



94TH GENERAL ASSEMBLY

State of Illinois

2005 and 2006

HB4592

Introduced 01/11/06, by Rep. Angelo Saviano

SYNOPSIS AS INTRODUCED:

40 ILCS 5/17-133
30 ILCS 805/8.30 new

from Ch. 108 1/2, par. 17-133

Amends the Chicago Teacher Article of the Illinois Pension Code. Allows purchase of service credit for up to 2 years of employment by a private school. Requires payment of a contribution plus interest. Amends the State Mandates Act to require implementation without reimbursement. Effective immediately.

LRB094 16352 AMC 51603 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 17-133 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 other
8 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 the
14 public schools of the several states or in schools operated
15 by or under the auspices of the United States, a teacher
16 shall pay the contributions at the rates in force (a) on
17 the date of appointment as a regularly certified teacher
18 after salary adjustments are completed, or (b) at the time
19 of reappointment after salary adjustments are completed,
20 whichever is later, but not less than \$450 per year of
21 service. Upon the Board's approval of such service and the
22 payment of the required contributions, service credit of
23 not more than 10 years shall be granted.

24 2. For service as a playground instructor in public
25 school playgrounds, teachers shall pay the contributions
26 prescribed in this Article (a) at the time of appointment,
27 as a regularly certified teacher after salary adjustments
28 are completed, or (b) on return to service as a full time
29 regularly certified teacher, as the case may be, provided
30 such rates or amounts shall not be less than \$450 per year.

31 3. For service prior to September 1, 1955, in the
32 public schools of the City as a substitute, evening school

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

20 4. For service 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
23 a member of the Board of Education.

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

31 6. For up to 2 years of service as a teacher or
32 administrator employed by a private school registered with
33 or recognized by the Illinois State Board of Education,
34 provided that the teacher (i) was certified under the law
35 governing the certification of teachers at the time the
36 service was rendered, (ii) applies in writing on or after

1 June 1, 2006 and on or before June 1, 2009, (iii) supplies
2 satisfactory evidence of the employment, (iv) completes at
3 least 10 years of contributing service as a teacher as
4 defined in Section 17-106, (v) pays the contribution
5 required in this Section, and (vi) does not receive credit
6 for that service under any other provision of this Code.
7 The member may apply for credit under this subsection and
8 pay the required contribution before completing the 10
9 years of contributing service required under item (iv), but
10 the credit may not be used until the item (iv) contributing
11 service requirement has been met.

12 For each year of service credit to be established under
13 this subparagraph 6, a member is required to contribute to
14 the System (i) 16.5% of the annual salary rate during the
15 first year of full-time employment as a teacher under this
16 Article following the private school service, plus (ii)
17 interest thereon from the date of first full-time
18 employment as a teacher under this Article following the
19 private school service to the date of payment, compounded
20 annually, at the rate of 8.0% per year.

21 For service described in sub-paragraphs 1, 2 and 3 of this
22 Section, interest shall be charged beginning one year after the
23 effective date of appointment or reappointment.

24 Effective September 1, 1974, the interest rate to be
25 charged by the Fund on contributions provided in sub-paragraphs
26 1, 2, 3 and 4 shall be 5% per annum compounded annually.

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

28 Section 90. The State Mandates Act is amended by adding
29 Section 8.30 as follows:

30 (30 ILCS 805/8.30 new)

31 Sec. 8.30. Exempt mandate. Notwithstanding Sections 6 and 8
32 of this Act, no reimbursement by the State is required for the
33 implementation of any mandate created by this amendatory Act of
34 the 94th General Assembly.

1 Section 99. Effective date. This Act takes effect upon
2 becoming law.