



## 102ND GENERAL ASSEMBLY

### State of Illinois

2021 and 2022

HB5803

Introduced 11/16/2022, by Rep. Katie Stuart

#### SYNOPSIS AS INTRODUCED:

40 ILCS 5/14-104

from Ch. 108 1/2, par. 14-104

40 ILCS 5/14-135.13 new

Amends the State Employee Article of the Illinois Pension Code. Provides that certain contributions for service must be paid in full before retirement either in a lump sum or in installment payments over a period not to exceed 5 years (instead of in a lump sum or in installment payments) in accordance with such rules as may be adopted by the Board of Trustees of the System. Sets forth provisions concerning written appeals, hearings, rehearings, and written reappeals. Effective immediately.

LRB102 28632 RPS 40515 b

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  
5 changing Section 14-104 and by adding Section 14-135.13 as  
6 follows:

7 (40 ILCS 5/14-104) (from Ch. 108 1/2, par. 14-104)

8 Sec. 14-104. Service for which contributions permitted.  
9 Contributions provided for in this Section shall cover the  
10 period of service granted. Except as otherwise provided in  
11 this Section, the contributions shall be based upon the  
12 employee's compensation and contribution rate in effect on the  
13 date he last became a member of the System; provided that for  
14 all employment prior to January 1, 1969 the contribution rate  
15 shall be that in effect for a noncovered employee on the date  
16 he last became a member of the System. Except as otherwise  
17 provided in this Section, contributions permitted under this  
18 Section shall include regular interest from the date an  
19 employee last became a member of the System to the date of  
20 payment.

21 These contributions must be paid in full before retirement  
22 either in a lump sum or in installment payments over a period  
23 not to exceed 5 years in accordance with such rules as may be

1 adopted by the board.

2 (a) Any member may make contributions as required in this  
3 Section for any period of service, subsequent to the date of  
4 establishment, but prior to the date of membership.

5 (b) Any employee who had been previously excluded from  
6 membership because of age at entry and subsequently became  
7 eligible may elect to make contributions as required in this  
8 Section for the period of service during which he was  
9 ineligible.

10 (c) An employee of the Department of Insurance who, after  
11 January 1, 1944 but prior to becoming eligible for membership,  
12 received salary from funds of insurance companies in the  
13 process of rehabilitation, liquidation, conservation or  
14 dissolution, may elect to make contributions as required in  
15 this Section for such service.

16 (d) Any employee who rendered service in a State office to  
17 which he was elected, or rendered service in the elective  
18 office of Clerk of the Appellate Court prior to the date he  
19 became a member, may make contributions for such service as  
20 required in this Section. Any member who served by appointment  
21 of the Governor under the Civil Administrative Code of  
22 Illinois and did not participate in this System may make  
23 contributions as required in this Section for such service.

24 (e) Any person employed by the United States government or  
25 any instrumentality or agency thereof from January 1, 1942  
26 through November 15, 1946 as the result of a transfer from

1 State service by executive order of the President of the  
2 United States shall be entitled to prior service credit  
3 covering the period from January 1, 1942 through December 31,  
4 1943 as provided for in this Article and to membership service  
5 credit for the period from January 1, 1944 through November  
6 15, 1946 by making the contributions required in this Section.  
7 A person so employed on January 1, 1944 but whose employment  
8 began after January 1, 1942 may qualify for prior service and  
9 membership service credit under the same conditions.

10 (f) An employee of the Department of Labor of the State of  
11 Illinois who performed services for and under the supervision  
12 of that Department prior to January 1, 1944 but who was  
13 compensated for those services directly by federal funds and  
14 not by a warrant of the Auditor of Public Accounts paid by the  
15 State Treasurer may establish credit for such employment by  
16 making the contributions required in this Section. An employee  
17 of the Department of Agriculture of the State of Illinois, who  
18 performed services for and under the supervision of that  
19 Department prior to June 1, 1963, but was compensated for  
20 those services directly by federal funds and not paid by a  
21 warrant of the Auditor of Public Accounts paid by the State  
22 Treasurer, and who did not contribute to any other public  
23 employee retirement system for such service, may establish  
24 credit for such employment by making the contributions  
25 required in this Section.

