



103RD GENERAL ASSEMBLY

State of Illinois

2023 and 2024

SB2366

Introduced 2/10/2023, by Sen. Robert F. Martwick

SYNOPSIS AS INTRODUCED:

40 ILCS 5/17-149

from Ch. 108 1/2, par. 17-149

30 ILCS 805/8.47 new

Amends the Chicago Teacher Article of the Illinois Pension Code. Provides that a service retirement pensioner employed under a provision concerning subject shortage areas shall have deducted from the service retirement pensioner's salary an amount equal to 9% of that salary, which shall be contributed to the Fund as a sustainability contribution. Provides that the service retirement pensioner shall not earn service credit during that re-employment, and the service retirement pension benefit shall not be recalculated. Amends the State Mandates Act to require implementation without reimbursement. Effective immediately.

LRB103 28813 RPS 55198 b

STATE MANDATES
ACT MAY REQUIRE
REIMBURSEMENT

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 ~~subsections~~ (c-5) ~~or (c-10)~~, (c-6),
20 ~~and~~ (c-7), or (c-10), the pension shall not be cancelled in the
21 case of a service retirement pensioner who is re-employed on a
22 temporary and non-annual basis or on an 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 and before July 1, 2022, the service retirement pension shall
17 not be cancelled in the case of a service retirement pensioner
18 who is re-employed as a teacher on a temporary and non-annual
19 basis or on an hourly basis, so long as the person (1) does not
20 work as a teacher for compensation on more than 120 days in a
21 school year or (2) does not accept gross compensation for the
22 re-employment in a school year in excess of (i) \$30,000 or (ii)
23 in the case of a person who retires with at least 5 years of
24 service as a principal, an amount that is equal to the daily
25 rate normally paid to retired principals multiplied by 100.
26 These limitations apply only to school years that begin on or

1 after July 1, 2019 and before July 1, 2022. Such re-employment
2 does not require contributions, result in service credit, or
3 constitute active 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 To be eligible for such re-employment without cancellation
5 of pension, the pensioner must notify the Fund and the Board of
6 Education of his or her intention to accept re-employment
7 under this subsection (c-5) before beginning that
8 re-employment (or if the re-employment began before August 8,
9 2012 (the effective date of Public Act 97-912) ~~this amendatory~~
10 ~~Act~~, then within 30 days after that effective date).

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

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

21 If the pensioner who only teaches drivers education
22 courses after regular school hours works more than 900 hours
23 or accepts excess gross compensation for such re-employment in
24 any school year that begins on or after August 12, 2016 (the
25 effective date of Public Act 99-786) ~~this amendatory Act of~~
26 ~~the 99th General Assembly~~, the service retirement pension

1 shall thereupon be cancelled.

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

6 The Board of the Fund shall adopt rules for the
7 implementation and administration of this subsection.

8 (c-6) For school years beginning on or after July 1, 2022
9 and before July 1, 2024, the service retirement pension shall
10 not be cancelled in the case of a service retirement pensioner
11 who is re-employed as a teacher or an administrator on a
12 temporary and non-annual basis or on an hourly basis ~~bases~~, so
13 long as the person does not work as a teacher or an
14 administrator for compensation on more than 140 days in a
15 school year. Such re-employment does not require
16 contributions, result in service credit, or constitute active
17 membership in the Fund.

18 (c-7) For school years beginning on or after July 1, 2024,
19 the service retirement pension shall not be cancelled in the
20 case of a service retirement pensioner who is re-employed as a
21 teacher or an administrator on a temporary and non-annual
22 basis or on an hourly basis, so long as the person does not
23 work as a teacher or an administrator for compensation on more
24 than 120 days in a school year. Such re-employment does not
25 require contributions, result in service credit, or constitute
26 active membership in the Fund.

1 (c-10) Until June 30, 2024, the service retirement pension
2 of a service retirement pensioner shall not be cancelled if
3 the service retirement pensioner is employed in a subject
4 shortage area and the Employer that is employing the service
5 retirement pensioner meets the following requirements:

6 (1) If the Employer has honorably dismissed, within
7 the calendar year preceding the beginning of the school
8 term for which it seeks to employ a service retirement
9 pensioner under this subsection, any teachers who are
10 legally qualified to hold positions in the subject
11 shortage area and have not yet begun to receive their
12 service retirement pensions under this Article, the vacant
13 positions must first be tendered to those teachers.

14 (2) For a period of at least 90 days during the 6
15 months preceding the beginning of either the fall or
16 spring term for which it seeks to employ a service
17 retirement pensioner under this subsection, the Employer
18 must, on an ongoing basis, (i) advertise its vacancies in
19 the subject shortage area in employment bulletins
20 published by college and university placement offices
21 located near the school; (ii) search for teachers legally
22 qualified to fill those vacancies through the Illinois
23 Education Job Bank; and (iii) post all vacancies on the
24 Employer's website and list the vacancy in an online job
25 portal or database.

26 (3) A service retirement pensioner employed under this

1 subsection shall have deducted from the service retirement
2 pensioner's salary an amount equal to 9% of that salary,
3 which shall be contributed to the Fund as a sustainability
4 contribution. The service retirement pensioner shall not
5 earn service credit during that re-employment, and the
6 service retirement pension benefit shall not be
7 recalculated.

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

15 The Employer must submit documentation of its compliance
16 with this subsection to the regional superintendent. Upon
17 receiving satisfactory documentation from the Employer, the
18 regional superintendent shall certify the Employer's
19 compliance with this subsection to the Fund.

20 (d) Notwithstanding Sections 1-103.1 and 17-157, the
21 changes to this Section made by Public Act 90-32 apply without
22 regard to whether termination of service occurred before the
23 effective date of that Act and apply retroactively to August
24 23, 1989.

25 Notwithstanding Sections 1-103.1 and 17-157, the changes
26 to this Section and Section 17-106 made by Public Act 92-599

1 apply without regard to whether termination of service
2 occurred before June 28, 2002 (the effective date of Public
3 Act 92-599) ~~that Act.~~

4 Notwithstanding Sections 1-103.1 and 17-157, the changes
5 to this Section made by Public Act 97-912 ~~this amendatory Act~~
6 ~~of the 97th General Assembly~~ apply without regard to whether
7 termination of service occurred before August 8, 2012 (the
8 effective date of Public Act 97-912) ~~this amendatory Act.~~

9 (Source: P.A. 101-340, eff. 8-9-19; 102-1013, eff. 5-27-22;
10 102-1090, eff. 6-10-22; revised 7-27-22.)

11 Section 90. The State Mandates Act is amended by adding
12 Section 8.47 as follows:

13 (30 ILCS 805/8.47 new)

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

18 Section 99. Effective date. This Act takes effect upon
19 becoming law.