

Senate Committee Action June 29, 2017

Executive

Township & Road Consolidation (HB 171):

Amends the Township Code and the Illinois Highway Code to provide citizen-initiated township & road district consolidation processes for Cass, Henderson, and Cumberland Counties.

Pension Reform (HB 4045): Amends the Pension Code:

- The option for any Tier 1 member of any pension system offering a 3% compounded COLA to forfeit their Tier 1 COLA in exchange for a Tier 2 COLA:
 - As consideration, they receive a 10% refund of their employee contributions, as well as a reduced employee contribution going forward.
- For TRS, SURS, SERS, and GARS - Incorporate defined contribution plans (identical to SB 1 – P.A. 98-599), which would require the state systems to provide an optional defined-contribution (DC) plan for Tier 1 employees, limited to the first 5% of employees that opt into each affected system.
- For new covered SERS members, incorporates a new, and optional, SMP style plan (DC) with employee and employer contributions set in statute at 3% each.
- For TRS, SURS, and non-covered SERS – Beginning July 1, 2018, creates a voluntary Tier 3 Hybrid defined benefit/defined contribution plan for Tier 2 members. Below is a brief summary:
 - DB employee contribution – lesser of normal cost or 6.2% of salary
 - DC employee contribution – minimum of 4% of salary
 - DC employer contribution – no less than 2%, no more than 6%
 - Full retirement age – 67
 - Final average salary – Average of last 10 years of service
 - COLA – ½ of CPI-W
 - 10 year vesting requirement for DB, immediate vesting for DC
 - Widow's/survivors annuity – 66.6% of DB benefit
 - Provides for the future altering of DB benefits

- Requires local employers to cover the normal cost of Tier 3 employees
- Allows the governing bodies of the unit participants in Chicago Municipal, Chicago Laborers, Cook County, Cook County Forest Preserve, Chicago Park District, and Chicago Teachers to establish a similar Tier 3 Hybrid plan as outlined above.
- For TRS, SURS, and SERS - Allows for a pension buyout for vested, inactive members at 70% of the net present value of the pension benefit

Environment and Conservation

Assignment of Benefits - Delta Dental (HB 1955):

Amends provisions of SB 1417 (Consumer Electronics Recycling Act) to take away any concern or opposition from the Governor's Office, IEPA, and other stakeholders.

Judiciary

'Workers' Compensation Package (HB 200): House Democrats' Workers Compensation Package. Amends the Illinois Insurance Code, Workers' Compensation Act, Freedom of Information Act, and Criminal Code of 2012.

- Insurance Rate Regulation;
- Good and bad changes to Workers' Compensation;
- Fraud investigative data and new reporting on proprietary information for self-insureds will be confidential and aggregated.

Revenue

Edge Tax Credit (HB 162): Provides "credit" means the amount agreed to between the DCEO and the Applicant, but not to exceed the lesser of: the sum of 50% of the Incremental Income Tax attributable to New Employees and 10% of the training costs of New Employees; or 100% of the Incremental Income Tax attributable to New Employees. As well as, extends the sunset date until June 20, 2022 (EDGE expired on April 30, 2017).

