

COMMISSION ON GOVERNMENT FORECASTING AND ACCOUNTABILITY

PENSION IMPACT NOTE

100TH GENERAL ASSEMBLY

BILL NO: **HB 2759** February 15, 2017
SPONSOR (S): Sosnowski
SYSTEM(S): General Provisions Article

FISCAL IMPACT: HB 2759 should have a slight positive fiscal impact on any system under which a Tier 2 annuitant returns to active service in another position covered under the Pension Code inasmuch as the original annuity would be suspended for the duration of the period of employment after retirement.

SUBJECT MATTER: HB 2759 amends the General Provisions Article of the Pension Code. The bill prohibits annuitants who begin service after Jan. 1, 2018 from accepting employment under another entity covered by the Pension Code without forfeiting the original annuity.

COMMENT: HB 2759 amends the General Provisions Article of the Pension Code to stipulate that a person who first becomes a member of a retirement system or pension fund governed under the Pension Code on or after January 1, 2018 may not accept employment with any other system under the Pension Code without forfeiting the original pension. Upon termination of that employment, the original pension will resume and may be recalculated if recalculation is provided for under the applicable system.

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