



Sen. Debbie DeFrancesco Halvorson

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1 AMENDMENT TO SENATE BILL 809

2 AMENDMENT NO. _____. Amend Senate Bill 809 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Illinois Pension Code is amended by
5 changing Sections 14-103.05 and 14-104 as follows:

6 (40 ILCS 5/14-103.05) (from Ch. 108 1/2, par. 14-103.05)
7 Sec. 14-103.05. Employee.

8 (a) Any person employed by a Department who receives salary
9 for personal services rendered to the Department on a warrant
10 issued pursuant to a payroll voucher certified by a Department
11 and drawn by the State Comptroller upon the State Treasurer,
12 including an elected official described in subparagraph (d) of
13 Section 14-104, shall become an employee for purpose of
14 membership in the Retirement System on the first day of such
15 employment.

16 A person entering service on or after January 1, 1972 and
17 prior to January 1, 1984 shall become a member as a condition
18 of employment and shall begin making contributions as of the
19 first day of employment.

20 A person entering service on or after January 1, 1984
21 shall, upon completion of 6 months of continuous service which
22 is not interrupted by a break of more than 2 months, become a
23 member as a condition of employment. Contributions shall begin
24 the first of the month after completion of the qualifying

1 period.

2 The qualifying period of 6 months of service is not
3 applicable to: (1) a person who has been granted credit for
4 service in a position covered by the State Universities
5 Retirement System, the Teachers' Retirement System of the State
6 of Illinois, the General Assembly Retirement System, or the
7 Judges Retirement System of Illinois unless that service has
8 been forfeited under the laws of those systems; (2) a person
9 entering service on or after July 1, 1991 in a noncovered
10 position; or (3) a person to whom Section 14-108.2a or
11 14-108.2b applies.

12 (b) The term "employee" does not include the following:

13 (1) members of the State Legislature, and persons
14 electing to become members of the General Assembly
15 Retirement System pursuant to Section 2-105;

16 (2) incumbents of offices normally filled by vote of
17 the people;

18 (3) except as otherwise provided in this Section, any
19 person appointed by the Governor with the advice and
20 consent of the Senate unless that person elects to
21 participate in this system;

22 (3.1) any person serving as a commissioner of an ethics
23 commission created under the State Officials and Employees
24 Ethics Act unless that person elects to participate in this
25 system with respect to that service as a commissioner;

26 (3.2) any person serving as a part-time employee in any
27 of the following positions: Legislative Inspector General,
28 Special Legislative Inspector General, employee of the
29 Office of the Legislative Inspector General, Executive
30 Director of the Legislative Ethics Commission, or staff of
31 the Legislative Ethics Commission, regardless of whether
32 he or she is in active service on or after July 8, 2004
33 (the effective date of Public Act 93-685), unless that
34 person elects to participate in this System with respect to

1 that service; in this item (3.2), a "part-time employee" is
2 a person who is not required to work at least 35 hours per
3 week;

4 (3.3) any person who has made an election under Section
5 1-123 and who is serving either as legal counsel in the
6 Office of the Governor or as Chief Deputy Attorney General;

7 (4) except as provided in Section 14-108.2 or
8 14-108.2c, any person who is covered or eligible to be
9 covered by the Teachers' Retirement System of the State of
10 Illinois, the State Universities Retirement System, or the
11 Judges Retirement System of Illinois;

12 (5) an employee of a municipality or any other
13 political subdivision of the State;

14 (6) any person who becomes an employee after June 30,
15 1979 as a public service employment program participant
16 under the Federal Comprehensive Employment and Training
17 Act and whose wages or fringe benefits are paid in whole or
18 in part by funds provided under such Act;

19 (7) enrollees of the Illinois Young Adult Conservation
20 Corps program, administered by the Department of Natural
21 Resources, authorized grantee pursuant to Title VIII of the
22 "Comprehensive Employment and Training Act of 1973", 29 USC
23 993, as now or hereafter amended;

24 (8) enrollees and temporary staff of programs
25 administered by the Department of Natural Resources under
26 the Youth Conservation Corps Act of 1970;

