



94TH GENERAL ASSEMBLY
State of Illinois
2005 and 2006
HB0196

Introduced 1/13/2005, by Rep. Angelo Saviano

SYNOPSIS AS INTRODUCED:

40 ILCS 5/17-134
30 ILCS 805/8.29 new

from Ch. 108 1/2, par. 17-134

Amends the Chicago Teacher Article of the Pension Code. Increases the amount of unused sick time that may be included in calculating the retirement pension, from 244 to 315 days. Amends the State Mandates Act to require implementation without reimbursement. Effective immediately.

LRB094 03444 LRD 33447 b

FISCAL NOTE ACT
MAY APPLY

PENSION IMPACT
NOTE ACT MAY
APPLY

STATE MANDATES
ACT MAY REQUIRE
REIMBURSEMENT

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 17-134 as follows:

6 (40 ILCS 5/17-134) (from Ch. 108 1/2, par. 17-134)

7 Sec. 17-134. Contributions for leaves of absence; military
8 service; computing service. In computing service for pension
9 purposes the following periods of service shall stand in lieu
10 of a like number of years of teaching service upon payment
11 therefor in the manner hereinafter provided: (a) time spent on
12 a leave of absence granted by the employer; (b) service with
13 teacher or labor organizations based upon special leaves of
14 absence therefor granted by an Employer; (c) a maximum of 5
15 years spent in the military service of the United States, of
16 which up to 2 years may have been served outside the pension
17 period; (d) unused sick days at termination of service to a
18 maximum of 315 ~~244~~ days; (e) time lost due to layoff and
19 curtailment of the school term from June 6 through June 21,
20 1976; and (f) time spent after June 30, 1982 as a member of the
21 Board of Education, if required to resign from an
22 administrative or teaching position in order to qualify as a
23 member of the Board of Education.

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

29 (2) For time spent on a leave of absence granted by the
30 employer for which no salaries are paid, teachers desiring
31 credit therefor shall pay the required contributions at the
32 rates in effect during such periods as though they were in

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

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

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

32 (5) For time spent in the military service, teachers
33 entitled to and desiring credit therefor shall contribute
34 the amount required for each year of service or fraction
35 thereof at the rates in force (a) at the date of ~~of~~
36 appointment, or (b) on return to teaching service as a

1 regularly certified teacher, as the case may be; provided
2 such rates shall not be less than \$450 per year of service.
3 These conditions shall apply unless an Employer elects to
4 and does pay into the Fund the amount which would have been
5 due from such person had he been employed as a teacher
6 during such time. In the case of credit for military
7 service not during the pension period, the teacher must
8 also pay to the Fund an amount determined by the Board to
9 be equal to the employer's normal cost of the benefits
10 accrued from such service, plus interest thereon at 5% per
11 year, compounded annually, from the date of appointment to
12 the date of payment.

13 The changes to this Section made by Public Act 87-795
14 shall apply not only to persons who on or after its
15 effective date are in service under the Fund, but also to
16 persons whose status as a teacher terminated prior to that
17 date, whether or not the person is an annuitant on that
18 date. In the case of an annuitant who applies for credit
19 allowable under this Section for a period of military
20 service that did not immediately follow employment, and who
21 has made the required contributions for such credit, the
22 annuity shall be recalculated to include the additional
23 service credit, with the increase taking effect on the date
24 the Fund received written notification of the annuitant's
25 intent to purchase the credit, if payment of all the
26 required contributions is made within 60 days of such
27 notice, or else on the first annuity payment date following
28 the date of payment of the required contributions. In
29 calculating the automatic annual increase for an annuity
30 that has been recalculated under this Section, the increase
31 attributable to the additional service allowable under
32 this amendatory Act of 1991 shall be included in the
33 calculation of automatic annual increases accruing after
34 the effective date of the recalculation.

35 The total credit for military service shall not exceed
36 5 years, except that any teacher who on July 1, 1963, had

1 validated credit for more than 5 years of military service
2 shall be entitled to the total amount of such credit.

3 (6) A maximum of 315 ~~244~~ unused sick days credited to
4 his account by an Employer on the date of termination of
5 employment. Members, upon verification of unused sick
6 days, may add this service time to total creditable
7 service.

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

12 (8) For time lost without pay due to layoff and
13 curtailment of the school term from June 6 through June 21,
14 1976, as provided in item (e) of the first paragraph of
15 this Section, persons who were contributors on the days
16 immediately preceding such layoff shall receive credit
17 upon paying to the Fund a contribution based on the rates
18 of compensation and employee contributions in effect at the
19 time of such layoff, together with an additional amount
20 equal to 12.2% of the compensation computed for such period
21 of layoff, plus interest on the entire amount at 5% per
22 annum from January 1, 1978 to the date of payment. If such
23 contribution is paid, salary for pension purposes for any
24 year in which such a layoff occurred shall include the
25 compensation recognized for purposes of computing that
26 contribution.

27 (9) For time spent after June 30, 1982, as a
28 nonsalaried member of the Board of Education, if required
29 to resign from an administrative or teaching position in
30 order to qualify as a member of the Board of Education, an
31 administrator or teacher desiring credit therefor shall
32 pay the required contributions at the rates and salaries in
33 effect during such periods as though the member were in
34 service.

35 Effective September 1, 1974, the interest charged for
36 validation of service described in paragraphs (2) through (5)

1 of this Section shall be compounded annually at a rate of 5%
2 commencing one year after the termination of the leave or
3 return to service.

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

5 Section 90. The State Mandates Act is amended by adding
6 Section 8.29 as follows:

7 (30 ILCS 805/8.29 new)

8 Sec. 8.29. Exempt mandate. Notwithstanding Sections 6 and 8
9 of this Act, no reimbursement by the State is required for the
10 implementation of any mandate created by this amendatory Act of
11 the 94th General Assembly.

12 Section 99. Effective date. This Act takes effect upon
13 becoming law.