



## 94TH GENERAL ASSEMBLY

### State of Illinois

2005 and 2006

HB4690

Introduced 1/12/2006, by Rep. Calvin L. Giles

#### SYNOPSIS AS INTRODUCED:

40 ILCS 5/17-128.1 new

Amends the Chicago Teacher Article of the Illinois Pension Code. Authorizes the Board of Education of the City of Chicago to levy a Public School Teachers' Pension and Retirement Fund and Pension Contribution Tax. Provides that proceeds of the tax may be used by the Board of Trustees of the Public School Teachers' Pension and Retirement Fund of Chicago for the purpose of making employer pension contributions. Effective immediately.

LRB094 16873 AMC 52152 b

FISCAL NOTE ACT  
MAY APPLY

HOUSING  
AFFORDABILITY  
IMPACT NOTE ACT  
MAY APPLY

PENSION IMPACT  
NOTE ACT MAY  
APPLY

1 AN ACT concerning 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 adding  
5 Section 17-128.1 as follows:

6 (40 ILCS 5/17-128.1 new)

7 Sec. 17-128.1. Contributions from taxes. The Board of  
8 Education shall levy a tax annually at a rate on the dollar of  
9 the value, as equalized or assessed by the Department of  
10 Revenue, of all taxable property in the City, which, when  
11 extended, will produce the following sums: for the fiscal and  
12 school year 2006 and each subsequent year, an amount equal to  
13 the amount of member contributions during the fiscal and school  
14 year 2 years prior to the year for which the annual applicable  
15 tax is levied; provided, however, that the tax shall be levied  
16 at a rate not to exceed .26% upon the equalized assessed value  
17 of all taxable property in the City, based on the Board of  
18 Education's estimate of that value for the year for which the  
19 tax is levied. As used in this Section, "member contributions"  
20 means and includes all contributions paid into the Fund by  
21 members or made on behalf of members by the Board of Education  
22 for service retirement and disability retirement pensions, for  
23 survivors' and children's pensions, and for automatic annual  
24 increases in pensions; provided, however, that any member  
25 contributions that are made by the Board of Education on behalf  
26 of its employees shall be treated as member contributions for  
27 purposes of this Section for the fiscal year for which the  
28 Board of Education incurred the obligation to make such  
29 contributions. Proceeds of this tax may be used by the Board of  
30 the Fund for the purpose of making employer contributions under  
31 Section 17-129. This tax shall be known as the Public School  
32 Teachers' Pension and Retirement Fund and Pension Contribution

1 Tax.

2 If teachers are paid from special trust or federal funds  
3 which are administered by the Board of Education, the Board of  
4 Education shall pay to the fund from such special trust or  
5 federal funds the full accruing pension costs based upon such  
6 services as determined by the Board of Trustees of the Fund.

7 Section 99. Effective date. This Act takes effect upon  
8 becoming law.