



TIER 2 FAQ

FREQUENTLY ASKED QUESTIONS

Q What is the difference between Tier 1 and Tier 2?

A Tier 1 is for teachers, certified staff, education support professionals, professors and higher education staff hired before 2011 and Tier 2 is for those who began their careers in education on Jan. 1, 2011, or anytime thereafter. Tier 1 recipients are eligible for their full pension at age 60 or at age 55 if they have been working in the field of education for 35 years. Tier 2 recipients are required to work until the age of 67 to get their full pension benefits.

Q How does this impact the different education retirement systems, Teachers' Retirement System (TRS), Illinois Municipal Retirement Fund (IMRF) and State Universities' Retirement System (SURS)?

A TRS and SURS members do not get social security. IMRF recipients do qualify for social security. The three pension systems are treated the same when it comes to retirement age, cost of living adjustment, final average salary and maximum pensionable salary.

Q Is there any legislation right now that would help undo Tier 2?

A Senate Bill 2024 addresses Tier 2. It makes changes to the retirement age, the service credit requirement and the formula used to calculate your pension payment. We are working with lawmakers to address the inequities in the retirement system for educators. The IEA is determined to address this issue and make sure we have an equitable and dignified retirement benefit for all educators and we know the people of Illinois are with us on this.

Q Can't teachers and other education employees just collect Social Security?

A No, not all public workers are entitled to social security, including teachers. Many workers with state and local retirement benefits cannot collect Social Security.

Q Since those in the Tier 2 pension system get a smaller pension, do they pay less into the system?

A Workers hired after 2011, even though they took a significant cut in retirement benefits, are still required to pay exactly the same amount into their retirements as those who are Tier 1.

Q Does this just impact education employees?

A No, retirement income for most public servants including teachers, police officers, prison workers and firefighters is not keeping up with inflation even though some of these workers are barred by law from collecting Social Security. Illinois has a shortage of teachers, education support staff, firefighters and other critical workers in part because of these inadequate retirement benefits.