

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 Article 1.

5 Section 1-5. The Illinois Pension Code is amended by  
6 changing Section 11-196 and by adding Section 12-162.5 as  
7 follows:

8 (40 ILCS 5/11-196) (from Ch. 108 1/2, par. 11-196)

9 Sec. 11-196. To subpoena witnesses and compel the  
10 production of records. To issue subpoenas to compel the  
11 attendance of witnesses to testify before it and to compel the  
12 production of documents and records upon any matter concerning  
13 the Fund, including, but not limited to, in conjunction with:  
14 ~~fund and allow witness fees not in excess of \$6 per day.~~

15 (1) a disability claim;

16 (2) an administrative review proceeding;

17 (3) an attempt to obtain information to assist in the  
18 collection of sums due to the Fund;

19 (4) obtaining any and all personal identifying  
20 information necessary for the administration of benefits;

21 (5) the determination of the death of a benefit  
22 recipient or a potential benefit recipient; or

1           (6) a felony forfeiture investigation.

2           The fees of witnesses for attendance and travel shall be  
3 the same as the fees of witnesses before the circuit courts of  
4 this State and shall be paid by the party seeking the subpoena.  
5 The Board may apply to any circuit court in the State for an  
6 order requiring compliance with a subpoena issued under this  
7 Section. Subpoenas issued under this Section shall be subject  
8 to applicable provisions of the Code of Civil Procedure. The  
9 president or other members of the board may administer oaths  
10 to witnesses.

11        (Source: Laws 1963, p. 161.)

12           (40 ILCS 5/12-162.5 new)

13           Sec. 12-162.5. To subpoena witnesses and compel the  
14 production of records. To issue subpoenas to compel the  
15 attendance of witnesses to testify before it and to compel the  
16 production of documents and records upon any matter concerning  
17 the Fund, including, but not limited to, in conjunction with:

18           (1) a disability claim;

19           (2) an administrative review proceeding;

20           (3) an attempt to obtain information to assist in the  
21 collection of sums due to the Fund;

22           (4) obtaining any and all personal identifying  
23 information necessary for the administration of benefits;

24           (5) the determination of the death of a benefit  
25 recipient or a potential benefit recipient; or



1 Revenue Code of 1986, as amended. Such eligible employers  
2 shall adopt the plan with an effective date no later than  
3 September 1, 2021. Participating employees may voluntarily  
4 elect to make elective deferrals to the eligible deferred  
5 compensation plan. Eligible employers may make optional  
6 employer contributions to the plan on behalf of participating  
7 employees, which contributions may be maintained, increased,  
8 reduced, or eliminated at the discretion of the employer from  
9 plan year to plan year. The plan shall collect voluntary  
10 employee and optional employer contributions into an account  
11 for each participant and shall offer investment options to the  
12 participant. The plan under this Section shall be operated in  
13 full compliance with any applicable State and federal laws,  
14 and the System shall utilize generally accepted practices in  
15 creating and maintaining the plan for the best interest of the  
16 participants. In administering the deferred compensation plan,  
17 the System shall require that the deferred compensation plan  
18 recordkeeper agree that, in performing services with respect  
19 to the deferred compensation plan, the recordkeeper: (i) will  
20 not use information received as a result of providing services  
21 with respect to the deferred compensation plan or the  
22 participants in the deferred compensation plan to solicit the  
23 participants in the deferred compensation plan for the purpose  
24 of cross-selling nonplan products and services, unless in  
25 response to a request by a participant in the deferred  
26 compensation plan; and (ii) will not promote, recommend,

1 endorse, or solicit participants in the deferred compensation  
2 plan to purchase any financial products or services outside of  
3 the deferred compensation plan, except that links to parts of  
4 the recordkeeper's website that are generally available to the  
5 public, are about commercial products, and may be encountered  
6 by a participant in the regular course of navigating the  
7 recordkeeper's website will not constitute a violation of this  
8 item (ii). The System may use funds from the employee and  
9 employer contributions to defray any and all costs of creating  
10 and maintaining the plan. The System shall produce an annual  
11 report on the participation in the plan and shall make the  
12 report public.

13 (b) The System shall automatically enroll in the eligible  
14 deferred compensation plan any employee of an eligible  
15 employer who first becomes a participating employee of the  
16 System on or after July 1, 2023 under an eligible automatic  
17 contribution arrangement that is subject to Section 414(w) of  
18 the Internal Revenue Code of 1986, as amended, and the United  
19 States Department of Treasury regulations promulgated  
20 thereunder. An employee who is automatically enrolled under  
21 this subsection (b) shall have 3% of his or her compensation,  
22 as defined by the plan, for each pay period deferred on a  
23 pre-tax basis into his or her account, subject to any  
24 contribution limits applicable to the plan. The Board may  
25 increase the default percentage of compensation deferred under  
26 this subsection (b).

1           An employee shall have 30 days from the date on which the  
2 System provides the notice required under Section 414(w) of  
3 the Internal Revenue Code of 1986, as amended, to elect to not  
4 participate in the eligible deferred compensation plan or to  
5 elect to increase or reduce the initial amount of elective  
6 deferrals made to the plan. In the absence of such affirmative  
7 election, the employee shall be automatically enrolled in the  
8 plan on the first day of the calendar month, or as soon as  
9 administratively practicable thereafter, following the 30th  
10 day from the date on which the System provides the required  
11 notice. An employee who has been automatically enrolled in the  
12 plan under this subsection (b) may elect, within 90 days of  
13 enrollment, to withdraw from the plan and receive a refund of  
14 amounts deferred, adjusted by applicable earnings and fees. An  
15 employee making such an election shall forfeit all employer  
16 matching contributions, if any, made with respect to such  
17 refunded elective deferrals and such forfeited amounts shall  
18 be used to defray plan expenses. Any refunded elective  
19 deferrals shall be included in the employee's gross income for  
20 the taxable year in which the refund is issued.

21           (c) The System may provide for one or more automatic  
22 contribution arrangements, which shall comply with all  
23 applicable Internal Revenue Service rules and regulations, in  
24 conjunction with or in lieu of the eligible automatic  
25 contribution arrangement under subsection (b), for  
26 participating employees of eligible employers whose annual

1 earnings are limited by application of subsection (b) of  
2 Section 15-111 of this Code. The amount of elective deferrals  
3 made for the employee each pay period under an automatic  
4 contribution arrangement shall equal the default percentage  
5 specified by resolution of the Board multiplied by the  
6 employee's compensation as defined by the plan, subject to any  
7 contribution limits applicable to the plan, and shall be made  
8 on a pre-tax basis. An employee subject to this subsection (c)  
9 shall have 30 days from the date on which the System provides  
10 written notice to the employee to elect to not participate in  
11 the eligible deferred compensation plan or to elect to  
12 increase or reduce the amount of initial elective deferrals  
13 made to the plan. In the absence of such affirmative election,  
14 the employee shall be automatically enrolled in the plan  
15 beginning the first day of the calendar month, or as soon as  
16 administratively practicable thereafter, following the 30th  
17 day from the date on which the System provides the required  
18 notice.

