



ISSUE BRIEF

Senate Bill 1825:

Employer Liability for Return to Work Violations

IMRF Position:
SUPPORT

Sponsor:
Senator Karina Villa

Proposed Change in the Law

This proposal would allow the IMRF Board of Trustees to impose up to 100% of the liability that arises when either:

- A retiree returns to work in a qualifying position and is not reported to IMRF and continues to receive his/her pension OR
- If the retiree does not separate from service from all IMRF employers (except for elected officials when no part of the pension was earned for that position) for at least 60 days after the pension start date;

Reasons for Position

The Board is currently limited to imposing no more than 50% of the liability on the employer. The statute is also explicit only as to this authority for return to work violations and not as to separation of service violations. This liability transfer must be imposed by the Board (it cannot be imposed at the staff level) and employers would retain the authority to appeal any such imposition.

In addition, the proposal makes no changes to the current parameters of the liability assignment. It can only be imposed on the employer if the employer knowingly fails to notify the Board of the retiree's return to work. It is also only applicable if the member returned to work for at least 12 months.

IMRF 2023 Board of Trustees

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