



Commission on Government Forecasting and Accountability

PENSION IMPACT NOTE *103RD General Assembly*

BILL NO: SB 1468

February 15, 2023

SPONSOR (S): Bennett - Rose

SYSTEM: Downstate Teachers' Retirement System (TRS) Article

FISCAL IMPACT

The fiscal impact of SB 1468 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.

SUBJECT MATTER: SB 1468 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 and delays the start of the new limitation schedule for the annuitant return-to-work program by three years (from July 1, 2023 to July 1, 2026).

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.

SB 1468 amends the TRS article by allowing annuitants beginning July 1, 2023 through June 30, 2026 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. This bill also postpones the start of the limit of 100 paid days or 500 paid hours from July 1, 2023 (as enshrined in current law) to July 1, 2026.

GR:bs

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