

COMMISSION ON GOVERNMENT FORECASTING AND ACCOUNTABILITY

PENSION IMPACT NOTE

102ND GENERAL ASSEMBLY

BILL NO: **HB 2998**

March 16, 2021

SPONSOR (S): Severin

SYSTEM(S): Teachers' Retirement System (TRS)

FISCAL IMPACT: While HB 2998 may allow certain teachers to earn additional service credit, it is difficult to estimate the impact of HB 2998 as the necessary information is not available at this point (e.g. how many teachers worked during the COVID-19 pandemic, for how many days such teachers worked, etc.). An updated note will be provided once actuarial information becomes available from the retirement system.

SUBJECT MATTER: HB 2998 amends the Downstate Teacher Article (TRS) of the Illinois Pension Code. The legislation proposes that an additional day of service credit shall be provided to a teacher who served as a teacher during “the public health emergency declared by the Governor related to the COVID-19 pandemic” for each day of service credit earned during that period.

COMMENT: Under HB 2998, such additional service credit granted during the COVID-19 pandemic shall be so granted without additional employer or employee contributions. Under current law, the amount of pension benefits for a member in TRS is generally calculated based on this formula: 2.2% multiplied by a member's Final Average Salary (FAS) multiplied by years of service credits.

JB:bs

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