19 (d) The System may provide that the default percentage for  
20 any employee automatically enrolled in the eligible deferred  
21 compensation plan under subsection (b) or (c) be increased by  
22 a specified percentage each plan year after the plan year in  
23 which the employee is automatically enrolled in the plan. The  
24 amount of automatic annual increases in any plan year shall  
25 not exceed 1% of compensation as defined by the plan.

26 (e) The changes made to this Section by this amendatory

1 Act of the 102nd General Assembly are corrections of existing  
2 law and are intended to be retroactive to the effective date of  
3 Public Act 100-769, notwithstanding Section 1-103.1 of this  
4 Code.

5 (Source: P.A. 102-540, eff. 8-20-21.)

6 (40 ILCS 5/16-204)

7 Sec. 16-204. Optional defined contribution benefit. As  
8 soon as practicable after the effective date of this  
9 amendatory Act of the 100th General Assembly, the System shall  
10 offer a defined contribution benefit to active members of the  
11 System. The defined contribution benefit shall be an optional  
12 benefit to any member who chooses to participate. The defined  
13 contribution benefit shall collect optional employee and  
14 optional employer contributions into an account and shall  
15 offer investment options to the participant. The benefit under  
16 this Section shall be operated in full compliance with any  
17 applicable State and federal laws, and the System shall  
18 utilize generally accepted practices in creating and  
19 maintaining the benefit for the best interest of the  
20 participants. In administering the defined contribution  
21 benefit, the System shall require that the defined  
22 contribution benefit recordkeeper agree that, in performing  
23 services with respect to the defined contribution benefit, the  
24 recordkeeper: (i) will not use information received as a  
25 result of providing services with respect to the defined



1 contribution benefit or the participants in the defined  
2 contribution benefit to solicit the participants in the  
3 defined contribution benefit for the purpose of cross-selling  
4 nonplan products and services, unless in response to a request  
5 by a participant in the defined contribution benefit; and (ii)  
6 will not promote, recommend, endorse, or solicit participants  
7 in the defined contribution benefit to purchase any financial  
8 products or services outside of the defined contribution  
9 benefit, except that links to parts of the recordkeeper's  
10 website that are generally available to the public, are about  
11 commercial products, and may be encountered by a participant  
12 in the regular course of navigating the recordkeeper's website  
13 will not constitute a violation of this item (ii). The System  
14 may use funds from the employee and employer contributions to  
15 defray any and all costs of creating and maintaining the  
16 benefit. In addition, the System may use funds provided under  
17 Section 16-158 of this Code to defray any and all costs of  
18 creating and maintaining the benefit and then shall reimburse  
19 those costs from funds received from the employee and employer  
20 contributions under this Section. All employers must comply  
21 with the reporting and administrative functions established by  
22 the System and are required to implement the benefits  
23 established under this Section. The System shall produce an  
24 annual report on the participation in the benefit and shall  
25 make the report public.

26 As soon as is practicable on or after January 1, 2022, the

1 System shall automatically enroll any employee who first  
2 becomes an active member or participant in the System. A  
3 member automatically enrolled under this Section shall have 3%  
4 of his or her pre-tax gross compensation for each compensation  
5 period deferred into his or her deferred compensation account,  
6 unless the member otherwise instructs the System on forms  
7 approved by the System. A member may elect, in a manner  
8 provided for by the System, to not participate in the defined  
9 contribution benefit or to increase or reduce the amount of  
10 pre-tax gross compensation contributed, consistent with State  
11 or federal law. A member shall be automatically enrolled in  
12 the benefit beginning the first day of the pay period  
13 following the member's 30th day of employment. A member who  
14 has been automatically enrolled in the benefit may elect,  
15 within 90 days of enrollment, to withdraw from the benefit and  
16 receive a refund of amounts deferred, plus or minus any  
17 applicable earnings, investment fees, and administrative fees.  
18 Any refunded amount shall be included in the member's gross  
19 income for the taxable year in which the refund is issued.

20 On or after January 1, 2023, the System may elect to  
21 increase the automatic annual contributions under this  
22 Section. The increase in the rate of contribution, however,  
23 shall not exceed 2% of a member's pre-tax gross compensation  
24 per year, and at no time shall any total contribution exceed  
25 any contribution limits established by State or federal law.

26 (Source: P.A. 102-540, eff. 8-20-21.)

1 (40 ILCS 5/24-104) (from Ch. 108 1/2, par. 24-104)

2 Sec. 24-104. State Employees Deferred Compensation Plan.

3 In this Section, "Plan" means the State Employees Deferred  
4 Compensation Plan.

5 The Illinois State Board of Investment created under  
6 Article 22A of this Act shall develop and establish a deferred  
7 compensation plan for employees of the State which shall be  
8 known as the State Employees Deferred Compensation Plan. The  
9 Plan shall provide for the Board to review proposed investment  
10 offerings and shall require that only investments determined  
11 to be acceptable by the Board may be used for investing  
12 compensation deferred.

13 The Plan shall include appropriate provisions pertaining  
14 to its day to day operation providing for methods of electing  
15 to defer income, methods of changing the amount of income to be  
16 deferred, methods of selecting from among investment options  
17 available under the plan and such other provisions as may be  
18 appropriate.

19 In administering the Plan, the Board shall require that  
20 the Plan recordkeeper agree that, in performing services with  
21 respect to the Plan, the recordkeeper: (i) will not use  
22 information received as a result of providing services with  
23 respect to the Plan or the Plan's participants to solicit the  
24 Plan's participants for the purpose of cross-selling non-Plan  
25 products and services, unless in response to a request by a

1 Plan participant; and (ii) will not promote, recommend,  
2 endorse, or solicit Plan participants to purchase any  
3 financial products or services outside of the Plan, except  
4 that links to parts of the recordkeeper's website that are  
5 generally available to the public, are about commercial  
6 products, and may be encountered by a Plan participant in the  
7 regular course of navigating the recordkeeper's website will  
8 not constitute a violation of this item (ii).

