, 2023, the House Personnel and Pensions Committee held a subject matter hearing to evaluate the proposal in HB 4098 regarding the states' consideration Deferred Retirement Option Plan (DROP).
- b. The following entities testified: Teachers' Retirement System, State Universities Retirement System, State Employees' Retirement System, and the Fraternal Order of Police Labor Council and Troopers Lodge 41 to speak to Article 3 and 4.
- c. The consensus from many of the systems was that any consideration of a DROP program by the Illinois General Assembly should under a rigorous actuarial and legal analysis to ensure there is no negative fiscal impact to the system, and thus the participants.
- d. Additionally, members of the committee learned of a GFOA Advisory that stated government defined benefit plans should not include DROPs for a variety of reasons:
 - i. The cost impact of a DROP is difficult to assess.
 - ii. DROPs may conflict with goals of a pension design.
 - iii. Employee choice frequently increases employer cost.

- iv. Specific DROP characteristics and features often add additional cost.
- v. Partial lump sum option plans (PLOPs).
- e. On September 6, 2023, the House Personnel and Pensions Committee held a subject matter hearing reviewing Tier 2 benefits and continued discussions with the Teachers' Retirement System and State Universities Retirement Systems involving HB 4098 and HB 4099.
- f. The following entities testified: Chicago Teachers' Pension Fund, AFSCME, AFL-CIO, Illinois Education Association (IEA), Illinois Federation of Teachers (IFT), Teachers' Retirement System of Illinois, State Universities Retirement System of Illinois, State Employees' Retirement System of Illinois,
- g. The committee also delved into the Government Pension Offset (GPO) and the Windfall Elimination Provision (WEP) provisions that impact a large portion of public employees.
- h. The Chairwoman of the committee informed the members of the committee that additional amendments would be filed on HB 4098 and HB 4099.
- i. Additional subject matter hearings will be convened to continue these discussions on the Safe Harbor Provisions, Tier 2 benefits, and buyout provisions.

III. ADDITIONAL BACKGROUND INFORMATION ON HB 4098 AND HB 4099

- a. HB 4098 was introduced by the House Personnel and Pensions Committee Chairwoman earlier in the session. HB 4098 makes changes to Tier 2 benefits for members or participants under the 5 State-funded retirement systems and the Chicago Teachers Pension Fund, including changes to automatic annual increases, age and service requirements for retirement, and limits on the amount of salary for annuity purposes.
- b. HB 4099 was also introduced by the House Personnel and Pensions Committee Chairwoman earlier this session. HB 4099 would:
 - a. Amend the General Provisions, Downstate Police, Downstate Firefighter, and State Employees Articles of the Illinois Pension Code. Provides that a security employee of the Department of Corrections or the Department of Juvenile Justice or a security employee of the Department of Human Services subject to the Tier 2 provisions is entitled to an annuity calculated under the alternative retirement annuity provisions, in lieu of the regular or minimum retirement annuity, only if the person has withdrawn from service with not less than 20 years of eligible creditable service and has attained age 55, regardless of whether the attainment of age 55 occurs while the person is still in service.
 - b. Provide that any benefit increase that results from the amendatory Act is excluded from the definition of "new benefit increase". In the Downstate Police and Downstate Firefighter Articles, in a provision that reduces the amount of the pension for a Tier 2 firefighter or Tier 2 police officer who retires with at least 10 years of creditable service before attaining age 55,

provides that the pension of a Tier 2 firefighter or Tier 2 police officer who is retiring after attaining age 50 with 20 or more years of creditable service shall not be reduced.

- c. Provides that each annual increase for Tier 2 firefighters shall be increased on the January 1 occurring either on or after the attainment of age 55 (instead of age 60) or the first anniversary of the pension start date, whichever is later.
- d. Neither bill was voted on during the regular Spring session, as the Chairwoman believed more discussion needed to take place on the topic. This will be the second subject matter hearing on HB 4098 and HB 4099 since they were first introduced in May.

IV. FALL VETO SESSION SCHEDULE

- a. The House & Senate have published their 2023 Veto session schedules.
- b. Both chambers will meet the following days:

- Tuesday, October 24, 2023
- Wednesday, October 25, 2023
- Thursday, October 26, 2023

- Tuesday, November 7, 2023
- Wednesday, November 8, 2023
- Thursday, November 9, 2023