

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 17-133 and 17-134 as follows:

6 (40 ILCS 5/17-133) (from Ch. 108 1/2, par. 17-133)
7 Sec. 17-133. Contributions for periods of outside and
8 other service.

9 Regularly certified and appointed teachers who desire to
10 have the following described services credited for pension
11 purposes shall submit to the Board evidence thereof and pay
12 into the Fund the amounts prescribed herein:

13 1. For teaching service by a certified teacher in
14 the public schools of the several states or in schools
15 operated by or under the auspices of the United States, a
16 teacher shall pay the contributions at the rates in force
17 (a) on the date of appointment as a regularly certified
18 teacher after salary adjustments are completed, or (b) at
19 the time of reappointment after salary adjustments are
20 completed, whichever is later, but not less than \$450 per
21 year of service. Upon the Board's approval of such
22 service and the payment of the required contributions,
23 service credit of not more than 10 years shall be
24 granted.

25 2. For service as a playground instructor in public
26 school playgrounds, teachers shall pay the contributions
27 prescribed in this Article (a) at the time of
28 appointment, as a regularly certified teacher after
29 salary adjustments are completed, or (b) on return to
30 service as a full time regularly certified teacher, as
31 the case may be, provided such rates or amounts shall not

1 be less than \$450 per year.

2 3. For service prior to September 1, 1955, in the
3 public schools of the City as a substitute, evening
4 school or temporary teacher, or for service as an
5 Americanization teacher prior to December 31, 1955,
6 teachers shall pay the contributions prescribed in this
7 Article (a) at the time of appointment, as a regularly
8 certified teacher after salary adjustments are completed,
9 (b) on return to service as a full time regularly
10 certified teacher, as the case may be, provided such
11 rates or amounts shall not be less than \$450 per year;
12 and provided further that for teachers employed on or
13 after September 1, 1953, rates shall not include
14 contributions for widows' pensions if the service
15 described in this sub-paragraph 3 was rendered before
16 that date. Any teacher entitled to repay a refund of
17 contributions under Section 17-126 may validate service
18 described in this paragraph by payment of the amounts
19 prescribed herein, together with the repayment of the
20 refund, provided that if such creditable service was the
21 last service rendered in the public schools of the City
22 and is not automatically reinstated by repayment of the
23 refund, the rates or amounts shall not be less than \$450
24 per year.

25 4. For service after June 30, 1982 as a member of
26 the Board of Education, if required to resign from an
27 administrative or teaching position in order to qualify
28 as a member of the Board of Education.

29 5. For service during the 1986-87 school year as a
30 teacher on a special leave of absence with full loss of
31 salary, teaching for an agency under contract to the
32 Board of Education, if the teacher returned to employment
33 in September, 1987. For service under this item 5, the
34 teacher must pay the contributions at the rates in force

1 at the completion of the leave period.

2 6. For up to 2 years of service as a teacher or
3 administrator employed by a private school registered
4 with or recognized by the Illinois State Board of
5 Education, provided that the teacher (i) was certified
6 under the law governing the certification of teachers at
7 the time the service was rendered, (ii) applies in
8 writing on or after June 1, 2003 and on or before June 1,
9 2006, (iii) supplies satisfactory evidence of the
10 employment, (iv) completes at least 10 years of
11 contributing service as a teacher as defined in Section
12 17-106, (v) pays the contribution required in this
13 Section, and (vi) does not receive credit for that
14 service under any other provision of this Code. The
15 member may apply for credit under this subsection and pay
16 the required contribution before completing the 10 years
17 of contributing service required under item (iv), but the
18 credit may not be used until the item (iv) contributing
19 service requirement has been met.

20 For each year of service credit to be established
21 under this subparagraph 6, a member is required to
22 contribute to the System an amount to be determined by
23 the Fund, consisting of (i) employee contributions based
24 on the annual salary rate during the first year of
25 full-time employment as a teacher under this Article
26 following the private school service, plus (ii) the
27 employer's normal cost of the benefits to be established,
28 plus (iii) interest thereon from the date of first
29 full-time employment as a teacher under this Article
30 following the private school service to the date of
31 payment, compounded annually, at the rate of 8.0% per
32 year.

33 For service described in sub-paragraphs 1, 2 and 3 of
34 this Section, interest shall be charged beginning one year

1 after the effective date of appointment or reappointment.

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

6 (Source: P.A. 90-566, eff. 1-2-98; 91-887, eff. 7-6-00.)

7 (40 ILCS 5/17-134) (from Ch. 108 1/2, par. 17-134)

8 Sec. 17-134. Contributions for leaves of absence;
9 military service; computing service. In computing service
10 for pension purposes the following periods of service shall
11 stand in lieu of a like number of years of teaching service
12 upon payment therefor in the manner hereinafter provided:
13 (a) time spent on a leave of absence granted by the employer;
14 (b) service with teacher or labor organizations based upon
15 special leaves of absence therefor granted by an Employer;
16 (c) a maximum of 5 years spent in the military service of the
17 United States, of which up to 2 years may have been served
18 outside the pension period; (d) unused sick days at
19 termination of service to a maximum of the number of days
20 sufficient to provide 2 years of service credit 244-days; (e)
21 time lost due to layoff and curtailment of the school term
22 from June 6 through June 21, 1976; and (f) time spent after
23 June 30, 1982 as a member of the Board of Education, if
24 required to resign from an administrative or teaching
25 position in order to qualify as a member of the Board of
26 Education.

27 (1) For time spent on or after September 6, 1948 on
28 sabbatical leaves of absence or sick leaves, for which
29 salaries are paid, an Employer shall make payroll
30 deductions at the applicable rates in effect during such
31 periods.

