



# HOUSE COMMITTEE ON APPROPRIATIONS

## FISCAL NOTE

SENATE BILL NO. 423

PRINTERS NO. 1591

PRIME SPONSOR: J. Ward

### COST / (SAVINGS)

FUND	FY 2022/23	FY 2023/24
State Employees' Retirement Fund	See fiscal impact	See fiscal impact

**SUMMARY:** Senate Bill 423, printer's number 1591, amends Title 71 to extend the length of time that State Employees' Retirement System (SERS) annuitants are allowed to return to work during an emergency without the suspension of annuity payments.

**ANALYSIS:** This legislation amends Sections 5301 and 5706 of Title 71 to increase the amount of time that SERS annuitants may return to service during an emergency. Annuitants over retirement age, or that have been annuitants for at least six months, may return to service for up to 120 days in any calendar year without penalty. Under current law, annuitants may only return for up to 95 days in any calendar year.

The bill clarifies that the services of annuitants that return to work under emergency conditions will not be subject to employee contributions and are not eligible for qualification as creditable school service in the Public School Employees' Retirement System (PSERS). Annuitants are not eligible for participation in an alternative retirement plan, including defined contribution plans.

This act shall take effect immediately.

**FISCAL IMPACT:** According to the Independent Fiscal Office (IFO), enactment of Senate Bill 423 will have a de minimis actuarial cost impact. SERS estimates an increase of approximately 200 returning annuitants per year under the provisions of the legislation.

**PREPARED BY:** Casey Martin  
House Appropriations Committee (R)

**DATE:** October 25, 2022

*Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.*