



101ST GENERAL ASSEMBLY

State of Illinois

2019 and 2020

HB3208

by Rep. Aaron M. Ortiz

SYNOPSIS AS INTRODUCED:

40 ILCS 5/17-149

from Ch. 108 1/2, par. 17-149

Amends the Chicago Teacher Article of the Illinois Pension Code. Provides that for school years beginning on or after July 1, 2019 and ending before June 30, 2022, the service retirement pension shall not be cancelled in the case of a service retirement pensioner who is re-employed as a teacher on a temporary and non-annual basis or on an hourly basis, so long as the person (1) does not work as a teacher for compensation on more than 120 days (instead of 100 days) in a school year or (2) does not accept gross compensation for the re-employment in a school year in excess of (i) \$36,000 (instead of \$30,000) or (ii) in the case of a person who retires with at least 5 years of service as a principal, an amount that is equal to the daily rate normally paid to retired principals multiplied by 120 (instead of 100). Makes conforming changes. Effective immediately.

LRB101 08892 RPS 53982 b

FISCAL NOTE ACT
MAY APPLY

PENSION IMPACT
NOTE ACT MAY
APPLY

1 AN ACT concerning public employee benefits.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Illinois Pension Code is amended by changing
5 Section 17-149 as follows:

6 (40 ILCS 5/17-149) (from Ch. 108 1/2, par. 17-149)

7 Sec. 17-149. Cancellation of pensions.

8 (a) If any person receiving a disability retirement pension
9 from the Fund is re-employed as a teacher by an Employer, the
10 pension shall be cancelled on the date the re-employment
11 begins, or on the first day of a payroll period for which
12 service credit was validated, whichever is earlier.

13 (b) If any person receiving a service retirement pension
14 from the Fund is re-employed as a teacher on a permanent or
15 annual basis by an Employer, the pension shall be cancelled on
16 the date the re-employment begins, or on the first day of a
17 payroll period for which service credit was validated,
18 whichever is earlier. However, subject to the limitations and
19 requirements of subsection (c-5), the pension shall not be
20 cancelled in the case of a service retirement pensioner who is
21 re-employed on a temporary and non-annual basis or on an hourly
22 basis.

23 (c) If the date of re-employment on a permanent or annual

1 basis occurs within 5 school months after the date of previous
2 retirement, exclusive of any vacation period, the member shall
3 be deemed to have been out of service only temporarily and not
4 permanently retired. Such person shall be entitled to pension
5 payments for the time he could have been employed as a teacher
6 and received salary, but shall not be entitled to pension for
7 or during the summer vacation prior to his return to service.

8 When the member again retires on pension, the time of
9 service and the money contributed by him during re-employment
10 shall be added to the time and money previously credited. Such
11 person must acquire 3 consecutive years of additional
12 contributing service before he may retire again on a pension at
13 a rate and under conditions other than those in force or
14 attained at the time of his previous retirement.

15 (c-5) The service retirement pension shall not be cancelled
16 in the case of a service retirement pensioner who is
17 re-employed as a teacher on a temporary and non-annual basis or
18 on an hourly basis, so long as the person (1) does not work as a
19 teacher for compensation on more than 100 days in a school year
20 or (2) does not accept gross compensation for the re-employment
21 in a school year in excess of (i) \$30,000 or (ii) in the case of
22 a person who retires with at least 5 years of service as a
23 principal, an amount that is equal to the daily rate normally
24 paid to retired principals multiplied by 100. These limitations
25 apply only to school years that begin on or after August 8,
26 2012 (the effective date of Public Act 97-912) and end before

1 July 1, 2019 or that begin after June 30, 2022. Such
2 re-employment does not require contributions, result in
3 service credit, or constitute active membership in the Fund.

4 For school years beginning July 1, 2019 and ending before
5 June 30, 2022, the service retirement pension shall not be
6 cancelled in the case of a service retirement pensioner who is
7 re-employed as a teacher on a temporary and non-annual basis or
8 on an hourly basis, so long as the person (A) does not work as a
9 teacher for compensation on more than 120 days in a school year
10 or (B) does not accept gross compensation for the re-employment
11 in a school year in excess of (i) \$36,000 or (ii) in the case of
12 a person who retires with at least 5 years of service as a
13 principal, an amount that is equal to the daily rate normally
14 paid to retired principals multiplied by 120.

15 Notwithstanding the 100-day limit set forth in item (1) of
16 this subsection (c-5) or the 120-day limit set forth in item
17 (A) of this subsection (c-5), whichever is applicable, the
18 service retirement pension shall not be cancelled in the case
19 of a service retirement pensioner who teaches only driver
20 education courses after regular school hours and does not teach
21 any other subject area, so long as the person does not work as
22 a teacher for compensation for more than 900 hours in a school
23 year. The \$30,000 limit set forth in subitem (i) of item (2) of
24 this subsection (c-5) shall apply to a service retirement
25 pensioner who teaches only driver education courses after
26 regular school hours and does not teach any other subject area.

1 To be eligible for such re-employment without cancellation
2 of pension, the pensioner must notify the Fund and the Board of
3 Education of his or her intention to accept re-employment under
4 this subsection (c-5) before beginning that re-employment (or
5 if the re-employment began before the effective date of this
6 amendatory Act, then within 30 days after that effective date).

7 An Employer must certify to the Fund the temporary and
8 non-annual or hourly status and the compensation of each
9 pensioner re-employed under this subsection at least
10 quarterly, and when the pensioner is approaching the earnings
11 limitation under this subsection.

12 If the pensioner works more than 100 days or accepts excess
13 gross compensation for such re-employment in any school year
14 that (i) begins on or after August 8, 2012 (the effective date
15 of Public Act 97-912) and ends before July 1, 2019 or (ii)
16 begins after June 30, 2022, the service retirement pension
17 shall thereupon be cancelled.

18 If the pensioner works more than 120 days or accepts excess
19 gross compensation for such re-employment in any school year
20 that begins on or after July 1, 2019 and ends before June 30,
21 2022, the service retirement pension shall thereupon be
22 cancelled.

23 If the pensioner who only teaches drivers education courses
24 after regular school hours works more than 900 hours or accepts
25 excess gross compensation for such re-employment in any school
26 year that begins on or after the effective date of this

1 amendatory Act of the 99th General Assembly, the service
2 retirement pension shall thereupon be cancelled.

3 The Board of the Fund shall adopt rules for the
4 implementation and administration of this subsection.

5 (d) Notwithstanding Sections 1-103.1 and 17-157, the
6 changes to this Section made by Public Act 90-32 apply without
7 regard to whether termination of service occurred before the
8 effective date of that Act and apply retroactively to August
9 23, 1989.

10 Notwithstanding Sections 1-103.1 and 17-157, the changes
11 to this Section and Section 17-106 made by Public Act 92-599
12 apply without regard to whether termination of service occurred
13 before the effective date of that Act.

14 Notwithstanding Sections 1-103.1 and 17-157, the changes
15 to this Section made by this amendatory Act of the 97th General
16 Assembly apply without regard to whether termination of service
17 occurred before the effective date of this amendatory Act.

18 (Source: P.A. 99-176, eff. 7-29-15; 99-786, eff. 8-12-16.)

19 Section 99. Effective date. This Act takes effect upon
20 becoming law.