27 (9) any person who is a member of any professional
28 licensing or disciplinary board created under an Act
29 administered by the Department of Professional Regulation
30 or a successor agency or created or re-created after the
31 effective date of this amendatory Act of 1997, and who
32 receives per diem compensation rather than a salary,
33 notwithstanding that such per diem compensation is paid by
34 warrant issued pursuant to a payroll voucher; such persons

1 have never been included in the membership of this System,
2 and this amendatory Act of 1987 (P.A. 84-1472) is not
3 intended to effect any change in the status of such
4 persons;

5 (10) any person who is a member of the Illinois Health
6 Care Cost Containment Council, and receives per diem
7 compensation rather than a salary, notwithstanding that
8 such per diem compensation is paid by warrant issued
9 pursuant to a payroll voucher; such persons have never been
10 included in the membership of this System, and this
11 amendatory Act of 1987 is not intended to effect any change
12 in the status of such persons;

13 (11) any person who is a member of the Oil and Gas
14 Board created by Section 1.2 of the Illinois Oil and Gas
15 Act, and receives per diem compensation rather than a
16 salary, notwithstanding that such per diem compensation is
17 paid by warrant issued pursuant to a payroll voucher; or

18 (12) a person employed by the State Board of Higher
19 Education in a position with the Illinois Century Network
20 as of June 30, 2004, who remains continuously employed
21 after that date by the Department of Central Management
22 Services in a position with the Illinois Century Network
23 and participates in the Article 15 system with respect to
24 that employment.

25 (c) An individual who represents or is employed as an
26 officer or employee of a statewide labor organization that
27 represents members of this System may participate in the System
28 and shall be deemed an employee, provided that (1) the
29 individual has previously earned creditable service under this
30 Article, (2) the individual files with the System an
31 irrevocable election to become a participant (if the individual
32 is an officer or employee of a statewide labor organization,
33 then this election must be made within 6 months after the
34 effective date of this amendatory Act of the 94th General

1 Assembly), and (3) the individual does not receive credit for
2 that employment under any other provisions of this Code. An
3 employee under this subsection (c) is responsible for paying to
4 the System both (i) employee contributions based on the actual
5 compensation received for service with the labor organization
6 and (ii) employer contributions based on the percentage of
7 payroll certified by the board; all or any part of these
8 contributions may be paid on the employee's behalf or picked up
9 for tax purposes (if authorized under federal law) by the labor
10 organization. Any new benefit increase created by this
11 subsection (c) is exempt from the provisions of subsection (d)
12 of Section 14-152.1.

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

23 (Source: P.A. 92-14, eff. 6-28-01; 93-685, eff. 7-8-04; 93-839,
24 eff. 7-30-04; 93-1069, eff. 1-15-05.)

25 (40 ILCS 5/14-104) (from Ch. 108 1/2, par. 14-104)

26 Sec. 14-104. Service for which contributions permitted.
27 Contributions provided for in this Section shall cover the
28 period of service granted. Except as otherwise provided in this
29 Section, the contributions shall be based upon the employee's
30 compensation and contribution rate in effect on the date he
31 last became a member of the System; provided that for all
32 employment prior to January 1, 1969 the contribution rate shall
33 be that in effect for a noncovered employee on the date he last

1 became a member of the System. Except as otherwise provided in
2 this Section, contributions permitted under this Section shall
3 include regular interest from the date an employee last became
4 a member of the System to the date of payment.

5 These contributions must be paid in full before retirement
6 either in a lump sum or in installment payments in accordance
7 with such rules as may be adopted by the board.

8 (a) Any member may make contributions as required in this
9 Section for any period of service, subsequent to the date of
10 establishment, but prior to the date of membership.

11 (b) Any employee who had been previously excluded from
12 membership because of age at entry and subsequently became
13 eligible may elect to make contributions as required in this
14 Section for the period of service during which he was
15 ineligible.

16 (c) An employee of the Department of Insurance who, after
17 January 1, 1944 but prior to becoming eligible for membership,
18 received salary from funds of insurance companies in the
19 process of rehabilitation, liquidation, conservation or
20 dissolution, may elect to make contributions as required in
21 this Section for such service.

