

COMMISSION ON GOVERNMENT FORECASTING AND ACCOUNTABILITY

PENSION IMPACT NOTE

97TH GENERAL ASSEMBLY

BILL NO: **HB 3870**

February 7, 2012

SPONSOR (S): Morthland – Harris, et al.

SYSTEM(S): TRS

FISCAL IMPACT: There is no discernible fiscal impact associated with HB 3870 as the section of the TRS article of the Pension Code that this bill seeks to amend has already been deleted from the Pension Code upon the enactment of P.A. 97-0651.

SUBJECT MATTER: HB 3870 amends the TRS article of the Pension Code to require certain members to purchase optional service credit for time spent as a member of a statewide teacher organization prior to the effective date of this bill.

FISCAL IMPACT: There is no discernible fiscal impact associated with HB 3870 as the section of the TRS article of the Pension Code that this bill seeks to amend has already been deleted from the Pension Code upon the enactment of P.A. 97-0651.

COMMENT: P.A. 94-1111, which became effective on February 27th, 2007, allowed certain employees of statewide teacher organizations to establish service credit in TRS for periods of employment prior to becoming certified as a teacher if certain conditions were met before the effective date of the Act. P.A. 97-0651 (HB 3813), which took effect on January 5th, 2012, repealed this provision. HB 3870, which was introduced prior to the passage of HB 3813, requires individuals who had not exercised their right to buy service credit under the now-deleted provision to do so before the effective date of this bill.

DH:dkb

LRB097 14331 JDS 59133 b