26 (g) Any employee who executed a waiver of membership

1 within 60 days prior to January 1, 1944 may, at any time while  
2 in the service of a department, file with the board a  
3 rescission of such waiver. Upon making the contributions  
4 required by this Section, the member shall be granted the  
5 creditable service that would have been received if the waiver  
6 had not been executed.

7 (h) Until May 1, 1990, an employee who was employed on a  
8 full-time basis by a regional planning commission for at least  
9 5 continuous years may establish creditable service for such  
10 employment by making the contributions required under this  
11 Section, provided that any credits earned by the employee in  
12 the commission's retirement plan have been terminated.

13 (i) Any person who rendered full time contractual services  
14 to the General Assembly as a member of a legislative staff may  
15 establish service credit for up to 8 years of such services by  
16 making the contributions required under this Section, provided  
17 that application therefor is made not later than July 1, 1991.

18 (j) By paying the contributions otherwise required under  
19 this Section, plus an amount determined by the Board to be  
20 equal to the employer's normal cost of the benefit plus  
21 interest, but with all of the interest calculated from the  
22 date the employee last became a member of the System or  
23 November 19, 1991, whichever is later, to the date of payment,  
24 an employee may establish service credit for a period of up to  
25 4 years spent in active military service for which he does not  
26 qualify for credit under Section 14-105, provided that (1) he

1 was not dishonorably discharged from such military service,  
2 and (2) the amount of service credit established by a member  
3 under this subsection (j), when added to the amount of  
4 military service credit granted to the member under subsection  
5 (b) of Section 14-105, shall not exceed 5 years. The change in  
6 the manner of calculating interest under this subsection (j)  
7 made by this amendatory Act of the 92nd General Assembly  
8 applies to credit purchased by an employee on or after its  
9 effective date and does not entitle any person to a refund of  
10 contributions or interest already paid. In compliance with  
11 Section 14-152.1 of this Act concerning new benefit increases,  
12 any new benefit increase as a result of the changes to this  
13 subsection (j) made by Public Act 95-483 is funded through the  
14 employee contributions provided for in this subsection (j).  
15 Any new benefit increase as a result of the changes made to  
16 this subsection (j) by Public Act 95-483 is exempt from the  
17 provisions of subsection (d) of Section 14-152.1.

18 (k) An employee who was employed on a full-time basis by  
19 the Illinois State's Attorneys Association Statewide Appellate  
20 Assistance Service LEAA-ILEC grant project prior to the time  
21 that project became the State's Attorneys Appellate Service  
22 Commission, now the Office of the State's Attorneys Appellate  
23 Prosecutor, an agency of State government, may establish  
24 creditable service for not more than 60 months service for  
25 such employment by making contributions required under this  
26 Section.

1           (1) By paying the contributions otherwise required under  
2 this Section, plus an amount determined by the Board to be  
3 equal to the employer's normal cost of the benefit plus  
4 interest, a member may establish service credit for periods of  
5 less than one year spent on authorized leave of absence from  
6 service, provided that (1) the period of leave began on or  
7 after January 1, 1982 and (2) any credit established by the  
8 member for the period of leave in any other public employee  
9 retirement system has been terminated. A member may establish  
10 service credit under this subsection for more than one period  
11 of authorized leave, and in that case the total period of  
12 service credit established by the member under this subsection  
13 may exceed one year. In determining the contributions required  
14 for establishing service credit under this subsection, the  
15 interest shall be calculated from the beginning of the leave  
16 of absence to the date of payment.

17           (1-5) By paying the contributions otherwise required under  
18 this Section, plus an amount determined by the Board to be  
19 equal to the employer's normal cost of the benefit plus  
20 interest, a member may establish service credit for periods of  
21 up to 2 years spent on authorized leave of absence from  
22 service, provided that during that leave the member  
23 represented or was employed as an officer or employee of a  
24 statewide labor organization that represents members of this  
25 System. In determining the contributions required for  
26 establishing service credit under this subsection, the

1 interest shall be calculated from the beginning of the leave  
2 of absence to the date of payment.

3 (m) Any person who rendered contractual services to a  
4 member of the General Assembly as a worker in the member's  
5 district office may establish creditable service for up to 3  
6 years of those contractual services by making the  
7 contributions required under this Section. The System shall  
8 determine a full-time salary equivalent for the purpose of  
9 calculating the required contribution. To establish credit  
10 under this subsection, the applicant must apply to the System  
11 by March 1, 1998.

