

Accumulated Contributions under TRS

“Accumulated contributions” under TRS is the sum of all contributions to TRS made by or on behalf of a member in regards to the member’s service and credited to the member’s account, with regular interest. Currently, when calculating a refund, only contributions made by or on behalf of a member are considered, without any interest.

HB 5138 excludes from “accumulated contributions” any contributions greater than contributions that TRS receives from an employer for purposes of calculating a refund.

According to TRS, HB 5138 simply states TRS’ current practice in language.

Fraud under TRS

In regards to fraud, current law specifies that any person, member, trustee, or employee of the Board of TRS who knowingly attempts to defraud TRS would be guilty of a Class A misdemeanor.

HB 5138 re-specifies a provision regarding fraud such that any person who knowingly attempts to defraud TRS, any other retirement system or pension fund under the Illinois Pension Code, or the Illinois State Board of Investment (ISBI) would be guilty of a Class 3 felony.

JB:bj

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