9 The Plan shall provide for the preparation, and  
10 distribution from time to time to all eligible State  
11 employees, of pamphlets describing the Plan and outlining the  
12 options and opportunities available to State employees under  
13 the Plan.

14 The Plan established under this Section shall not be  
15 implemented or amended until the Board is satisfied that  
16 compensation deferred under the Plan is not subject to income  
17 tax for the year in which it is earned and that the taxation of  
18 such compensation will be deferred until the time of its  
19 distribution to the employee.

20 The Board shall also review and oversee the administration  
21 of the Plan.

22 (Source: P.A. 81-671.)

23 (40 ILCS 5/24-107) (from Ch. 108 1/2, par. 24-107)

24 Sec. 24-107. Local government plans.

25 (a) Any unit of local government or school district may

1 establish for its employees a deferred compensation plan  
2 ~~program~~. Participation shall be by written agreement between  
3 each employee and the legislative authority of the unit of  
4 local government or school district providing for the deferral  
5 of such compensation and the subsequent investment and  
6 administration of such funds.

7 (b) Any unit of local government may establish an  
8 employer-funded money purchase retirement plan for those of  
9 its full time employees who are not eligible to participate in  
10 any pension fund or retirement system established under  
11 Articles 2 through 18 of this Code. Contributions to the plan  
12 shall be made by the unit of local government only from general  
13 purpose funds not derived from real property taxes imposed by  
14 the unit, at a rate to be determined from time to time by the  
15 unit of local government. However, the rate of employer  
16 contribution shall be (i) the same for all employees  
17 participating in the plan, and (ii) not more than 10% of the  
18 employee's salary.

19 Any benefits accruing to the participants in a retirement  
20 plan established under this subsection shall be protected from  
21 impairment in accordance with Article XIII, Section 5 of the  
22 Illinois Constitution. However, the unit of local government  
23 establishing such a plan may terminate it at any time, unless  
24 it has otherwise contractually agreed with its participating  
25 employees.

26 (c) The agency or department designated by the unit of

1 local government or school district to establish and  
2 administer a plan or program authorized under subsection (a)  
3 or (b) of this Section may invest the assets of the plan in  
4 investments deemed appropriate by the agency or department,  
5 including but not limited to life insurance or annuity  
6 contracts, and share or share certificate accounts of State or  
7 federal credit unions, the accounts of which are insured as  
8 required by the Illinois Credit Union Act or the Federal  
9 Credit Union Act, whichever is applicable. The payment of  
10 employer contributions to a retirement plan established under  
11 subsection (b), and investment and payment to a participant of  
12 deferred compensation and income or gain thereon, if any,  
13 shall not be construed to be prohibited uses of the general  
14 assets of the unit of local government or school district.

15 This Section does not limit the power or authority of any  
16 unit of local government, school district or any institution  
17 supported in whole or in part by public funds to establish and  
18 administer any other deferred compensation plans that may be  
19 authorized by law and deemed appropriate by the officials of  
20 such subdivisions or institutions.

21 (d) In administering the deferred compensation plans  
22 authorized under this Section, the governing board or  
23 administrators of the sponsoring unit of local government or  
24 school district shall require that the deferred compensation  
25 plan recordkeeper agree that, in performing services with  
26 respect to the deferred compensation plan, the recordkeeper:

1 (i) will not use information received as a result of providing  
2 services with respect to the deferred compensation plan or the  
3 deferred compensation plan's participants to solicit the  
4 participants in the deferred compensation plan for the purpose  
5 of cross-selling nonplan products and services, unless in  
6 response to a request by a participant in the deferred  
7 compensation plan; and (ii) will not promote, recommend,  
8 endorse, or solicit participants in the deferred compensation  
9 plan to purchase any financial products or services outside of  
10 the deferred compensation plan, except that links to parts of  
11 the recordkeeper's website that are generally available to the  
12 public, are about commercial products, and may be encountered  
13 by a Plan participant in the regular course of navigating the  
14 recordkeeper's website will not constitute a violation of this  
15 item (ii).

16 (Source: P.A. 87-794.)

17 Section 2-10. The University Employees Custodial Accounts  
18 Act is amended by changing Section 2 as follows:

19 (110 ILCS 95/2) (from Ch. 144, par. 1702)

20 Sec. 2. The governing board of any public institution of  
21 higher education has the power to establish a defined  
22 contribution plan to make payments to custodial accounts for  
23 investment in regulated investment company stock to provide  
24 retirement benefits as described in Section 403(b)(7) of the

1 Internal Revenue Code for eligible employees of such  
2 institutions. Such payments shall be made with funds made  
3 available by deductions from or reductions in salary or wages  
4 of eligible employees who authorize in writing deductions or  
5 reductions for such purpose. Such stock shall be purchased  
6 only from persons authorized to sell such stock in this State.

7 In administering the defined contribution plan, the  
8 governing board of any public institution of higher education  
9 shall require that the defined contribution plan recordkeeper  
10 agree that, in performing services with respect to the defined  
11 contribution plan, the recordkeeper: (i) will not use  
12 information received as a result of providing services with  
13 respect to the defined contribution plan or the participants  
14 in the defined contribution plan to solicit the participants  
15 in the defined contribution plan for the purpose of  
16 cross-selling nonplan products and services, unless in  
17 response to a request by a participant in the defined  
18 contribution plan; and (ii) will not promote, recommend,  
19 endorse, or solicit participants in the defined contribution  
20 plan to purchase any financial products or services outside of  
21 the defined contribution plan, except that links to parts of  
22 the recordkeeper's website that are generally available to the  
23 public, are about commercial products, and may be encountered  
24 by a participant in the regular course of navigating the  
25 recordkeeper's website will not constitute a violation of this  
26 item (ii). However, a public institution of higher education



1 may allow promotion of limited services if the public  
2 institution of higher education receives no compensation from  
3 the recordkeeper for promoting or providing such services.  
4 Such limited services may include educational, counseling,  
5 debt reduction, student loan repayment or forgiveness, or  
6 other services intended to enhance retirement savings  
7 opportunities. Such limited services may not include credit  
8 cards, life insurance, or banking products.

9 (Source: P.A. 83-261.)

10 Article 3.

11 Section 3-5. The Illinois Pension Code is amended by  
12 changing Section 1-167 as follows:

13 (40 ILCS 5/1-167)

14 Sec. 1-167. Prohibited disclosures. No pension fund or  
15 retirement system subject to this Code shall disclose the  
16 following information of any members or participants of any  
17 pension fund or retirement system: (1) the individual's home  
18 address (including ZIP code and county); (2) the individual's  
19 date of birth; (3) the individual's home and personal phone  
20 number; (4) the individual's personal email address; (5)  
21 personally identifying member or participant deduction  
22 information; or (6) any membership status in a labor  
23 organization or other voluntary association affiliated with a

1 labor organization or labor federation (including whether  
2 participants are members of such organization, the identity of  
3 such organization, whether or not participants pay or  
4 authorize the payment of any dues or moneys to such  
5 organization, and the amounts of such dues or moneys).