12 (n) Any person who rendered contractual services to a  
13 member of the General Assembly as a worker providing  
14 constituent services to persons in the member's district may  
15 establish creditable service for up to 8 years of those  
16 contractual services by making the contributions required  
17 under this Section. The System shall determine a full-time  
18 salary equivalent for the purpose of calculating the required  
19 contribution. To establish credit under this subsection, the  
20 applicant must apply to the System by March 1, 1998.

21 (o) A member who participated in the Illinois Legislative  
22 Staff Internship Program may establish creditable service for  
23 up to one year of that participation by making the  
24 contribution required under this Section. The System shall  
25 determine a full-time salary equivalent for the purpose of  
26 calculating the required contribution. Credit may not be



1 established under this subsection for any period for which  
2 service credit is established under any other provision of  
3 this Code.

4 (p) By paying the contributions otherwise required under  
5 this Section, plus an amount determined by the Board to be  
6 equal to the employer's normal cost of the benefit plus  
7 interest, a member may establish service credit for a period  
8 of up to 8 years during which he or she was employed by the  
9 Visually Handicapped Managers of Illinois in a vending program  
10 operated under a contractual agreement with the Department of  
11 Rehabilitation Services or its successor agency.

12 This subsection (p) applies without regard to whether the  
13 person was in service on or after the effective date of this  
14 amendatory Act of the 94th General Assembly. In the case of a  
15 person who is receiving a retirement annuity on that effective  
16 date, the increase, if any, shall begin to accrue on the first  
17 annuity payment date following receipt by the System of the  
18 contributions required under this subsection (p).

19 (q) By paying the required contributions under this  
20 Section, plus an amount determined by the Board to be equal to  
21 the employer's normal cost of the benefit plus interest, an  
22 employee who was laid off but returned to any State employment  
23 may establish creditable service for the period of the layoff,  
24 provided that (1) the applicant applies for the creditable  
25 service under this subsection (q) within 6 months after July  
26 27, 2010 (the effective date of Public Act 96-1320), (2) the

1 applicant does not receive credit for that period under any  
2 other provision of this Code, (3) at the time of the layoff,  
3 the applicant is not in an initial probationary status  
4 consistent with the rules of the Department of Central  
5 Management Services, and (4) the total amount of creditable  
6 service established by the applicant under this subsection (q)  
7 does not exceed 3 years. For service established under this  
8 subsection (q), the required employee contribution shall be  
9 based on the rate of compensation earned by the employee on the  
10 date of returning to employment after the layoff and the  
11 contribution rate then in effect, and the required interest  
12 shall be calculated at the actuarially assumed rate from the  
13 date of returning to employment after the layoff to the date of  
14 payment. Funding for any new benefit increase, as defined in  
15 Section 14-152.1 of this Act, that is created under this  
16 subsection (q) will be provided by the employee contributions  
17 required under this subsection (q).

18 (r) A member who participated in the University of  
19 Illinois Government Public Service Internship Program (GPSI)  
20 may establish creditable service for up to 2 years of that  
21 participation by making the contribution required under this  
22 Section, plus an amount determined by the Board to be equal to  
23 the employer's normal cost of the benefit plus interest. The  
24 System shall determine a full-time salary equivalent for the  
25 purpose of calculating the required contribution. Credit may  
26 not be established under this subsection for any period for

1 which service credit is established under any other provision  
2 of this Code.

3 (s) A member who worked as a nurse under a contractual  
4 agreement for the Department of Public Aid, or its successor  
5 agency, the Department of Human Services, in the Client  
6 Assessment Unit and was subsequently determined to be a State  
7 employee by the United States Internal Revenue Service and the  
8 Illinois Labor Relations Board may establish creditable  
9 service for those contractual services by making the  
10 contributions required under this Section. To establish credit  
11 under this subsection, the applicant must apply to the System  
12 by July 1, 2008.

13 The Department of Human Services shall pay an employer  
14 contribution based upon an amount determined by the Board to  
15 be equal to the employer's normal cost of the benefit, plus  
16 interest.

17 In compliance with Section 14-152.1 added by Public Act  
18 94-4, the cost of the benefits provided by Public Act 95-583  
19 are offset by the required employee and employer  
20 contributions.

