



103RD GENERAL ASSEMBLY

State of Illinois

2023 and 2024

HB4580

Introduced 1/31/2024, by Rep. Ryan Spain

SYNOPSIS AS INTRODUCED:

5 ILCS 375/6.20 new
40 ILCS 5/16-118
40 ILCS 5/16-150.1

from Ch. 108 1/2, par. 16-118

Amends the State Employees Group Insurance Act of 1971. Provides that the eligibility of an annuitant or TRS benefit recipient to participate in the program of health benefits established under specified provisions of the Act shall not be suspended for any period during which he or she accepts employment from a school board or other employer in accordance with a provision of the Downstate Teacher Article of the Illinois Pension Code that allows annuitants to accept employment as a teacher without impairing retirement status if certain conditions are met, including a limit on the number of paid days the annuitant may work, or a provision for annuitants returning to teach in a subject shortage area. Provides that an annuitant or TRS benefit recipient shall not be deemed an active teacher based solely on the annuitant's or TRS benefit recipient's employment exceeding the limit on the number of paid days an annuitant may work without impairing retirement status. Amends the Downstate Teacher Article of the Illinois Pension Code to make conforming changes.

LRB103 37220 RPS 67339 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 State Employees Group Insurance Act of 1971
5 is amended by adding Section 6.20 as follows:

6 (5 ILCS 375/6.20 new)

7 Sec. 6.20. Retired teacher returning to service.

8 Notwithstanding any other provision of this Act, the
9 eligibility of an annuitant or TRS benefit recipient to
10 participate in the program of health benefits established
11 under Section 6 or 6.5 of this Act shall not be suspended for
12 any period during which he or she accepts employment from a
13 school board or other employer in accordance with Section
14 16-118 or Section 16-150.1 of the Illinois Pension Code. An
15 annuitant or TRS benefit recipient shall not be deemed an
16 active teacher based solely on the annuitant's or TRS benefit
17 recipient's employment exceeding the limits under paragraph
18 (2) of subsection (a) of Section 16-118 of the Illinois
19 Pension Code or participation in the program under Section
20 16-150.1 of the Illinois Pension Code.

21 Section 10. The Illinois Pension Code is amended by
22 changing Sections 16-118 and 16-150.1 as follows:

1 (40 ILCS 5/16-118) (from Ch. 108 1/2, par. 16-118)
2 Sec. 16-118. Retirement. "Retirement": Entry upon a
3 retirement annuity or receipt of a single-sum retirement
4 benefit granted under this Article after termination of active
5 service as a teacher.

6 (a) An annuitant receiving a retirement annuity other than
7 a disability retirement annuity may accept employment as a
8 teacher from a school board or other employer specified in
9 Section 16-106 without impairing retirement status, if that
10 employment:

11 (1) is not within the school year during which service
12 was terminated; and

13 (2) does not exceed the following:

14 (i) before July 1, 2001, 100 paid days or 500 paid
15 hours in any school year;

16 (ii) during the period beginning July 1, 2001
17 through June 30, 2011, 120 paid days or 600 paid hours
18 in each school year;

19 (iii) during the period beginning July 1, 2011
20 through June 30, 2018, 100 paid days or 500 paid hours
21 in each school year;

22 (iv) beginning July 1, 2018 through June 30, 2026,
23 120 paid days or 600 paid hours in each school year,
24 but not more than 100 paid days in the same classroom;

25 (v) (blank); and

1 (vi) beginning July 1, 2026, 100 paid days or 500
2 paid hours in each school year.

3 Where such permitted employment is partly on a daily and
4 partly on an hourly basis, a day shall be considered as 5
5 hours.

6 An annuitant whose employment exceeds the amount specified
7 in paragraph (2) shall not be deemed an active teacher for
8 purposes of eligibility for group health benefits and may
9 continue to participate in the program of health benefits
10 established under Section 6 or 6.5 of the State Employees
11 Group Insurance Act of 1971.

12 (b) Subsection (a) does not apply to an annuitant who
13 returns to teaching under the program established in Section
14 16-150.1, for the duration of his or her participation in that
15 program.

16 (Source: P.A. 102-537, eff. 8-20-21; 102-709, eff. 4-22-22;
17 103-88, eff. 6-9-23; 103-525, eff. 8-11-23.)

18 (40 ILCS 5/16-150.1)

19 Sec. 16-150.1. Return to teaching in subject shortage
20 area.

21 (a) As used in this Section, "eligible employment" means
22 employment beginning on or after July 1, 2003 and ending no
23 later than June 30, 2024, in a subject shortage area at a
24 qualified school, in a position requiring certification under
25 the law governing the certification of teachers.

