



## Information Bulletin - Social Security for Illinois Police and Fire

**Overview.** This updated *IPPFA Information Bulletin* is updated to incorporate adoption of the *Social Security Fairness Act* in January 2025. This legislation significantly changes and increases the Social Security benefit available to most retired Illinois police officers and firefighters.

**Social Security Basics.** Retirement income is often thought of as a “three-legged stool,” the legs being pension, Social Security, and personal savings. Your police or fire pension is a solid leg. For most of you, the personal savings part is your public employee deferred compensation plan at work. That’s a great way to save.

Regarding Social Security, benefits are payable in one of four forms:

*Retirement* benefits from a worker’s own record of Social Security earnings.

*Spousal* benefits from a spouse’s record while the spouse is still alive.

*Survivor* benefits from a spouse’s record after the spouse has died.

*Disability* benefits if you can no longer work.

As far as what you will receive from Social Security, it varies. Most Illinois police and fire sworn personnel are *not* in Social Security during their public safety careers - but some are. If you are in Social Security, you’ll likely receive the same level of Social Security benefits payable to private-sector workers with similar earnings over their careers.

If you are not in Social Security at the police station or firehouse, you are still eligible for Social Security benefits based on the wages you earned before, during (part-time) or after you retired from public service. In order to qualify, you must attain so-called forty (40) “credits” under Social Security. A credit in 2025 is attained if you earn \$1,810 and you can earn up to four credits each year (this is an indexed number – it was lower in the past and will be higher in the future). So if you work roughly 40 calendar quarters or 10 years in non-fire/police work, you will receive a benefit from Social Security.

For those of you who are not in Social Security at your police/fire job, your monthly benefit from that program will likely not be very high. Workers cannot spend thirty or so of their highest salaried years outside of Social Security and expect to get a large benefit.

**Are there special formulas for people with public pensions outside of Social Security?** Up until January 2025, the answer to this question was “yes.” Social Security benefits that an Illinois first-responder might receive were impacted by two Social Security provisions. The Windfall Elimination Provision (WEP) changed the formula for benefits you were eligible for under your

own Social Security earnings record. The purpose of that formula was to blunt the effect of the progressive nature of the Social Security formula (in that the formula uses a higher percentage of earnings when calculating the benefit of a low-income worker). But in 2025 the WEP provision was repealed. Every retiree in America now has Social Security benefits calculated using the same formula.

And the Government Pension Offset (GPO) previously reduced the benefits that a person with a pension from work outside of Social Security could receive from a spouse's record. Generally a retiree may receive his or her own Social Security or 50% of their spouse's benefit, whichever is higher. Previously, that spousal benefit was reduced by 2/3 of a pension from work outside of Social Security. This essentially eliminated the Social Security benefit a retired Illinois police officer or firefighter could receive as a spouse. But the GPO was eliminated in the new federal legislation. So now any retiree in the country can receive a Spousal benefit if that benefit is higher than his or her own earned Social Security.

Likewise, the GPO reduced any potential benefit for a survivor. Typically, a surviving spouse can collect 100% of the late spouse's Social Security. But prior to 2025 such a benefit was reduced by 2/3 of a police or fire pension. With the repeal of the GPO, that reduction no longer exists.

So the answer to the question at the introduction of this section is "no." There are no longer any special provisions of the Social Security law that impact a Social Security benefit that will be received by a retired Illinois police officer or firefighter.

**What does this mean for the typical Illinois police officer or firefighter?** For those of you who are in Social Security in your public safety career (Bartlett police, Palatine fire and others), your benefits were never impacted by any special provisions of Social Security and that continues to be the case.

For those of you who are outside of Social Security for your police/fire work, these new changes are substantial. As far as earning a benefit based on your own earnings in Social Security, your benefits will likely be increased by several hundred dollars a month, possibly as high as \$600. The best way to determine your future benefit is to register an account at [ssa.gov](https://ssa.gov) and use the features there to run estimates. Right now there are "warnings" in the Social Security Statement section that refer to the WEP and the GPO. Those are no longer applicable and can be ignored.

Further, you are now eligible for a Spousal benefit (1/2 of your spouse's benefit) if that will be higher than your own Social Security. You are also eligible for a Survivor benefit if you survive your spouse and her or his Social Security benefit is higher than yours.

But remember, if you receive a Spousal or Survivor benefit, you give up your own.

**What about retirees who are already receiving Social Security.** The *Social Security Fairness Act* is retroactive to December 2023. For those of you who are not yet collecting Social Security, their systems should be able to handle your application when you apply in the future.

For those of you who are already collecting, it will take time for the Social Security Administration to re-calculate your benefits and make retroactive payments. Social Security has the following information on their website <https://www.ssa.gov/benefits/retirement/social-security-fairness-act.html> :

If you have previously filed for Social Security benefits and they are partially or completely offset, at this time, you do not need to take any action except to verify that the Social Security Administration has your current mailing address and direct deposit information if it has recently changed. Most people can do this online by accessing their personal Social Security account without calling or visiting a Social Security office.

If you have not previously filed for Social Security benefits, you are receiving a public pension and you are interested in filing for benefits, you can file for benefits online at [ssa.gov](http://ssa.gov) or schedule an appointment.

Most retired Illinois fire/police who are age-eligible for Social Security benefits have applied for and are receiving benefits. However, there will be some public retirees who never applied for benefits because they did not have forty credits and their pension would have totally offset any Spousal benefit. Social Security is now recommending that they apply for benefits.

**Takeaways.** Personnel who are covered by Social Security (county sheriffs, IMRF towns and some Downstate/Suburban police and fire) have the same level of Social Security benefits as similar-earning workers in the private sector. Chicago, Cook County and most Downstate-Suburban sworn personnel who work outside of Social Security still receive a benefit from Social Security for any non-police/fire/EMS work if they earned 40 credits. Your benefits will be fairly low in that you worked most of your professional career outside of Social Security. However, your formula for the calculation of benefits is now the same as every other worker (*i.e.* improved) and you are now potentially entitled to both Spousal and Survivor benefits.

IPPFA will be working to update our book series to include a new chapter on Social Security and will present an update at our conferences and seminars during 2025.

Thanks to the Illinois Retired Teachers Association for helping IPPFA keep current on advice to retirees.

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### **About the Illinois Public Pension Fund Association (IPPFA)**

The association was founded in 1985 to represent the police and fire pension funds throughout the state. The goals were simple: educate pension fund trustees and active and retired members, provide advice and representation and support legislation beneficial to Illinois Pension Funds. In 2001, the IPPFA Board of Directors introduced propriety 457 deferred compensation and VEBA plans to further ensure the retirement security of public safety personnel. **IPPFA 1/13/25**