21 (t) Any person who rendered contractual services on a  
22 full-time basis to the Illinois Institute of Natural Resources  
23 and the Illinois Department of Energy and Natural Resources  
24 may establish creditable service for up to 4 years of those  
25 contractual services by making the contributions required  
26 under this Section, plus an amount determined by the Board to

1 be equal to the employer's normal cost of the benefit plus  
2 interest at the actuarially assumed rate from the first day of  
3 the service for which credit is being established to the date  
4 of payment. To establish credit under this subsection (t), the  
5 applicant must apply to the System within 6 months after July  
6 27, 2010 (the effective date of Public Act 96-1320).

7 (u) By paying the required contributions under this  
8 Section, plus an amount determined by the Board to be equal to  
9 the employer's normal cost of the benefit, plus interest, a  
10 member may establish creditable service and earnings credit  
11 for periods of furlough beginning on or after July 1, 2008. To  
12 receive this credit, the participant must (i) apply in writing  
13 to the System before December 31, 2011 and (ii) not receive  
14 compensation for the furlough period. For service established  
15 under this subsection, the required employee contribution  
16 shall be based on the rate of compensation earned by the  
17 employee immediately following the date of the first furlough  
18 day in the time period specified in this subsection (u), and  
19 the required interest shall be calculated at the actuarially  
20 assumed rate from the date of the furlough to the date of  
21 payment.

22 (v) Any member who rendered full-time contractual services  
23 to an Illinois Veterans Home operated by the Department of  
24 Veterans' Affairs may establish service credit for up to 8  
25 years of such services by making the contributions required  
26 under this Section, plus an amount determined by the Board to

1 be equal to the employer's normal cost of the benefit, plus  
2 interest at the actuarially assumed rate. To establish credit  
3 under this subsection, the applicant must apply to the System  
4 no later than 6 months after July 27, 2010 (the effective date  
5 of Public Act 96-1320).

6 (Source: P.A. 96-97, eff. 7-27-09; 96-718, eff. 8-25-09;  
7 96-775, eff. 8-28-09; 96-961, eff. 7-2-10; 96-1000, eff.  
8 7-2-10; 96-1320, eff. 7-27-10; 96-1535, eff. 3-4-11; 97-333,  
9 8-12-11.)

10 (40 ILCS 5/14-135.13 new)

11 Sec. 14-135.13. Written appeals and hearings.

12 (a) Definitions. In this Section:

13 "Authorized representative" means a person representing a  
14 petitioner in a written appeal or hearing.

15 "Executive Committee" means a committee consisting of one  
16 member of the Board, the Chairperson of the Board or his or her  
17 designee, and the Executive Secretary of the System or his or  
18 her designee, which shall meet periodically for the purpose of  
19 hearing all administrative contested matters and making  
20 recommendations to the Board who shall make the final  
21 decision. At any time, the Chairperson of the Board or the  
22 Executive Secretary of the System may appoint an alternate  
23 designee to serve on the committee in place of the designee  
24 that he or she has previously appointed.

25 "Executive Secretary of the System" means the person

1 designated as the official custodian of all papers and  
2 documents filed in proceedings before the Executive Committee.

3 "Hearing" means the reconsideration by the Executive  
4 Committee of the initial disposition of a claim, at which the  
5 petitioner appears in person or by an authorized  
6 representative, either at the hearing or by video or audio  
7 conference.

8 "Hearing officer" means a member of the Executive  
9 Committee or an attorney retained by the Executive Committee  
10 for the purpose of conducting hearings and communicating the  
11 Executive Committee's findings of fact, conclusions of law,  
12 and recommendation to the Board.

13 "Legal action" means any action, following the final  
14 denial by the Board, in which a member is seeking relief in  
15 State or federal court for a disputed claim.

16 "Petition" means a written request made by a petitioner or  
17 authorized representative for a hearing, a written appeal, a  
18 rehearing, or a written reappeal before the Executive  
19 Committee.

20 "Petitioner" means an individual who requests (1) by  
21 petition a hearing or a written appeal before the Executive  
22 Committee for reconsideration of the initial disposition of a  
23 claim or (2) a rehearing or written reappeal before the  
24 Executive Committee for reconsideration of the disposition of  
25 a hearing or written appeal.

26 "Rehearing" means the reconsideration by the Executive

1 Committee of the disposition of a hearing or written appeal,  
2 at which the petitioner appears in person or by an authorized  
3 representative, either at the hearing or by video or audio  
4 conference.