6 This Section does not apply to disclosures (i) required  
7 under the Freedom of Information Act, (ii) for purposes of  
8 conducting public operations or business, or (iii) to a labor  
9 organization or other voluntary association affiliated with a  
10 labor organization or labor federation or to the Municipal  
11 Employees Society of Chicago.

12 (Source: P.A. 101-620, eff. 12-20-19.)

13 Article 4.

14 Section 4-5. The Illinois Pension Code is amended by  
15 changing Section 24-105.2 as follows:

16 (40 ILCS 5/24-105.2)

17 Sec. 24-105.2. Automatic enrollment for certain employees.  
18 The Department of Central Management Services shall  
19 automatically enroll in the State Employees Deferred  
20 Compensation Plan any employee who, on or after July 1, 2020,  
21 becomes an active member or participant of a retirement system  
22 created under Article 2, 14, or 18. Any agency with employees  
23 subject to automatic enrollment must systematically provide

1 the employee data necessary for enrollment to the Department  
2 of Central Management Services or its designee. An employee  
3 automatically enrolled under this Section shall have 3% of his  
4 or her pre-tax gross compensation for each compensation period  
5 deferred into his or her deferred compensation account. The  
6 Board may increase the default percentage amount of  
7 compensation deferred into employee accounts.

8 An employee hired on or after January 1, 2024 shall be  
9 automatically enrolled in the Plan beginning the first day of  
10 the pay period following the close of the notice period,  
11 unless the employee elects otherwise within the notice period.  
12 During the notice period, an employee may elect to not  
13 participate in the Plan or to increase or reduce the amount of  
14 pre-tax gross compensation deferred. For the purposes of this  
15 Section, "notice period" means a reasonable period of time  
16 after the employee is provided with an automatic enrollment  
17 notice as required under Section 414(w) of the Internal  
18 Revenue Code of 1986, as amended. An employee who has been  
19 automatically enrolled in the Plan may elect, within 90 days  
20 after enrollment, to withdraw from the Plan and receive a  
21 refund of amounts deferred, plus or minus any applicable  
22 earnings, investment fees, and administrative fees. An  
23 employee making such an election shall forfeit all employer  
24 matching contributions, if any, made prior to the election.  
25 Any refunded amount shall be included in the employee's gross  
26 income for the taxable year in which the refund is issued.



1 Section 5-5. The Illinois Pension Code is amended by  
2 changing Sections 22C-115, 22C-116, 22C-119, and 22C-123 as  
3 follows:

4 (40 ILCS 5/22C-115)

5 Sec. 22C-115. Board of Trustees of the Fund.

6 (a) No later than February 1, 2020 (one month after the  
7 effective date of Public Act 101-610) or as soon thereafter as  
8 may be practicable, the Governor shall appoint, by and with  
9 the advice and consent of the Senate, a transition board of  
10 trustees consisting of 9 members as follows:

11 (1) three members representing municipalities and fire  
12 protection districts who are mayors, presidents, chief  
13 executive officers, chief financial officers, or other  
14 officers, executives, or department heads of  
15 municipalities or fire protection districts and appointed  
16 from among candidates recommended by the Illinois  
17 Municipal League;

18 (2) three members representing participants who are  
19 participants and appointed from among candidates  
20 recommended by the statewide labor organization  
21 representing firefighters employed by at least 85  
22 municipalities that is affiliated with the Illinois State  
23 Federation of Labor;

24 (3) one member representing beneficiaries who is a

1 beneficiary and appointed from among the candidate or  
2 candidates recommended by the statewide labor organization  
3 representing firefighters employed by at least 85  
4 municipalities that is affiliated with the Illinois State  
5 Federation of Labor;

6 (4) one member recommended by the Illinois Municipal  
7 League; and

8 (5) one member who is a participant recommended by the  
9 statewide labor organization representing firefighters  
10 employed by at least 85 municipalities and that is  
11 affiliated with the Illinois State Federation of Labor.

12 The transition board members shall serve until the initial  
13 permanent board members are elected and qualified.

14 The transition board of trustees shall select the  
15 chairperson of the transition board of trustees from among the  
16 trustees for the duration of the transition board's tenure.

17 (b) The permanent board of trustees shall consist of 9  
18 members comprised as follows:

19 (1) Three members who are mayors, presidents, chief  
20 executive officers, chief financial officers, or other  
21 officers, executives, or department heads of  
22 municipalities or fire protection districts that have  
23 participating pension funds and are elected by the mayors  
24 and presidents of municipalities or fire protection  
25 districts that have participating pension funds.

26 (2) Three members who are participants of

1 participating pension funds and elected by the  
2 participants of participating pension funds.

3 (3) One member who is a beneficiary of a participating  
4 pension fund and is elected by the beneficiaries of  
5 participating pension funds.

6 (4) One member recommended by the Illinois Municipal  
7 League who shall be appointed by the Governor with the  
8 advice and consent of the Senate.

9 (5) One member recommended by the statewide labor  
10 organization representing firefighters employed by at  
11 least 85 municipalities and that is affiliated with the  
12 Illinois State Federation of Labor who shall be appointed  
13 by the Governor with the advice and consent of the Senate.

14 The permanent board of trustees shall select the  
15 chairperson of the permanent board of trustees from among the  
16 trustees for a term of 2 years. The holder of the office of  
17 chairperson shall alternate between a person elected or  
18 appointed under item (1) or (4) of this subsection (b) and a  
19 person elected or appointed under item (2), (3), or (5) of this  
20 subsection (b).

21 (c) Each trustee shall qualify by taking an oath of office  
22 before the Secretary of State or the Board's appointed legal  
23 counsel stating that he or she will diligently and honestly  
24 administer the affairs of the board and will not violate or  
25 knowingly permit the violation of any provision of this  
26 Article.

