COMMISSION ON GOVERNMENT FORECASTING AND ACCOUNTABILITY

PENSION IMPACT NOTE

100TH GENERAL ASSEMBLY

BILL NO: **HB 5627, as amended by HA 1** April 18, 2018

SPONSOR (S): Bennett – Mayfield, et al.

SYSTEM(S): Teachers' Retirement System (TRS)

FISCAL IMPACT: It is difficult to determine the precise fiscal impact of HB 5627, as amended by HA 1, as TRS does not know how many retired teachers are currently working as a teacher above the limits of 100 paid days or 500 paid hours, set by current law. However, TRS presumes a small number of retirees would be working above the current limits.

SUBJECT MATTER: HB 5627, as amended by HA 1, amends the Teachers' Retirement System (TRS) Article of the Illinois Pension Code by increasing the number of paid days or hours that a retired teacher can work as a teacher without impairing his or her retirement annuity for certain time period.

COMMENT: Under current law, a retired teacher can work as a teacher without impairing his or her retirement annuity as long as a retiree:

1. Is not working within the same school year during which he or she terminated service; and
2. Does not work for more than 100 paid days or 500 paid hours in any school year. (From FY 2002 through FY 2011, the limits were 120 paid days or 600 paid hours in each school year.)

This legislation increases, only for FY 2019 and 2020, the limits to 120 paid days or 600 paid hours, but not more than 100 paid days in the same classroom and lowers the limits back to 100 paid days or 500 paid hours starting in FY 2021.

JB:bj
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