5 "Video or audio conference" means a hearing or rehearing  
6 before the Executive Committee for which the petitioner or  
7 authorized representative is not physically present and the  
8 proceeding before the Executive Committee is conducted through  
9 video or audio technology.

10 "Written appeal" means the reconsideration by the  
11 Executive Committee, based upon written evidence, of the  
12 initial disposition of a petitioner's claim, at which the  
13 petitioner does not appear either in person or by an  
14 authorized representative.

15 "Written reappeal" means the reconsideration by the  
16 Executive Committee, based upon written evidence, of the  
17 disposition of a hearing or written appeal, at which the  
18 petitioner does not appear either in person or by an  
19 authorized representative.

20 (b) Administrative determination. The administrative staff  
21 of the System shall be responsible for the daily functioning  
22 of the System, including the processing of all claims for  
23 benefits payable by the System, all claims for service credits  
24 granted by the System, and all claims against or relating to  
25 the System.

26 (c) Right of appeal. Any member, annuitant, or beneficiary

1 adversely affected by the initial disposition of a claim by  
2 the System's staff may have the disposition of the claim  
3 reconsidered either at a hearing before the Executive  
4 Committee or by filing a written appeal with the Executive  
5 Committee.

6 (d) Written appeals to the Executive Committee.

7 (1) All petitions for written appeal shall be directed  
8 to the Executive Secretary of the System at its  
9 Springfield office and must be received within 30 days  
10 following the notification of the initial disposition of  
11 the claim.

12 (2) Form of written appeal. A petition for a written  
13 appeal shall set forth the name and address of the  
14 petitioner; the name and address of the petitioner's  
15 authorized representative, if applicable; a brief  
16 statement of the facts forming the basis of the written  
17 appeal, which must include any new or additional evidence;  
18 and the relief sought.

19 (3) Disposition of written appeal.

20 (A) The Executive Committee shall consider written  
21 appeals at the next regular meeting of the Executive  
22 Committee more than 15 days after the receipt of the  
23 petition.

24 (B) Following the written appeal and the receipt  
25 of all supplemental material requested, the  
26 recommendation of the Executive Committee shall be



1 communicated in writing to the petitioner and  
2 authorized representative, if applicable, and the  
3 appropriate action shall be implemented by the  
4 Executive Committee subject to the approval of the  
5 Board.

6 (4) Continuances and extensions of time. Continuances  
7 and extensions of time shall be granted by the Executive  
8 Committee or the examiner when it is demonstrated that  
9 obtaining and presenting additional evidence is necessary  
10 to render a fair and equitable decision on the written  
11 appeal before the Committee.

12 (5) Minutes and records of written appeals.

13 (A) Minutes of every meeting of the Executive  
14 Committee and a record of all written appeals before  
15 the Executive Committee shall be kept by the Executive  
16 Secretary of the System at its Springfield office.

17 (B) The Executive Secretary of the System shall be  
18 the official custodian of all papers and documents  
19 filed in proceedings before the Executive Committee.

20 (e) Hearings before the Executive Committee.

21 (1) All petitions for hearings shall be made to the  
22 Executive Secretary of the System at its Springfield  
23 Office and must be received within 30 days following the  
24 notification of the initial disposition of the claim.

25 (2) Any petitioner or authorized representative may  
26 appear at a hearing before the Executive Committee, either

1 in person or by video or audio conference.

2 (3) Petitions may be informal or formal and shall be  
3 presented by letter or other writing. A petition shall set  
4 forth the name and address of the petitioner; the name and  
5 address of the authorized representative, if applicable; a  
6 brief statement of the facts forming the basis of the  
7 petition, which must include any new or additional  
8 evidence; and the relief sought.

9 (4) Upon scheduling of a hearing before the Executive  
10 Committee, a petitioner shall be provided with written  
11 notice of: the date, time, and place of the hearing; the  
12 subject matter of the hearing; and the relevant procedural  
13 and substantive statutory and regulatory provisions.  
14 Notice of the hearing shall also inform the petitioner  
15 that he or she will be afforded the opportunity to provide  
16 a statement of his or her position, present oral evidence,  
17 and conduct examination and cross-examination of witnesses  
18 as necessary for full and true disclosure of the facts. In  
19 the absence of the petitioner, the Executive Committee  
20 shall consider the petitioner's petition and such other  
21 matters as may be properly brought before it at the  
22 hearing.

