

COMMISSION ON GOVERNMENT FORECASTING AND ACCOUNTABILITY

PENSION IMPACT NOTE

101ST GENERAL ASSEMBLY

BILL NO: **SB 1734**

February 26, 2019

SPONSOR (S): Aquino

SYSTEM(S): Chicago Teachers

FISCAL IMPACT: SB 1734 lengthens the number of days that an annuitant in the Chicago Teacher Pension Fund can return to service without suffering cancellation of annuity from 100 days to 120 days (other conditions are set forth as explained below). There is no readily discernible fiscal impact associated with this bill.

SUBJECT MATTER: SB 1734 amends the Chicago Teacher Article of the Illinois Pension Code. The proposed legislation would extend the window of time in which a member may return to work without having his or her pension cancelled from 100 days to 120 days. The proposed legislation would apply to school years that begin on or after July 1, 2019 and ending on or before June 30, 2022.

COMMENT: The proposed legislation provides that an annuitant in the Chicago Teacher's Pension fund would not have their service retirement pension cancelled in cases where a member returns to work on a temporary and non-annual basis or an hourly basis as long as the member does not work as a teacher for more than 120 days (currently 100 days) during a school year or does not accept gross compensation for said school year in excess of \$36,000. If the member retires with at least 5 years of service as a principal, the maximum gross compensation would be equal to the daily rate normally paid to retired principals multiplied by 120.

LV:bj

LRB100 20220 MJP 35505 b