

SB4000



102ND GENERAL ASSEMBLY

State of Illinois

2021 and 2022

SB4000

Introduced 1/21/2022, by Sen. Mattie Hunter

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 a service retirement pension shall not be cancelled in the case of a service retirement pensioner who is re-employed as an administrator on a temporary and non-annual basis or on an hourly basis, so long as the person does not work as an administrator for compensation on more than 120 days in a school year. Provides that such re-employment does not require contributions, result in service credit, or constitute active membership in the Fund. Effective immediately.

LRB102 23374 RPS 32542 b

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
5 changing 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
9 pension from the Fund is re-employed as a teacher by an
10 Employer, the pension shall be cancelled on the date the
11 re-employment begins, or on the first day of a payroll period
12 for which 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
22 hourly 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
13 at 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
22 school year in excess of (i) \$30,000 or (ii) in the case of a
23 person who retires with at least 5 years of service as a
24 principal, an amount that is equal to the daily rate normally
25 paid to retired principals multiplied by 100. These
26 limitations apply only to school years that begin on or after

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

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

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

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

4 The service retirement pension shall not be cancelled in
5 the case of a service retirement pensioner who is re-employed
6 as an administrator on a temporary and non-annual basis or on
7 an hourly basis, so long as the person does not work as an
8 administrator for compensation on more than 120 days in a
9 school year. Such re-employment does not require
10 contributions, result in service credit, or constitute active
11 membership in the Fund.

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

19 An Employer must certify to the Fund the temporary and
20 non-annual or hourly status and the compensation of each
21 pensioner re-employed under this subsection at least
22 quarterly, and when the pensioner is approaching the earnings
23 limitation under this subsection.

24 If the pensioner works more than 100 days or accepts
25 excess gross compensation for such re-employment in any school
26 year that begins on or after August 8, 2012 (the effective date

1 of Public Act 97-912), the service retirement pension shall
2 thereupon be cancelled.

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

9 If the pensioner works more than 120 days or accepts
10 excess gross compensation for such re-employment in any school
11 year that begins on or after July 1, 2019, the service
12 retirement pension shall thereupon be cancelled.

13 The Board of the Fund shall adopt rules for the
14 implementation and administration of this subsection.

15 (d) Notwithstanding Sections 1-103.1 and 17-157, the
16 changes to this Section made by Public Act 90-32 apply without
17 regard to whether termination of service occurred before the
18 effective date of that Act and apply retroactively to August
19 23, 1989.

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

24 Notwithstanding Sections 1-103.1 and 17-157, the changes
25 to this Section made by this amendatory Act of the 97th General
26 Assembly apply without regard to whether termination of

1 service occurred before the effective date of this amendatory
2 Act.

3 (Source: P.A. 101-340, eff. 8-9-19.)

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