23 (5) Prehearing conferences.

24 (A) Upon written request by the Executive  
25 Committee or a petitioner or authorized  
26 representative, a conference shall be conducted for

1 the purpose of formulating issues and considering:

2 (i) the simplification of issues;

3 (ii) the amendment of pleadings;

4 (iii) the making of admissions of facts or  
5 stipulations for the purpose of avoiding the  
6 unnecessary introduction of evidence;

7 (iv) the procedure at the hearing;

8 (v) the limitation of the number of witnesses;

9 and

10 (vi) such other matters as may aid in the  
11 simplification of the evidence and disposition of  
12 the proceeding.

13 (B) The persons attending the prehearing  
14 conference may enter into a written stipulation as to  
15 matters decided in the prehearing conference.

16 (C) No minutes shall be kept of the prehearing  
17 conference. Facts disclosed in the course of the  
18 prehearing conferences are privileged and, except by  
19 agreement, shall not be used against the petitioner or  
20 any other party attending the prehearing conference  
21 either before the Executive Committee or elsewhere  
22 unless fully substantiated by other evidence.

23 (6) Conduct of hearings.

24 (A) Hearings shall be conducted before the  
25 Executive Committee by the hearing officer and shall  
26 be of an informal nature.

1           (B) The hearing officer shall direct all parties  
2           to enter their appearances on the record. The hearing  
3           officer shall conduct a full and fair hearing, receive  
4           testimony of the claimant, admit exhibits into  
5           evidence, avoid delay, maintain order, and make a  
6           sufficient record for a full and true disclosure of  
7           the facts and issues. To accomplish these ends, the  
8           hearing officer shall make all procedural and  
9           evidentiary rulings necessary for the conduct of the  
10          hearing.

11          (C) Parties may, by written stipulation, agree  
12          upon any facts involved in the proceeding. The facts  
13          stipulated shall be considered as evidence in the  
14          proceeding.

15          (D) Irrelevant material or unduly repetitious  
16          evidence shall be excluded.

17          (7) Documentary evidence. Whenever possible, documents  
18          and exhibits shall be introduced by stipulation of the  
19          parties. Originals of documents shall be introduced into  
20          evidence with leave of the hearing officer to substitute  
21          the originals with copies. Whenever possible, the parties  
22          shall interchange copies of exhibits or other pertinent  
23          material before the hearing at which they are to be  
24          offered.

25          (8) Briefs and oral arguments. Written briefs and oral  
26          arguments shall be allowed at the request of the

1 petitioner. The time limitations upon the oral argument  
2 shall be determined by the hearing officer having regard  
3 to the magnitude and complexity of the issues involved and  
4 the other business of the Executive Committee. All  
5 testimony shall be taken under oath before an officer  
6 authorized to administer oaths by the laws of this State,  
7 of the United States, or of the place where the testimony  
8 is to be given.

9 (9) Disposition of hearing. Following the hearing and  
10 receipt of all supplemental material requested, the  
11 Executive Committee, following its next scheduled meeting,  
12 shall communicate its recommendation in writing to the  
13 petitioner and authorized representative, if applicable.  
14 The recommendation shall contain a sufficient statement of  
15 the facts, all necessary findings of fact and conclusions  
16 of law, and a suggested decision or decisions of the  
17 Board. The appropriate action shall be implemented by the  
18 Executive Committee subject to the approval of the Board.

19 (10) Continuances and extensions of time. Continuances  
20 and extensions of time shall be granted by the Executive  
21 Committee or the hearing officer when it is demonstrated  
22 that obtaining and presenting additional evidence or  
23 witnesses is necessary to render a fair and equitable  
24 decision on the hearing before the Executive Committee.

25 (11) Minutes and record of hearing.

26 (A) Minutes of every meeting of the Executive

1 Committee and a record of all hearings before the  
2 Executive Committee shall be kept by the Executive  
3 Secretary of the System at its Springfield office.

4 (B) Two records of proceedings shall be kept that  
5 shall be in the form of a nonverbatim bystander's  
6 record of the proceedings and either a stenographic  
7 transcription or a tape recording. The record shall be  
8 available to the petitioner or authorized  
9 representative prior to the Executive Committee making  
10 its recommendations.

