Proposed Change in the Law

This bill would set the maximum allowable pension at $132,900 starting on the effective date. This maximum amount would be increased annually by the consumer price index-u. It applies only to all members and annuitants as of the effective date and is applicable to all Illinois public pension systems.

Reasons for Position

Because the proposal applies to both current and future members and annuitants, it would violate the pension protection clause of the Illinois constitution.

Because it applies to current annuitants as well as members, it is unclear if the Fund would be required to reduce annuities that are higher than this amount going forward. It also limits the maximum pension amount but does not limit the corresponding pensionable salary for current members. Therefore, members may be contributing to a pension at a higher level than what they could collect.