1 As used in this Section, "qualified school" means a public
2 elementary or secondary school that meets all of the following
3 requirements:

4 (1) At the time of hiring a retired teacher under this
5 Section, the school is experiencing a shortage of teachers
6 in the subject shortage area for which the teacher is
7 hired.

8 (2) The school district to which the school belongs
9 has complied with the requirements of subsection (e), and
10 the regional superintendent has certified that compliance
11 to the System.

12 (3) If the school district to which the school belongs
13 provides group health benefits for its teachers generally,
14 substantially similar health benefits are made available
15 for teachers participating in the program under this
16 Section, without any limitations based on pre-existing
17 conditions.

18 (b) An annuitant receiving a retirement annuity under this
19 Article (other than a disability retirement annuity) may
20 engage in eligible employment at a qualified school without
21 impairing his or her retirement status or retirement annuity,
22 subject to the following conditions:

23 (1) the eligible employment does not begin within the
24 school year during which service was terminated;

25 (2) the annuitant has not received any early
26 retirement incentive under Section 16-133.3, 16-133.4, or

1 16-133.5;

2 (3) if the annuitant retired before age 60 and with
3 less than 34 years of service, the eligible employment
4 does not begin within the year following the effective
5 date of the retirement annuity;

6 (4) if the annuitant retired at age 60 or above or with
7 34 or more years of service, the eligible employment does
8 not begin within the 90 days following the effective date
9 of the retirement annuity; and

10 (5) before the eligible employment begins, the
11 employer notifies the System in writing of the annuitant's
12 desire to participate in the program established under
13 this Section.

14 (c) An annuitant engaged in eligible employment in
15 accordance with subsection (b) shall be deemed a participant
16 in the program established under this Section for so long as he
17 or she remains employed in eligible employment.

18 (d) A participant in the program established under this
19 Section continues to be a retirement annuitant, rather than an
20 active teacher, for all of the purposes of this Code, but shall
21 be deemed an active teacher for other purposes, such as
22 inclusion in a collective bargaining unit, ~~eligibility for~~
23 ~~group health benefits,~~ and compliance with the laws governing
24 the employment, regulation, certification, treatment, and
25 conduct of teachers. A participant in the program established
26 under this Section may continue to participate in the program

1 of health benefits established under Section 6 or 6.5 of the
2 State Employees Group Insurance Act of 1971.

3 With respect to an annuitant's eligible employment under
4 this Section, neither employee nor employer contributions
5 shall be made to the System and no additional service credit
6 shall be earned. Eligible employment does not affect the
7 annuitant's final average salary or the amount of the
8 retirement annuity.

9 (e) Before hiring a teacher under this Section, the school
10 district to which the school belongs must do the following:

11 (1) If the school district to which the school belongs
12 has honorably dismissed, within the calendar year
13 preceding the beginning of the school term for which it
14 seeks to employ a retired teacher under the program
15 established in this Section, any teachers who are legally
16 qualified to hold positions in the subject shortage area
17 and have not yet begun to receive their retirement
18 annuities under this Article, the vacant positions must
19 first be tendered to those teachers.

20 (2) For a period of at least 90 days during the 6
21 months preceding the beginning of either the fall or
22 spring term for which it seeks to employ a retired teacher
23 under the program established in this Section, the school
24 district must, on an ongoing basis, (i) advertise its
25 vacancies in the subject shortage area in employment
26 bulletins published by college and university placement

1 offices located near the school; (ii) search for teachers
2 legally qualified to fill those vacancies through the
3 Illinois Education Job Bank; and (iii) post all vacancies
4 on the school district's website and list the vacancy in
5 an online job portal or database.

6 A school district replacing a teacher who is unable to
7 continue employment with the school district because of
8 documented illness, injury, or disability that occurred after
9 being hired by a school district under this Section shall be
10 exempt from the provisions of paragraph (2) for 90 school
11 days. However, the school district must on an ongoing basis
12 comply with items (i), (ii), and (iii) of paragraph (2).

13 The school district must submit documentation of its
14 compliance with this subsection to the regional
15 superintendent. Upon receiving satisfactory documentation from
16 the school district, the regional superintendent shall certify
17 the district's compliance with this subsection to the System.

18 (f) This Section applies without regard to whether the
19 annuitant was in service on or after the effective date of this
20 amendatory Act of the 93rd General Assembly.

21 (Source: P.A. 101-49, eff. 7-12-19; 102-440, eff. 8-20-21.)