

COMMISSION ON GOVERNMENT FORECASTING AND ACCOUNTABILITY

PENSION IMPACT NOTE

100TH GENERAL ASSEMBLY

BILL NO: **HB 5954**

October 23, 2018

SPONSOR(S): Skillicorn

SYSTEM(S): TRS

FISCAL IMPACT: The fiscal impact of HB 5954 cannot be determined as the amount of substitute teachers expected to opt-out of the System cannot be predicted. According to TRS, as of June 30, 2017, there were 26,599 substitute teachers contributing to the TRS System.

SUBJECT MATTER: HB 5954 amends the Downstate Teacher Article of the Illinois Pension Code. The bill provides that substitute teachers are no longer required to participate in the System as a condition of employment.

COMMENT: HB 5954 provides that an active substitute teacher may terminate his or her membership in the TRS (including the ability to contribute or have contributions made to a defined contribution account, if applicable) by notifying the System in writing. Termination of membership would result in a refund of contributions minus benefits received prior to termination of membership.

LV:bj

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