1 (d) Trustees shall receive no salary for service on the  
2 board but shall be reimbursed for travel expenses incurred  
3 while on business for the board ~~according to the standards in~~  
4 ~~effect for members of the Commission on Government Forecasting~~  
5 ~~and Accountability.~~

6 A municipality or fire protection district employing a  
7 firefighter who is an elected or appointed trustee of the  
8 board must allow reasonable time off with compensation for the  
9 firefighter to conduct official business related to his or her  
10 position on the board, including time for travel. The board  
11 shall notify the municipality or fire protection district in  
12 advance of the dates, times, and locations of this official  
13 business. The Fund shall timely reimburse the municipality or  
14 fire protection district for the reasonable costs incurred  
15 that are due to the firefighter's absence.

16 (e) No trustee shall have any interest in any brokerage  
17 fee, commission, or other profit or gain arising out of any  
18 investment directed by the board. This subsection does not  
19 preclude ownership by any member of any minority interest in  
20 any common stock or any corporate obligation in which an  
21 investment is directed by the board.

22 (f) Notwithstanding any provision or interpretation of law  
23 to the contrary, any member of the transition board may also be  
24 elected or appointed as a member of the permanent board.

25 Notwithstanding any provision or interpretation of law to  
26 the contrary, any trustee of a fund established under Article



1 4 of this Code may also be appointed as a member of the  
2 transition board or elected or appointed as a member of the  
3 permanent board.

4 The restriction in Section 3.1 of the Lobbyist  
5 Registration Act shall not apply to a member of the transition  
6 board appointed pursuant to items (4) or (5) of subsection (a)  
7 or to a member of the permanent board appointed pursuant to  
8 items (4) or (5) of subsection (b).

9 (Source: P.A. 101-610, eff. 1-1-20; 102-558, eff. 8-20-21.)

10 (40 ILCS 5/22C-116)

11 Sec. 22C-116. Conduct and administration of elections;  
12 terms of office.

13 (a) For the election of the permanent trustees, the  
14 transition board shall administer the initial elections and  
15 the permanent board shall administer all subsequent elections.  
16 Each board shall develop and implement such procedures as it  
17 determines to be appropriate for the conduct of such  
18 elections. For the purposes of obtaining information necessary  
19 to conduct elections under this Section, participating pension  
20 funds shall cooperate with the Fund.

21 (b) All nominations for election shall be by petition.  
22 Each petition for a trustee shall be executed as follows:

23 (1) for trustees to be elected by the mayors and  
24 presidents of municipalities or fire protection districts  
25 that have participating pension funds, by at least 20 such

1 mayors and presidents; except that this item (1) shall  
2 apply only with respect to participating pension funds;

3 (2) for trustees to be elected by participants, by at  
4 least 400 participants; and

5 (3) for trustees to be elected by beneficiaries, by at  
6 least 100 beneficiaries.

7 (c) A separate ballot shall be used for each class of  
8 trustee. The board shall prepare and send ballots and ballot  
9 envelopes to ~~the participants and beneficiaries~~ eligible  
10 voters ~~to vote~~ in accordance with rules adopted by the board.  
11 The ballots shall contain the names of all candidates in  
12 alphabetical order. ~~The ballot envelope shall have on the~~  
13 ~~outside a form of certificate stating that the person voting~~  
14 ~~the ballot is a participant or beneficiary entitled to vote.~~

15 Eligible voters ~~Participants and beneficiaries~~, upon  
16 receipt of the ballot, shall vote the ballot and place it in  
17 the ballot envelope, seal the envelope, ~~execute the~~  
18 ~~certificate thereon~~, and return the ballot to the Fund.

19 The board shall set a final date for ballot return, and  
20 ballots received prior to that date in a ballot envelope ~~with a~~  
21 ~~properly executed certificate and properly voted~~ shall be  
22 valid ballots.

23 The board shall set a day for counting the ballots and name  
24 judges and clerks of election to conduct the count of ballots  
25 and shall make any rules necessary for the conduct of the  
26 count.

1           The candidate or candidates receiving the highest number  
2 of votes for each class of trustee shall be elected. In the  
3 case of a tie vote, the winner shall be determined in  
4 accordance with procedures developed by the Department of  
5 Insurance.

6           In lieu of conducting elections via mail balloting as  
7 described in this Section, the board may instead adopt rules  
8 to provide for elections to be carried out solely via Internet  
9 balloting or phone balloting. Nothing in this Section  
10 prohibits the Fund from contracting with a third party to  
11 administer the election in accordance with this Section.

12           (d) At any election, voting shall be as follows:

13           (1) Each person authorized to vote for an elected  
14 trustee may cast one vote for each related position for  
15 which such person is entitled to vote and may cast such  
16 vote for any candidate or candidates on the ballot for  
17 such trustee position.

18           (2) If only one candidate for each position is  
19 properly nominated in petitions received, that candidate  
20 shall be deemed the winner and no election under this  
21 Section shall be required.

22           (3) The results shall be entered in the minutes of the  
23 first meeting of the board following the tally of votes.

24           (e) The initial election for permanent trustees shall be  
25 held and the permanent board shall be seated no later than 12  
26 months after the effective date of this amendatory Act of the

1 101st General Assembly. Each subsequent election shall be held  
2 no later than 30 days prior to the end of the term of the  
3 incumbent trustees.

4 (f) The elected trustees shall each serve for terms of 4  
5 years commencing on the first business day of the first month  
6 after election; except that the terms of office of the  
7 initially elected trustees shall be as follows:

8 (1) One trustee elected pursuant to item (1) of  
9 subsection (b) of Section 22C-115 shall serve for a term  
10 of 2 years and 2 trustees elected pursuant to item (1) of  
11 subsection (b) of Section 22C-115 shall serve for a term  
12 of 4 years;

13 (2) One trustee elected pursuant to item (2) of  
14 subsection (b) of Section 22C-115 shall serve for a term  
15 of 2 years and 2 trustees elected pursuant to item (2) of  
16 subsection (b) of Section 22C-115 shall serve for a term  
17 of 4 years; and

18 (3) The trustee elected pursuant to item (3) of  
19 subsection (b) of Section 22C-115 shall serve for a term  
20 of 2 years.

21 (g) The trustees appointed pursuant to items (4) and (5)  
22 of subsection (b) of Section 22C-115 shall each serve for a  
23 term of 4 years commencing on the first business day of the  
24 first month after the election of the elected trustees.

25 (h) A member of the board who was elected pursuant to item  
26 (1) of subsection (b) of Section 22C-115 who ceases to serve as

1 a mayor, president, chief executive officer, chief financial  
2 officer, or other officer, executive, or department head of a  
3 municipality or fire protection district that has a  
4 participating pension fund shall not be eligible to serve as a  
5 member of the board and his or her position shall be deemed  
6 vacant. A member of the board who was elected by the  
7 participants of participating pension funds who ceases to be a  
8 participant may serve the remainder of his or her elected  
9 term.