11 (C) The Executive Secretary of the System shall be  
12 the official custodian of all papers and documents  
13 filed in proceedings before the Executive Committee.

14 (12) Disqualification; ex parte communications.

15 (A) Disqualification.

16 (i) A hearing officer or other member of the  
17 Executive Committee may be disqualified on grounds  
18 of bias or conflict of interest. A motion to  
19 disqualify a hearing officer or other member of  
20 the Executive Committee for bias or conflict of  
21 interest should be made to the hearing officer by  
22 any party to the hearing at least one week prior to  
23 the commencement of the hearing. The motion shall  
24 be heard, considered, and ruled upon by the  
25 hearing officer at or prior to the commencement of  
26 the hearing. The movant shall have the burden of

1 proof with respect to the motion to disqualify.  
2 Either an adverse ruling or the fact that a  
3 hearing officer or other member of the Executive  
4 Committee is an employee of the System or has a  
5 contract with the System, standing alone, shall  
6 not constitute bias or conflict of interest.

7 (ii) The Executive Secretary of the System may  
8 not be called as a witness unless it is  
9 demonstrated that the Executive Secretary of the  
10 System has relevant noncumulative personal  
11 knowledge of facts bearing upon the claim. The  
12 Executive Secretary of the System may not be  
13 disqualified as a member of the Executive  
14 Committee on the basis that the Executive  
15 Secretary of the System is responsible for the  
16 overall administration of the System.

17 (iii) If the Executive Committee is reduced to  
18 fewer than 2 members, the President of the Board  
19 may appoint another person to the Executive  
20 Committee.

21 (B) Ex parte communications prohibited. Except in  
22 the disposition of matters that the System is  
23 authorized by law to entertain or dispose of on an ex  
24 parte basis, the members of the Executive Committee  
25 shall not, after receiving notice of a hearing in a  
26 contested matter, communicate, directly or indirectly,

1 in connection with any issue of fact, with any party,  
2 or in connection with any other issue with any party,  
3 or the representative of any party, except upon notice  
4 and opportunity for all parties to participate.  
5 However, an employee of the System may communicate  
6 with other employees of the System and an employee of  
7 the System or member of the Executive Committee may  
8 have the aid and advice of one or more assistants. An  
9 ex parte communication received by any member of the  
10 Executive Committee shall be made a part of the record  
11 of the pending matter, including all written  
12 communications, all written responses to the  
13 communications, and a memorandum stating the substance  
14 of all oral communications and all responses made and  
15 the identity of each person from whom the ex parte  
16 communication was received. Communications regarding  
17 matters of procedure and practice, such as the format  
18 of pleadings, number of copies required, manner of  
19 service, and status of proceedings, are not considered  
20 ex parte communications.

21 (f) Rehearings and written reappeals.

22 (1) Purpose of rehearing and written reappeal. Any  
23 member of the Executive Committee may grant a rehearing or  
24 written reappeal only for the purpose of considering new  
25 or additional evidence not previously available.

26 (2) Procedures for rehearing. The procedures set forth



1 in subsection (e) shall apply to rehearings, except that a  
2 petition for a rehearing must be received within 90 days  
3 following the notification of the final decision of the  
4 Board with respect to the recommendation of the Executive  
5 Committee.

6 (3) Procedures for written reappeal. The procedures  
7 set forth in subsection (d) shall apply to written  
8 reappeals, except that a petition for a written reappeal  
9 must be received within 90 days following the notification  
10 of the final decision of the Board with respect to the  
11 recommendation of the Executive Committee.

12 (g) Decisions of the Board.

13 (1) Decisions of the Board are final administrative  
14 decisions subject to the provisions of the Administrative  
15 Review Law.

16 (2) The decision of the Board shall be communicated in  
17 writing to the petitioner and authorized representative,  
18 if applicable.

19 (h) Request for retirement annuity or refund of  
20 contributions. A request for a retirement annuity or a refund  
21 of contributions shall be granted when legal action is pending  
22 on a disputed disability claim. If the member receives a  
23 favorable decision on the legal action against the System and  
24 requests additional disability benefits with regard to the  
25 disputed claim for a period beyond the effective date the  
26 retirement annuity or refund of contributions, the member must

1 repay all retirement benefits or refund of contributions  
2 within 30 days after notification by the System of the amount  
3 due.

4 Section 99. Effective date. This Act takes effect upon  
5 becoming law.