



## 93RD GENERAL ASSEMBLY

### State of Illinois

### 2003 and 2004

Introduced 02/05/04, by Michael K. Smith

#### SYNOPSIS AS INTRODUCED:

40 ILCS 5/15-107

from Ch. 108 1/2, par. 15-107

Amends the State Universities Article of the Illinois Pension Code. Changes the definition of the term "employee" to include individuals who were participating employees employed by the Board of Higher Education for the Illinois Century Network prior to July 1, 2004 for as long as those individuals remain employed by the Department of Central Management Services in a position with the Illinois Century Network. Effective immediately.

LRB093 19594 LRD 45335 b

FISCAL NOTE ACT  
MAY APPLY

PENSION IMPACT  
NOTE ACT MAY  
APPLY

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 changing  
5 Section 15-107 as follows:

6 (40 ILCS 5/15-107) (from Ch. 108 1/2, par. 15-107)

7 Sec. 15-107. Employee.

8 (a) "Employee" means any member of the educational,  
9 administrative, secretarial, clerical, mechanical, labor or  
10 other staff of an employer whose employment is permanent and  
11 continuous or who is employed in a position in which services  
12 are expected to be rendered on a continuous basis for at least  
13 4 months or one academic term, whichever is less, who (A)  
14 receives payment for personal services on a warrant issued  
15 pursuant to a payroll voucher certified by an employer and  
16 drawn by the State Comptroller upon the State Treasurer or by  
17 an employer upon trust, federal or other funds, or (B) is on a  
18 leave of absence without pay. Employment which is irregular,  
19 intermittent or temporary shall not be considered continuous  
20 for purposes of this paragraph.

21 However, a person is not an "employee" if he or she:

22 (1) is a student enrolled in and regularly attending  
23 classes in a college or university which is an employer,  
24 and is employed on a temporary basis at less than full  
25 time;

26 (2) is currently receiving a retirement annuity or a  
27 disability retirement annuity under Section 15-153.2 from  
28 this System;

29 (3) is on a military leave of absence;

30 (4) is eligible to participate in the Federal Civil  
31 Service Retirement System and is currently making  
32 contributions to that system based upon earnings paid by an

1 employer;

2 (5) is on leave of absence without pay for more than 60  
3 days immediately following termination of disability  
4 benefits under this Article;

5 (6) is hired after June 30, 1979 as a public service  
6 employment program participant under the Federal  
7 Comprehensive Employment and Training Act and receives  
8 earnings in whole or in part from funds provided under that  
9 Act; or

10 (7) is employed on or after July 1, 1991 to perform  
11 services that are excluded by subdivision (a)(7)(f) or  
12 (a)(19) of Section 210 of the federal Social Security Act  
13 from the definition of employment given in that Section (42  
14 U.S.C. 410).

15 (b) Any employer may, by filing a written notice with the  
16 board, exclude from the definition of "employee" all persons  
17 employed pursuant to a federally funded contract entered into  
18 after July 1, 1982 with a federal military department in a  
19 program providing training in military courses to federal  
20 military personnel on a military site owned by the United  
21 States Government, if this exclusion is not prohibited by the  
22 federally funded contract or federal laws or rules governing  
23 the administration of the contract.

24 (c) Any person appointed by the Governor under the Civil  
25 Administrative Code of the State is an employee, if he or she  
26 is a participant in this system on the effective date of the  
27 appointment.

28 (d) A participant on lay-off status under civil service  
29 rules is considered an employee for not more than 120 days from  
30 the date of the lay-off.

31 (e) A participant is considered an employee during (1) the  
32 first 60 days of disability leave, (2) the period, not to  
33 exceed one year, in which his or her eligibility for disability  
34 benefits is being considered by the board or reviewed by the  
35 courts, and (3) the period he or she receives disability  
36 benefits under the provisions of Section 15-152, workers'

1 compensation or occupational disease benefits, or disability  
2 income under an insurance contract financed wholly or partially  
3 by the employer.

4 (f) Absences without pay, other than formal leaves of  
5 absence, of less than 30 calendar days, are not considered as  
6 an interruption of a person's status as an employee. If such  
7 absences during any period of 12 months exceed 30 work days,  
8 the employee status of the person is considered as interrupted  
9 as of the 31st work day.

10 (g) A staff member whose employment contract requires  
11 services during an academic term is to be considered an  
12 employee during the summer and other vacation periods, unless  
13 he or she declines an employment contract for the succeeding  
14 academic term or his or her employment status is otherwise  
15 terminated, and he or she receives no earnings during these  
16 periods.

17 (h) An individual who was a participating employee employed  
18 in the fire department of the University of Illinois's  
19 Champaign-Urbana campus immediately prior to the elimination  
20 of that fire department and who immediately after the  
21 elimination of that fire department became employed by the fire  
22 department of the City of Urbana or the City of Champaign shall  
23 continue to be considered as an employee for purposes of this  
24 Article for so long as the individual remains employed as a  
25 firefighter by the City of Urbana or the City of Champaign. The  
26 individual shall cease to be considered an employee under this  
27 subsection (h) upon the first termination of the individual's  
28 employment as a firefighter by the City of Urbana or the City  
29 of Champaign.

30 (i) An individual who is employed on a full-time basis as  
31 an officer or employee of a statewide teacher organization that  
32 serves System participants or an officer of a national teacher  
33 organization that serves System participants may participate  
34 in the System and shall be deemed an employee, provided that  
35 (1) the individual has previously earned creditable service  
36 under this Article, (2) the individual files with the System an

1 irrevocable election to become a participant, and (3) the  
2 individual does not receive credit for that employment under  
3 any other Article of this Code. An employee under this  
4 subsection (i) is responsible for paying to the System both (A)  
5 employee contributions based on the actual compensation  
6 received for service with the teacher organization and (B)  
7 employer contributions equal to the normal costs (as defined in  
8 Section 15-155) resulting from that service; all or any part of  
9 these contributions may be paid on the employee's behalf or  
10 picked up for tax purposes (if authorized under federal law) by  
11 the teacher organization.

12 A person who is an employee as defined in this subsection  
13 (i) may establish service credit for similar employment prior  
14 to becoming an employee under this subsection by paying to the  
15 System for that employment the contributions specified in this  
16 subsection, plus interest at the effective rate from the date  
17 of service to the date of payment. However, credit shall not be  
18 granted under this subsection for any such prior employment for  
19 which the applicant received credit under any other provision  
20 of this Code, or during which the applicant was on a leave of  
21 absence under Section 15-113.2.

22 (j) An individual who was a participating employee employed  
23 by the Illinois Board of Higher Education for the Illinois  
24 Century Network prior to July 1, 2004 and who, after June 30,  
25 2004, becomes employed by the Department of Central Management  
26 Services shall continue to be considered an employee for  
27 purposes of this Article for so long as the individual remains  
28 employed by the Department of Central Management Services in a  
29 position with the Illinois Century Network. The individual  
30 shall cease to be considered an employee under this subsection  
31 (j) upon first termination of the individual's employment from  
32 a position with the Illinois Century Network under the  
33 Department of Central Management Services.

34 (Source: P.A. 93-347, eff. 7-24-03.)

35 Section 99. Effective date. This Act takes effect upon

1 becoming law.