# NIUAA Legislative Update

November 1, 2024

First, I would like to acknowledge and extend great appreciation for Jim Lockard’s exceptional contributions to SUAA and the NIUAA for many years serving as the Legislative Chair and provider of so many informative Legislative Updates for the NIUAA.  Jim’s insights have had great influence across the SUAA organization.

On October 15, SUAA conducted the Fall “House of Delegates” meeting at ISU.  An important action taken during the Fall meeting is approval of the annual “SUAA Legislative Platform” (see attached).  This statement of legislative priorities represents a concise and informative summation of SUAA’s work and mission.  Ultimately, much of SUAA’s work defending and advancing SURS participant benefits is of course directly related to the Illinois Legislative process.

Our keynote presenter during the first part of the Fall Meeting was State Senator Mike Halpin, who serves on the Illinois Senate Pensions Committee and Co-Chair of the Senate Higher Education Committee.  Senator Halpin reported on the work of the Senate Pensions Committee and the focus on Tier II benefit provisions in relation to both the Federal Safe Harbor Social Security minimum benefit requirements and also the potential for Tier II benefit improvements.  Consistent with the Legislative Platform and longstanding priorities of our organization, SUAA is coordinating unequivocal support for responsible Tier II (and SURS Retirement Savings Plan) benefit improvements throughout the State legislative process.

At all levels of State Government (Governor, House, and Senate), significant funding stabilization and Tier II benefit initiatives are being advocated.  From both perspectives of Social Security Safe Harbor and benefit sufficiency, SUAA has been involved and established as a consistent advocate.

The Illinois Legislative Fall “Veto Session” is scheduled for the November timeframe.  At this time, we do not anticipate significant State pension plan-related initiatives being acted upon during the Veto Session.  However, we do anticipate a culmination of support for Tier II and pension funding plan action coming to focus in 2025.  SUAA will be actively involved in supporting and influencing such initiatives.

Meanwhile, the State Legislature and Governor Pritzker have made substantial progress acknowledging and addressing the extensive historic accumulation of State pension system and SURS long-term actuarial liabilities.  Compared to the past environment, today’s Legislative and Gubernatorial leadership have taken (and continue to develop) responsible initiatives and financial commitments to address Illinois’ accumulated pension liability obligations.  This premise of responsibility has already resulted in significant investments and improvements in the status of State pension liability projections.  Overall, a shift has been accomplished toward pragmatic and realistic plans for the resolution of Illinois’ long-term pension finance obligations.   SUAA has endorsed and expressed appreciation for Governor Pritzker’s responsible leadership fulfilling these commitments as well as his support for Illinois Higher Education overall.

At the Federal level, proposals, such as H.R. 82, to eliminate the unfair Windfall Elimination Provision (WEP) and the Government Pension Offset (GPO) continue to be introduced for possible action in the U.S. Congress.  SUAA continues to advocate for the maintenance of full Social Security benefits for SURS participants.  The WEP applies to all states whereas the GPO applies to 26 states, including Illinois. The WEP and the GPO are especially concerning because Social Security benefits, earned during employment periods entirely independent from service in State government and higher education, are statutorily reduced under the provision.  SUAA continues to strongly support Federal legislative initiatives to eliminate these unfair financial disadvantages that involve most SURS participants.

Finally, our upcoming Election Day on November 5 represents a very important moment in American history.  Accordingly, it is very important that all SUAA members participate in the voting process.  Meanwhile, have a great Fall and Holiday Season ahead and we will keep you informed of significant new developments of importance to SUAA and our pension benefits.

Steve Cunningham