32 (2) For time spent on a leave of absence granted by
33 the employer for which no salaries are paid, teachers

1 desiring credit therefor shall pay the required
2 contributions at the rates in effect during such periods
3 as though they were in teaching service. If an Employer
4 pays salary for vacations which occur during a teacher's
5 sick leave or maternity or paternity leave without
6 salary, vacation pay for which the teacher would have
7 qualified while in active service shall be considered
8 part of the teacher's total salary for pension purposes.
9 No more than 36 months of leave credit may be allowed any
10 person during the entire term of service. Sabbatical
11 leave credit shall be limited to the time the person on
12 leave without salary under an Employer's rules is allowed
13 to engage in an activity for which he receives salary or
14 compensation.

15 (3) For time spent prior to September 6, 1948, on
16 sabbatical leaves of absence or sick leaves for which
17 salaries were paid, teachers desiring service credit
18 therefor shall pay the required contributions at the
19 maximum applicable rates in effect during such periods.

20 (4) For service with teacher or labor organizations
21 authorized by special leaves of absence, for which no
22 payroll deductions are made by an Employer, teachers
23 desiring service credit therefor shall contribute to the
24 Fund upon the basis of the actual salary received from
25 such organizations at the percentage rates in effect
26 during such periods for certified positions with such
27 Employer. To the extent the actual salary exceeds the
28 regular salary, which shall be defined as the salary
29 rate, as calculated by the Board, in effect for the
30 teacher's regular position in teaching service on
31 September 1, 1983 or on the effective date of the leave
32 with the organization, whichever is later, the
33 organization shall pay to the Fund the employer's normal
34 cost as set by the Board on the increment.

1 (5) For time spent in the military service,
2 teachers entitled to and desiring credit therefor shall
3 contribute the amount required for each year of service
4 or fraction thereof at the rates in force (a) at the date
5 of appointment, or (b) on return to teaching service as a
6 regularly certified teacher, as the case may be; provided
7 such rates shall not be less than \$450 per year of
8 service. These conditions shall apply unless an Employer
9 elects to and does pay into the Fund the amount which
10 would have been due from such person had he been employed
11 as a teacher during such time. In the case of credit for
12 military service not during the pension period, the
13 teacher must also pay to the Fund an amount determined by
14 the Board to be equal to the employer's normal cost of
15 the benefits accrued from such service, plus interest
16 thereon at 5% per year, compounded annually, from the
17 date of appointment to the date of payment.

18 The changes to this Section made by Public Act
19 87-795 shall apply not only to persons who on or after
20 its effective date are in service under the Fund, but
21 also to persons whose status as a teacher terminated
22 prior to that date, whether or not the person is an
23 annuitant on that date. In the case of an annuitant who
24 applies for credit allowable under this Section for a
25 period of military service that did not immediately
26 follow employment, and who has made the required
27 contributions for such credit, the annuity shall be
28 recalculated to include the additional service credit,
29 with the increase taking effect on the date the Fund
30 received written notification of the annuitant's intent
31 to purchase the credit, if payment of all the required
32 contributions is made within 60 days of such notice, or
33 else on the first annuity payment date following the date
34 of payment of the required contributions. In calculating

1 the automatic annual increase for an annuity that has
2 been recalculated under this Section, the increase
3 attributable to the additional service allowable under
4 this amendatory Act of 1991 shall be included in the
5 calculation of automatic annual increases accruing after
6 the effective date of the recalculation.

7 The total credit for military service shall not
8 exceed 5 years, except that any teacher who on July 1,
9 1963, had validated credit for more than 5 years of
10 military service shall be entitled to the total amount of
11 such credit.

12 (6) ~~A--maximum--of--244~~ Unused sick days credited to
13 his account by an Employer on the date of termination of
14 employment, up to the number of days sufficient to
15 provide 2 years of service credit. Members, upon
16 verification of unused sick days, may add this service
17 time to total creditable service.

18 (7) In all cases where time spent on leave is
19 creditable and no payroll deductions therefor are made by
20 an Employer, persons desiring service credit shall make
21 the required contributions directly to the Fund.

22 (8) For time lost without pay due to layoff and
23 curtailment of the school term from June 6 through June
24 21, 1976, as provided in item (e) of the first paragraph
25 of this Section, persons who were contributors on the
26 days immediately preceding such layoff shall receive
27 credit upon paying to the Fund a contribution based on
28 the rates of compensation and employee contributions in
29 effect at the time of such layoff, together with an
30 additional amount equal to 12.2% of the compensation
31 computed for such period of layoff, plus interest on the
32 entire amount at 5% per annum from January 1, 1978 to the
33 date of payment. If such contribution is paid, salary
34 for pension purposes for any year in which such a layoff

1 occurred shall include the compensation recognized for
2 purposes of computing that contribution.

3 (9) For time spent after June 30, 1982, as a
4 nonsalaried member of the Board of Education, if required
5 to resign from an administrative or teaching position in
6 order to qualify as a member of the Board of Education,
7 an administrator or teacher desiring credit therefor
8 shall pay the required contributions at the rates and
9 salaries in effect during such periods as though the
10 member were in service.

11 Effective September 1, 1974, the interest charged for
12 validation of service described in paragraphs (2) through (5)
13 of this Section shall be compounded annually at a rate of 5%
14 commencing one year after the termination of the leave or
15 return to service.

16 (Source: P.A. 92-599, eff. 6-28-02.)

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

19 (30 ILCS 805/8.27 new)

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

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