

# COMMISSION ON GOVERNMENT FORECASTING AND ACCOUNTABILITY

## PENSION IMPACT NOTE

### 99TH GENERAL ASSEMBLY

BILL NO: **SB 3309**

March 14, 2016

SPONSOR (S): J. Cullerton

SYSTEM(S): Chicago Teachers Pension Fund (CTPF)

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FISCAL IMPACT: The fiscal impact of SB 3309 on CTPF would be minor due to the presumably small number of driver education instructors who would be impacted by this bill.

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SUBJECT MATTER: SB 3309 amends the Chicago Teacher article of the Illinois Pension Code. This bill exempts certain driver education instructors from cancellation of retirement pensions for retirees who are re-employed and who do not work for more than 900 hours, and whose annual compensation is not more than \$30,000.

COMMENT: P.A. 99-0176 (current law) created limited conditions for a retiree to continue to receive a retirement pension after returning back to work. If any pensioner is re-employed as a teacher on a permanent or annual basis, a retirement pension would be cancelled. However, the retirement pension shall not be cancelled if a pensioner is re-employed as a teacher on a temporary and non-annual basis or on an hourly basis and abides by the statutory 100-day limit in a school year or the \$30,000 limit on gross annual compensation for such re-employment.

SB 3309 specifies that a pension shall not be cancelled for a retiree who teaches only driver education courses after regular school hours and does not teach any other subject area as long as the person does not 1) teach for more than 900 hours and 2) earn more than \$30,000 in a school year.

JB:dkb

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