

**SB1584**



**101ST GENERAL ASSEMBLY**

**State of Illinois**

**2019 and 2020**

**SB1584**

Introduced 2/15/2019, by Sen. Omar Aquino

**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. For school years beginning on or after July 1, 2019, increases to 120 days (instead of 100 days) the amount of days a service retirement pensioner who is re-employed as a teacher may work without having his or her pension cancelled. Makes conforming changes. Effective immediately.

LRB101 08804 RPS 53892 b

FISCAL NOTE ACT  
MAY APPLY

PENSION IMPACT  
NOTE ACT MAY  
APPLY

**A BILL FOR**

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) For school years beginning on or after July 1, 2019,  
16 the service retirement pension shall not be cancelled in the  
17 case of a service retirement pensioner who is re-employed as a  
18 teacher on a temporary and non-annual basis or on an hourly  
19 basis, so long as the person (1) does not work as a teacher for  
20 compensation on more than 120 days in a school year or (2) does  
21 not accept gross compensation for the re-employment in a school  
22 year in excess of (i) \$30,000 or (ii) in the case of a person  
23 who retires with at least 5 years of service as a principal, an  
24 amount that is equal to the daily rate normally paid to retired  
25 principals multiplied by 100. These limitations apply only to  
26 school years that begin on or after July 1, 2019. Such

1 re-employment does not require contributions, result in  
2 service credit, or constitute active membership in the Fund.

3 The service retirement pension shall not be cancelled in  
4 the case of a service retirement pensioner who is re-employed  
5 as a teacher on a temporary and non-annual basis or on an  
6 hourly basis, so long as the person (1) does not work as a  
7 teacher for compensation on more than 100 days in a school year  
8 or (2) does not accept gross compensation for the re-employment  
9 in a school year in excess of (i) \$30,000 or (ii) in the case of  
10 a person who retires with at least 5 years of service as a  
11 principal, an amount that is equal to the daily rate normally  
12 paid to retired principals multiplied by 100. These limitations  
13 apply only to school years that begin on or after August 8,  
14 2012 (the effective date of Public Act 97-912) and before July  
15 1, 2019. Such re-employment does not require contributions,  
16 result in service credit, or constitute active membership in  
17 the Fund.

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

1 who teaches only driver education courses after regular school  
2 hours and does not teach any other subject area.

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

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

14 If the pensioner works more than 100 days or accepts excess  
15 gross compensation for such re-employment in any school year  
16 that begins on or after August 8, 2012 (the effective date of  
17 Public Act 97-912), the service retirement pension shall  
18 thereupon be cancelled.

19 If the pensioner who only teaches drivers education courses  
20 after regular school hours works more than 900 hours or accepts  
21 excess gross compensation for such re-employment in any school  
22 year that begins on or after the effective date of this  
23 amendatory Act of the 99th General Assembly, the service  
24 retirement pension shall thereupon be cancelled.

25 If the pensioner works more than 120 days or accepts excess  
26 gross compensation for such re-employment in any school year

1 that begins on or after July 1, 2019, the service retirement  
2 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.