10 ~~For a vacancy of an elected trustee occurring with an~~  
11 ~~unexpired term of 6 months or more, an election shall be~~  
12 ~~conducted for the vacancy in accordance with Section 22C-115~~  
13 ~~and this Section.~~

14 For a vacancy of an elected trustee ~~occurring with an~~  
15 ~~unexpired term of less than 6 months~~, the vacancy shall be  
16 filled by appointment by the board ~~for the unexpired term~~ as  
17 follows: a vacancy of a member elected pursuant to item (1) of  
18 subsection (b) of Section 22C-115 shall be filled by a mayor,  
19 president, chief executive officer, chief financial officer,  
20 or other officer, executive, or department head of a  
21 municipality or fire protection district that has a  
22 participating pension fund; a vacancy of a member elected  
23 pursuant to item (2) of subsection (b) of Section 22C-115  
24 shall be filled by a participant of a participating pension  
25 fund; and a vacancy of a member elected under item (3) of  
26 subsection (b) of Section 22C-115 shall be filled by a

1 beneficiary of a participating pension fund. A trustee  
2 appointed to fill the vacancy of an elected trustee shall  
3 serve until a successor is elected. Special elections to fill  
4 the remainder of an unexpired term vacated by an elected  
5 trustee shall be held concurrently with and in the same manner  
6 as the next regular election for an elected trustee position.

7 Vacancies among the appointed trustees shall be filled for  
8 unexpired terms by appointment in like manner as for the  
9 original appointments.

10 (Source: P.A. 101-610, eff. 1-1-20.)

11 (40 ILCS 5/22C-119)

12 Sec. 22C-119. Adoption of rules. The board shall adopt  
13 such rules (not inconsistent with this Code) as in its  
14 judgment are desirable to implement and properly administer  
15 this Article. Such rules shall specifically provide for the  
16 following: (1) the implementation of the transition process  
17 described in Section 22C-120; (2) the process by which the  
18 participating pension funds may request transfer of funds; (3)  
19 the process for the transfer in, receipt for, and investment  
20 of pension assets received by the Fund after the transition  
21 period from the participating pension funds; (4) the process  
22 by which contributions from municipalities and fire protection  
23 districts for the benefit of the participating pension funds  
24 may, but are not required to, be directly transferred to the  
25 Fund; and (5) compensation and benefits for its employees. A

1 copy of the rules adopted by the Fund shall be posted on the  
2 Fund's website ~~filed with the Secretary of State and the~~  
3 ~~Department of Insurance~~. The adoption and effectiveness of  
4 such rules shall not be subject to Article 5 of the Illinois  
5 Administrative Procedure Act.

6 (Source: P.A. 101-610, eff. 1-1-20.)

7 (40 ILCS 5/22C-123)

8 Sec. 22C-123. Custodian. The pension fund assets  
9 transferred to or otherwise acquired by the Fund shall be  
10 placed in the custody of a custodian who shall provide  
11 adequate safe deposit facilities for those assets and hold all  
12 such securities, funds, and other assets subject to the order  
13 of the Fund.

14 Each custodian shall furnish a corporate surety bond of  
15 such amount as the board designates, which bond shall  
16 indemnify the Fund, the board, and the officers and employees  
17 of the Fund against any loss that may result from any action or  
18 failure to act by the custodian or any of the custodian's  
19 agents, or provide insurance coverages of such type and limits  
20 as the board designates. All charges incidental to the  
21 procuring and giving of any bond shall be paid by the board and  
22 each bond shall be in the custody of the board.

23 (Source: P.A. 101-610, eff. 1-1-20.)

24 Article 6.

1           Section 6-5. The Illinois Pension Code is amended by  
2 changing Section 8-165 as follows:

3           (40 ILCS 5/8-165) (from Ch. 108 1/2, par. 8-165)

4           Sec. 8-165. Re-entry into service.

5           (a) Except as provided in subsection (c) or (d), when an  
6 employee receiving age and service or prior service annuity  
7 who has withdrawn from service after the effective date  
8 re-enters service before age 65, any annuity previously  
9 granted and any annuity fixed for his wife shall be cancelled.  
10 The employee shall be credited for annuity purposes with sums  
11 sufficient to provide annuities equal to those cancelled, as  
12 of their ages on the date of re-entry; provided, the maximum  
13 age of the wife for this purpose shall be as provided in  
14 Section 8-155 of this Article.

15           The sums so credited shall provide for annuities to be  
16 fixed and granted in the future. Contributions by the  
17 employees and the city for the purposes of this Article shall  
18 be made, and when the proper time arrives, as provided in this  
19 Article, new annuities based upon the total credit for annuity  
20 purposes and the entire term of his service shall be fixed for  
21 the employee and his wife.

22           If the employee's wife died before he re-entered service,  
23 no part of any credits for widow's or widow's prior service  
24 annuity at the time annuity for his wife was fixed shall be



1 credited upon re-entry into service, and no such sums shall  
2 thereafter be used to provide such annuity.

3 (b) Except as provided in subsection (c) or (d), when an  
4 employee re-enters service after age 65, payments on account  
5 of any annuity previously granted shall be suspended during  
6 the time thereafter that he is in service, and when he again  
7 withdraws, annuity payments shall be resumed. If the employee  
8 dies in service, his widow shall receive the amount of annuity  
9 previously fixed for her.

10 (c) For school years beginning on or after July 1, 2021, an  
11 age and service or prior service annuity shall not be  
12 cancelled in the case of an employee who is re-employed by the  
13 Board of Education of the city as a Special Education  
14 Classroom Assistant or Classroom Assistant on a temporary and  
15 non-annual basis or on an hourly basis so long as the person:  
16 (1) does not work for compensation on more than 120 days in a  
17 school year; or (2) does not accept gross compensation for the  
18 re-employment in a school year in excess of \$30,000. These  
19 limitations apply only to school years that begin on or after  
20 July 1, 2021. Re-employment under this subsection does not  
21 require contributions, result in service credit being earned  
22 or granted, or constitute active participation in the Fund.

23 (d) For school years beginning on or after July 1, 2023, an  
24 age and service or prior service annuity shall not be  
25 cancelled in the case of an employee who is re-employed by the  
26 Board of Education of the city as a paraprofessional or

1 related service provider on a temporary and non-annual basis  
2 or on an hourly basis so long as the person: (1) does not work  
3 for compensation on more than 120 days in a school year; or (2)  
4 does not accept gross compensation for the re-employment in a  
5 school year in excess of \$30,000. These limitations apply only  
6 to school years that begin on or after July 1, 2023.  
7 Re-employment under this subsection does not require  
8 contributions, result in service credit being earned or  
9 granted, or constitute active participation in the Fund.

