

# COMMISSION ON GOVERNMENT FORECASTING AND ACCOUNTABILITY

## PENSION IMPACT NOTE

102nd GENERAL ASSEMBLY

BILL NO: **HB 2569**

February 22, 2021

SPONSOR (S): Windhorst

SYSTEM(S): TRS

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FISCAL IMPACT: TRS reports that a total of 51 members were approved to work in the Subject Shortage Area program in 2019-20. As of February 21, 2021, TRS has approved 24 members for the 2020-21 school year. HB 2569 would extend the sunset date for teacher shortage return-to-work until June 30, 2026.

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SUBJECT MATTER: HB 2569 extends the sunset date of a law that allows TRS annuitants to return to work in subject shortage areas while still retaining their retirement annuity, subject to certain provisions as explained below.

COMMENT: P.A. 93-0320 (SB 195), which took effect on July 23, 2003, first established the TRS return-to-work provision in teacher subject shortage areas. The act set a sunset date of June 30, 2008. Most recently, P.A. 101-0049 extended the sunset date until June 30, 2021.

The statute sets forth several conditions under which a teacher subject shortage area is deemed to exist, such as a school experiencing a shortage of teachers in a specific subject area. Other conditions were added to the subject shortage return-to-work law. For example, if the annuitant retired before age 60 with less than 34 years of service, the return-to-work employment cannot begin within the year following the effective date of retirement. A teacher who returns to work under this program retains his or her TRS annuity, and also retains eligibility for inclusion in a collective bargaining unit and group health benefits. The retired teacher who returns to work must maintain compliance with laws governing the employment, regulation, certification, treatment, and conduct of teachers.

As previously mentioned, P.A. 101-0049 re-opened the subject shortage return-to-work window and set a new sunset date of June 30, 2021. HB 2569 would extend the sunset date to June 30, 2026.

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