

COMMISSION ON GOVERNMENT FORECASTING AND ACCOUNTABILITY

PENSION IMPACT NOTE

102nd GENERAL ASSEMBLY

BILL NO: **SB 2391**

March 16, 2021

SPONSOR (S): Fine

SYSTEM(S): TRS

FISCAL IMPACT: There is no discernible fiscal impact associated with SB 2391.

SUBJECT MATTER: SB 2391 amends the TRS article of the Pension Code. The bill clarifies that a disabled child need not be claimed as a dependent on the active teacher's or annuitant's tax return in order to receive survivor's benefits.

COMMENT: Under the TRS article of the Pension Code, unmarried or adopted children are eligible to receive survivor's annuities until age 18 (age 22 if a full-time student). Disabled children are not subject to these age limitations in the receipt of survivor's benefits if they are dependent because of a physical or mental disability. The disability must be such that it can be expected to result in death, or of such a nature that it can be expected to last longer than one year. The disabled child must not be able to engage in any substantial gainful activity in order to qualify.

SB 2391 clarifies that a disabled child is not required to be claimed as a dependent on a member or annuitant's final federal income tax return in order to receive survivor's benefits.

DH:bs

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