10 (Source: P.A. 102-342, eff. 8-13-21.)

11 Article 7.

12 Section 7-5. The School Code is amended by changing  
13 Section 24-6.3 as follows:

14 (105 ILCS 5/24-6.3) (from Ch. 122, par. 24-6.3)

15 Sec. 24-6.3. Retirement trustee leave.

16 (a) Each school board employing a teacher who is an  
17 elected trustee of the Teachers' Retirement System of the  
18 State of Illinois shall make available to the elected trustee  
19 at least 20 days of paid leave of absence per year for the  
20 purpose of attending meetings of the System's Board of  
21 Trustees, committee meetings of such Board, and seminars  
22 regarding issues for which such Board is responsible. The  
23 Teachers' Retirement System of the State of Illinois shall

1 reimburse affected school districts for the actual cost of  
2 hiring a substitute teacher during such leaves of absence.

3 (b) Each school board employing an employee who is an  
4 elected trustee of the Illinois Municipal Retirement Fund  
5 shall make available to the elected trustee at least 20 days of  
6 paid leave of absence per year for the purpose of attending  
7 meetings of the Fund's Board of Trustees, committee meetings  
8 of the Board of Trustees, and seminars regarding issues for  
9 which the Board of Trustees is responsible. The Illinois  
10 Municipal Retirement Fund may reimburse affected school  
11 districts for the actual cost of hiring a substitute employee  
12 during such leaves of absence.

13 (c) The school board established under Article 34 and  
14 employers under Article 17 of the Illinois Pension Code shall  
15 make available to each active teacher who is an elected  
16 trustee of the Board of Trustees of the Public School  
17 Teachers' Pension and Retirement Fund of Chicago established  
18 under Article 17 of the Illinois Pension Code up to 22 days of  
19 paid leave of absence per year for the purpose of attending  
20 meetings of the Board of Trustees, committee meetings of the  
21 Board of Trustees, and seminars regarding issues for which the  
22 Board of Trustees is responsible. The allocation of the days  
23 of paid leave shall be at the discretion of the Board of  
24 Trustees of the Public School Teachers' Pension and Retirement  
25 Fund of Chicago.

26 (Source: P.A. 96-357, eff. 8-13-09.)

1 Article 8.

2 Section 8-5. The Illinois Pension Code is amended by  
3 changing Section 16-155 as follows:

4 (40 ILCS 5/16-155) (from Ch. 108 1/2, par. 16-155)

5 Sec. 16-155. Report to system and payment of deductions.

6 (a) The employer ~~governing body of each school district~~  
7 shall submit to the System all required reports and ~~make two~~  
8 ~~deposits each month. The deposit for member contributions for~~  
9 salary paid during any ~~between the first and the fifteenth of~~  
10 ~~the month is due~~ by the 10th ~~25th~~ of the following month.  
11 Additionally, all ~~The deposit of member contributions for~~  
12 ~~salary paid between the sixteenth and last day of the month is~~  
13 ~~due by the 10th of the following month. All~~ required  
14 contributions for salary earned during a school term are due  
15 by July 10 ~~next~~ following the close of such school term.

16 The governing body of each State institution coming under  
17 this retirement system, the State Comptroller or other State  
18 officer certifying payroll vouchers including payments of  
19 salary or wages to teachers, and any other employer of  
20 teachers, shall, monthly, forward to the secretary of the  
21 retirement system the member contributions required under this  
22 Article.

23 Each employer specified above shall, prior to August 15 of

1 each year, forward to the System a detailed statement,  
2 verified in all cases of school districts by the secretary or  
3 clerk of the district, of the amounts so contributed since the  
4 period covered by the last previous annual statement, together  
5 with required contributions not yet forwarded, such payments  
6 being payable to the System.

7 The board may prescribe rules governing the form, content,  
8 investigation, control, and supervision of such statements and  
9 may establish additional interim employer reporting  
10 requirements as the Board deems necessary. If no teacher in a  
11 school district comes under the provisions of this Article,  
12 the governing body of the district shall so state under the  
13 oath of its secretary to this system, and shall at the same  
14 time forward a copy of the statement to the regional  
15 superintendent of schools.

16 The board may also require reporting requirements that are  
17 different than those prescribed in this Section and may  
18 require different reporting requirements for different  
19 benefits or purposes established under this Article,  
20 including, but not limited to, any optional benefit plan an  
21 employee chooses to participate in.

22 (b) If ~~the governing body of~~ an employer that is not a  
23 State agency fails to forward such required contributions  
24 within the time permitted in subsection (a) above, the System  
25 shall notify the employer of an ~~additional~~ amount due, equal  
26 to \$50 per day for each day that elapses from the due date

1 until the day such report and ~~employee~~ contributions are  
2 received by the System.

3 (c) If the system, on August 15, is not in receipt of the  
4 detailed statements required under this Section of any school  
5 district or other employing unit, such school district or  
6 other employing unit shall pay to the system an amount equal to  
7 \$250 for each day that elapses from August 15, until the day  
8 such statement is filed with the system.

9 (Source: P.A. 101-502, eff. 8-23-19.)

10 Article 9.

11 Section 9-5. The Illinois Pension Code is amended by  
12 changing Sections 9-108.3 and 9-161 as follows:

13 (40 ILCS 5/9-108.3)

14 Sec. 9-108.3. In service. "In service": Any period during  
15 which contributions are being made to the Fund on behalf of an  
16 employee except for temporary election work as described in  
17 subsection (c) of Section 9-161.

18 (Source: P.A. 99-578, eff. 7-15-16.)

19 (40 ILCS 5/9-161) (from Ch. 108 1/2, par. 9-161)

20 Sec. 9-161. Re-entry into service. (a) When an employee  
21 who has withdrawn from service after the effective date  
22 re-enters service before age 65, any annuity previously

1 granted and any annuity fixed for his wife shall be cancelled.  
2 The employee shall be credited for annuity purposes with the  
3 actuarial value of annuities equal to those cancelled as of  
4 their ages on the date of re-entry; provided, the maximum age  
5 of the wife for this purpose shall be as provided in Section  
6 9-151 of this Article. The sums so credited shall provide for  
7 annuities to be fixed and granted in the future. Contributions  
8 by the employee and the county for the purposes of this Article  
9 shall be made and when the proper time arrives, as provided in  
10 this Article, new annuities based upon the total sums  
11 accumulated to his credit for annuity purposes and the entire  
12 term of his service shall be fixed for the employee and his  
13 wife.

