



Commission on Government Forecasting and Accountability

PENSION IMPACT NOTE *103RD General Assembly*

BILL NO: SB 0272

February 7, 2023

SPONSOR (S): McClure

SYSTEM: TRS

FISCAL IMPACT

SB 0272 would have a slightly positive fiscal impact upon TRS, as the system would garner savings associated with trustee-related expenses with 2 fewer members serving on the Board of Trustees. The TRS Article of the Pension Code stipulates that trustees serve without compensation, but shall be reimbursed for all “necessary expenses.” These expenses generally include travel to TRS board and committee meetings, TRS-related functions, and educational missions related to TRS business. The pension fund has not given an average cost per trustee; this impact note will be updated when that information is obtained.

SUBJECT MATTER: SB 0272 amends the TRS article of the Pension Code. The bill reduces the total membership of the TRS Board of Trustees from 15 members to 13 members by reducing the number of Governor-appointed members from 7 to 5.

COMMENT: Currently, the TRS Board of Trustees is comprised of 15 members, as follows:

- The State Superintendent of Education serves as an ex officio member;
- 7 persons, not members of the system, are appointed by the Governor;
- 5 persons who, at the time of their election, are active teachers in TRS and elected by the active TRS membership;
- 2 annuitant members, elected by the annuitants of the system.

SB 0272 would reduce the membership of the TRS board to 13 members by reducing the number of Governor-appointed trustees from 7 members to 5 members.

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