

COMMISSION ON GOVERNMENT FORECASTING AND ACCOUNTABILITY

PENSION IMPACT NOTE

95TH GENERAL ASSEMBLY

BILL NO: **HB 5699, as engrossed**

May 12, 2008

SPONSOR (S): Hamos (Schoenberg)

SYSTEM(S): Teachers' Retirement System

FISCAL IMPACT: HB 5699 will not impact any retirement system or pension fund in the State of Illinois.

SUBJECT MATTER: HB 5699, as engrossed, amends the Downstate Teachers Article of the Illinois Pension Code to allow a teacher receiving a disability, occupational disability, or disability retirement benefit to engage in limited or part time employment as a teacher for an employer under the Teachers' Retirement System or the State Universities Retirement System without loss of benefits.

FISCAL IMPACT: HB 5699, as engrossed, will not impact any retirement system or pension fund in the State of Illinois.

COMMENT/DISCUSSION: Under the Downstate Teachers Article of the Illinois Pension Code, teachers receiving a disability, occupational disability, or disability retirement benefit are subject to loss of these benefits whenever they engage in temporary or part-time employment as a teacher for an employer under the State Universities Retirement System. HB 5699, as engrossed, amends this Article, allowing teachers receiving such benefits to accept employment as a temporary or part-time teacher for an employer under the Teachers' Retirement System or the State Universities Retirement System with absolutely no loss of benefits. To qualify under the amended Code the teacher has to have been receiving a disability benefit for at least one year and remain unable to resume regular, full-time teaching due to disability. The teacher's earnings for the limited or part-time employment, when added to the amount of the disability benefit, may not exceed 100% of the salary rate upon which the disability benefit is based.

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