14 If the employee's wife has died before he re-entered  
15 service, no part of any credits for widow's or widow's prior  
16 service annuity at the time annuity for his wife was fixed  
17 shall be credited upon re-entry into service, and no such sums  
18 shall thereafter be used to provide such annuity.

19 (b) When an employee re-enters service after age 65,  
20 payments on account of any annuity previously granted shall be  
21 suspended during the time thereafter that he is in service,  
22 and when he again withdraws annuity payments shall be resumed.  
23 If the employee dies in service, his widow shall receive the  
24 annuity previously fixed for her.

25 (c) If an employee annuitant re-enters service as an  
26 election worker and provides services for a scheduled federal,

1 State, or local election for a period of 60 days or less during  
2 a calendar year, that employee annuitant's annuity shall not  
3 be suspended and such employee annuitant shall not be  
4 considered to be in service within the meaning of Section  
5 9-108.3 and is not entitled to benefits for employees in  
6 service. If an employee annuitant re-enters service for a  
7 period longer than 60 days during a calendar year, the annuity  
8 shall be suspended or cancelled retroactive to the initial  
9 date of re-entry.

10 (Source: P.A. 81-1536.)

11 Article 10.

12 Section 10-5. The Illinois Pension Code is amended by  
13 changing Section 17-133 as follows:

14 (40 ILCS 5/17-133) (from Ch. 108 1/2, par. 17-133)

15 Sec. 17-133. Contributions for periods of outside and  
16 other service. Regularly certified and appointed teachers who  
17 desire to have the following described services credited for  
18 pension purposes shall submit to the Board evidence thereof  
19 and pay into the Fund the amounts prescribed herein:

20 1. For teaching service by a certified teacher in the  
21 public schools of the several states or in schools  
22 operated by or under the auspices of the United States, a  
23 teacher shall pay the contributions at the rates in force



1 (a) on the date of appointment as a regularly certified  
2 teacher after salary adjustments are completed, or (b) at  
3 the time of reappointment after salary adjustments are  
4 completed, whichever is later, but not less than \$450 per  
5 year of service. Upon the Board's approval of such service  
6 and the payment of the required contributions, service  
7 credit of not more than 10 years shall be granted.

8 2. For service as a playground instructor in public  
9 school playgrounds, teachers shall pay the contributions  
10 prescribed in this Article (a) at the time of appointment,  
11 as a regularly certified teacher after salary adjustments  
12 are completed, or (b) on return to service as a full time  
13 regularly certified teacher, as the case may be, provided  
14 such rates or amounts shall not be less than \$450 per year.

15 3. For service prior to September 1, 1955, in the  
16 public schools of the City as a substitute, evening school  
17 or temporary teacher, or for service as an Americanization  
18 teacher prior to December 31, 1955, teachers shall pay the  
19 contributions prescribed in this Article (a) at the time  
20 of appointment, as a regularly certified teacher after  
21 salary adjustments are completed, (b) on return to service  
22 as a full time regularly certified teacher, as the case  
23 may be, provided such rates or amounts shall not be less  
24 than \$450 per year; and provided further that for teachers  
25 employed on or after September 1, 1953, rates shall not  
26 include contributions for widows' pensions if the service

1 described in this sub-paragraph 3 was rendered before that  
2 date. Any teacher entitled to repay a refund of  
3 contributions under Section 17-126 may validate service  
4 described in this paragraph by payment of the amounts  
5 prescribed herein, together with the repayment of the  
6 refund, provided that if such creditable service was the  
7 last service rendered in the public schools of the City  
8 and is not automatically reinstated by repayment of the  
9 refund, the rates or amounts shall not be less than \$450  
10 per year.

11 4. For service after June 30, 1982 as a member of the  
12 Board of Education, if required to resign from an  
13 administrative or teaching position in order to qualify as  
14 a member of the Board of Education.

15 5. For service during the 1986-87 school year as a  
16 teacher on a special leave of absence with full loss of  
17 salary, teaching for an agency under contract to the Board  
18 of Education, if the teacher returned to employment in  
19 September, 1987. For service under this item 5, the  
20 teacher must pay the contributions at the rates in force  
21 at the completion of the leave period.

22 6. For up to 2 years of service as a teacher or  
23 administrator employed by a private school registered with  
24 or recognized by the Illinois State Board of Education,  
25 provided that the teacher (i) was certified under the law  
26 governing the certification of teachers at the time the

1 service was rendered, (ii) applies in writing no later  
2 than 2 years after the effective date of this amendatory  
3 Act of the 102nd General Assembly, (iii) supplies  
4 satisfactory evidence of the employment, (iv) completes at  
5 least 10 years of contributing service as a teacher as  
6 defined in Section 17-106, (v) pays the contribution  
7 required in this Section, and (vi) does not receive credit  
8 for that service under any other provision of this Code.  
9 The member may apply for credit under this subsection and  
10 pay the required contribution before completing the 10  
11 years of contributing service required under item (iv),  
12 but the credit may not be used until the item (iv)  
13 contributing service requirement has been met.

14 For each year of service credit to be established  
15 under this subparagraph 6, a member is required to  
16 contribute to the System (i) the employee and employer  
17 contribution that would have been required had such  
18 service been rendered as a member based on the annual  
19 salary rate during the first year of full-time employment  
20 as a teacher under this Article following the private  
21 school service, plus (ii) interest thereon at the  
22 actuarially assumed rate from the date of first full-time  
23 employment as a teacher under this Article following the  
24 private school service to the date of payment, compounded  
25 annually, ~~at a rate determined by the Board.~~

26 For service described in sub-paragraphs 1, 2 and 3 of this

1 Section, interest shall be charged beginning one year after  
2 the effective date of appointment or reappointment.

3 Effective September 1, 1974, the interest rate to be  
4 charged by the Fund on contributions provided in  
5 sub-paragraphs 1, 2, 3 and 4 shall be 5% per annum compounded  
6 annually.

7 (Source: P.A. 102-822, eff. 5-13-22.)

8 Article 99.

9 Section 99-90. The State Mandates Act is amended by adding  
10 Section 8.47 as follows:

11 (30 ILCS 805/8.47 new)

12 Sec. 8.47. Exempt mandate. Notwithstanding Sections 6 and  
13 8 of this Act, no reimbursement by the State is required for  
14 the implementation of any mandate created by this amendatory  
15 Act of the 103rd General Assembly.

16 Section 99-99. Effective date. This Act takes effect upon  
17 becoming law.