

1 AN ACT in relation to 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 Sections 13-401, 13-402, and 13-403 as follows:

6 (40 ILCS 5/13-401) (from Ch. 108 1/2, par. 13-401)

7 Sec. 13-401. Term of service.

8 (a) In computing the term of service, the following  
9 periods of time shall be counted as periods of service for  
10 annuity purposes only:

11 (1) the time during which the employee performs  
12 services required by the Employer.

13 (2) approved vacations or leaves of absence with  
14 whole or part pay.

15 (3) any period for which the employee receives a  
16 disability benefit payable under this Article.

17 (4) leaves of absence for military service as  
18 provided in Section 13-403(a), and military service as  
19 provided in Section 13-403(b).

20 (b) In computing the term of service for the ordinary  
21 disability benefit, the following periods of time shall be  
22 counted as periods of service:

23 (1) the time during which the employee performs  
24 services required by the Employer.

25 (2) approved vacations or leaves of absence with  
26 whole or part pay.

27 (3) any period for which the employee receives a  
28 duty disability benefit under this Article.

29 (c) Any employee who first enters service before the  
30 effective date of this amendatory Act of 1997 may, during any  
31 period of approved leave of absence without pay, continue to

1 make contributions for the retirement and surviving spouse's  
2 annuities for a total period not to exceed one year during  
3 the employee's entire aggregate service with the Employer.  
4 Upon making these contributions, the employee shall receive  
5 credit in terms of length of service for the retirement and  
6 surviving spouse's annuities. Concurrent Employer's  
7 contributions shall be provided by the District.

8 (d) An employee may establish credit for periods of  
9 approved leave of absence without pay, not to exceed a total  
10 of one year during the employee's aggregate service with the  
11 employer. To establish this credit, the employee must either  
12 continue to remain on approved leave of absence, return to  
13 service with the employer, or in the case of an employee who  
14 first enters service on or after the effective date of this  
15 amendatory Act of 1997, return to service with the employer  
16 for at least one calendar year. The employee must pay to the  
17 Fund the corresponding employee contributions, plus interest  
18 at the annual rate from time to time determined by the Board,  
19 compounded annually from the date of service to the date of  
20 payment. The corresponding employer contributions shall be  
21 provided by the District. Upon making the required  
22 contributions, the employee shall receive credit in terms of  
23 length of service for the retirement and surviving spouse's  
24 annuity in proportion to the number of pay periods or portion  
25 thereof for which contributions were made relative to 26 pay  
26 periods.

27 (e) Overtime or extra service shall not be included in  
28 computing any service. Not more than one year of service  
29 credit shall be allowed for service rendered during any  
30 calendar year.

31 (Source: P.A. 90-12, eff. 6-13-97.)

32 (40 ILCS 5/13-402) (from Ch. 108 1/2, par. 13-402)

33 Sec. 13-402. Length of service. For the purpose of

1 computing the length of service for the retirement annuity,  
 2 surviving spouse's annuity, and child's annuity, and  
 3 calculating the minimum service requirement for payment of  
 4 military service under subsection (b) of Section 13-403,  
 5 service of 120 days in any one calendar year shall constitute  
 6 one year of service and service for any fractional part  
 7 thereof shall constitute an equal fractional part of one year  
 8 of service unless specifically provided otherwise. For all  
 9 other purposes under this Article, including but not limited  
 10 to the optional plans of additional benefits and  
 11 contributions provided under Sections 13-304 and 13-314 of  
 12 this Article, 26 pay periods of service during any 12  
 13 consecutive months shall constitute a year of service, and  
 14 service rendered for 50% or more of a single pay period shall  
 15 constitute service for the full pay period. Service of less  
 16 than 50% of a single pay period shall not be counted.

17 (Source: P.A. 90-12, eff. 6-13-97.)

18 (40 ILCS 5/13-403) (from Ch. 108 1/2, par. 13-403)

19 Sec. 13-403. Military service.

20 (a) Any employee who, after commencement of service with  
 21 the Employer, enlisted, was inducted or was otherwise ordered  
 22 to serve in the military forces of the United States pursuant  
 23 to any law, shall receive full service credit for the various  
 24 purposes of this Article as though the employee were in the  
 25 active service of the Employer during the period of military  
 26 service provided that:

27 (1) beginning July 1, 1963, such service credit  
 28 shall be granted only for military service for which the  
 29 employee is inducted or called into military service  
 30 pursuant to a call of a duly constituted authority or a  
 31 law of the United States declaring a national emergency;

32 (2) the employee returns to the employ of the  
 33 Employer within 90 days after the termination of the

1 national emergency; and

2 (3) the total service credit for such military  
3 service shall not exceed 5 years except that any employee  
4 who on July 1, 1963 had accrued more than 5 years of such  
5 credit shall be entitled to the total amount thereof.

6 (b) For a ten-year period following the effective date  
7 of this amendatory Act of the 93rd General Assembly, a  
8 contributing employee or commissioner meeting the minimum  
9 service requirements provided under this subsection may  
10 establish additional service credit for a period of up to 2  
11 years of active military service in the United States Armed  
12 Forces for which he or she does not qualify for credit under  
13 subsection (a), provided that (1) the person was not  
14 dishonorably discharged from the military service, and (2)  
15 the amount of service credit established by the person under  
16 this subsection (b), when added to the amount of any military  
17 service credit granted to the person under subsection (a),  
18 shall not exceed 5 years.

19 The minimum service requirement for a contributing  
20 employee is 10 years of service credit as provided in  
21 Sections 13-401 and 13-402 of this Article and exclusive of  
22 Article 20. The minimum service requirement for a  
23 contributing commissioner is 5 years of service credit as  
24 provided in Sections 13-401 and 13-402 of this Article and  
25 exclusive of Article 20.

26 In order to establish military service credit under this  
27 subsection (b), the applicant must submit a written  
28 application to the Fund, including the applicant's discharge  
29 papers from military service, and pay to the Fund (i)  
30 employee contributions at the rates provided in this Article,  
31 based upon the person's salary on the last date as a  
32 participating employee prior to the military service or on  
33 the first date as a participating employee after the military  
34 service, whichever is greater, plus (ii) the current amount

1 determined by the board to be equal to the employer's normal  
 2 cost of the benefits accrued for such military service, plus  
 3 (iii) regular interest of 3% compounded annually on items (i)  
 4 and (ii) from the date of entry or re-entry as a  
 5 participating employee following the military service to the  
 6 date of payment. Contributions must be paid in full before  
 7 the credit is granted. Credit established under this  
 8 subsection may be used for pension purposes only.

9 Notwithstanding any other provision of this Section, a  
 10 person may not establish creditable service under this  
 11 Section for any period for which the person receives credit  
 12 under any other public employee retirement system, unless the  
 13 credit under that other retirement system has been  
 14 irrevocably relinquished.

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

16 Section 90. The State Mandates Act is amended by adding  
 17 Section 8.27 as follows:

18 (30 ILCS 805/8.27 new)

19 Sec. 8.27. Exempt mandate. Notwithstanding Sections 6  
 20 and 8 of this Act, no reimbursement by the State is required  
 21 for the implementation of any mandate created by this  
 22 amendatory Act of the 93rd General Assembly.

23 Section 99. Effective date. This Act takes effect upon  
 24 becoming law.