



## Commission on Government Forecasting and Accountability

### **PENSION IMPACT NOTE** *103<sup>RD</sup> General Assembly*

BILL NO: **HB 2873**

February 21, 2023

SPONSOR (S): Mayfield

SYSTEM: Downstate Teachers' Retirement System (TRS) Article

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#### **FISCAL IMPACT**

**The fiscal impact of HB 2873 is not known, as the number of individuals who take advantage of the annuitant return-to-service program is not known. To the extent that a retirement pension is paid out by TRS that would otherwise be prohibited under current law, there would be an indeterminate negative impact on the pension fund.**

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**SUBJECT MATTER:** HB 2873 amends the Downstate Teachers' Retirement System article of the Illinois Pension Code. The bill increases the limits at which teachers may accept employment without impairing their retirement benefits.

**COMMENT:** Under current law, TRS allows annuitants receiving an annuity other than a disability retirement annuity to return to work as a teacher without impairment of retirement status, provided that employment is not within the school year during which service was terminated and does not exceed 120 paid days or 600 paid hours in each school year, but not more than 100 paid days in the same classroom. Beginning July 1, 2023, these limits will be decreased to 100 paid days or 500 paid hours in each school year.

HB 2873 amends the TRS article by allowing annuitants beginning July 1, 2023 to accept employment as a teacher without impairing their retirement benefits provided that the employment does not exceed 150 paid days or 750 paid hours in each school year. These limits would not sunset under the bill.

GR:bs

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