22 (d) Any employee who rendered service in a State office to
23 which he was elected, or rendered service in the elective
24 office of Clerk of the Appellate Court prior to the date he
25 became a member, may make contributions for such service as
26 required in this Section. Any member who served by appointment
27 of the Governor under the Civil Administrative Code of Illinois
28 and did not participate in this System may make contributions
29 as required in this Section for such service.

30 (e) Any person employed by the United States government or
31 any instrumentality or agency thereof from January 1, 1942
32 through November 15, 1946 as the result of a transfer from
33 State service by executive order of the President of the United
34 States shall be entitled to prior service credit covering the

1 period from January 1, 1942 through December 31, 1943 as
2 provided for in this Article and to membership service credit
3 for the period from January 1, 1944 through November 15, 1946
4 by making the contributions required in this Section. A person
5 so employed on January 1, 1944 but whose employment began after
6 January 1, 1942 may qualify for prior service and membership
7 service credit under the same conditions.

8 (f) An employee of the Department of Labor of the State of
9 Illinois who performed services for and under the supervision
10 of that Department prior to January 1, 1944 but who was
11 compensated for those services directly by federal funds and
12 not by a warrant of the Auditor of Public Accounts paid by the
13 State Treasurer may establish credit for such employment by
14 making the contributions required in this Section. An employee
15 of the Department of Agriculture of the State of Illinois, who
16 performed services for and under the supervision of that
17 Department prior to June 1, 1963, but was compensated for those
18 services directly by federal funds and not paid by a warrant of
19 the Auditor of Public Accounts paid by the State Treasurer, and
20 who did not contribute to any other public employee retirement
21 system for such service, may establish credit for such
22 employment by making the contributions required in this
23 Section.

24 (g) Any employee who executed a waiver of membership within
25 60 days prior to January 1, 1944 may, at any time while in the
26 service of a department, file with the board a rescission of
27 such waiver. Upon making the contributions required by this
28 Section, the member shall be granted the creditable service
29 that would have been received if the waiver had not been
30 executed.

31 (h) Until May 1, 1990, an employee who was employed on a
32 full-time basis by a regional planning commission for at least
33 5 continuous years may establish creditable service for such
34 employment by making the contributions required under this

1 Section, provided that any credits earned by the employee in
2 the commission's retirement plan have been terminated.

3 (i) Any person who rendered full time contractual services
4 to the General Assembly as a member of a legislative staff may
5 establish service credit for up to 8 years of such services by
6 making the contributions required under this Section, provided
7 that application therefor is made not later than July 1, 1991.

8 (j) By paying the contributions otherwise required under
9 this Section, plus an amount determined by the Board to be
10 equal to the employer's normal cost of the benefit plus
11 interest, but with all of the interest calculated from the date
12 the employee last became a member of the System or November 19,
13 1991, whichever is later, to the date of payment, an employee
14 may establish service credit for a period of up to 2 years
15 spent in active military service for which he does not qualify
16 for credit under Section 14-105, provided that (1) he was not
17 dishonorably discharged from such military service, and (2) the
18 amount of service credit established by a member under this
19 subsection (j), when added to the amount of military service
20 credit granted to the member under subsection (b) of Section
21 14-105, shall not exceed 5 years. The change in the manner of
22 calculating interest under this subsection (j) made by this
23 amendatory Act of the 92nd General Assembly applies to credit
24 purchased by an employee on or after its effective date and
25 does not entitle any person to a refund of contributions or
26 interest already paid.

27 (k) An employee who was employed on a full-time basis by
28 the Illinois State's Attorneys Association Statewide Appellate
29 Assistance Service LEAA-ILEC grant project prior to the time
30 that project became the State's Attorneys Appellate Service
31 Commission, now the Office of the State's Attorneys Appellate
32 Prosecutor, an agency of State government, may establish
33 creditable service for not more than 60 months service for such
34 employment by making contributions required under this

1 Section.

2 (l) By paying the contributions otherwise required under
3 this Section, plus an amount determined by the Board to be
4 equal to the employer's normal cost of the benefit plus
5 interest, a member may establish service credit for periods of
6 less than one year spent on authorized leave of absence from
7 service, provided that (1) the period of leave began on or
8 after January 1, 1982 and (2) any credit established by the
9 member for the period of leave in any other public employee
10 retirement system has been terminated. A member may establish
11 service credit under this subsection for more than one period
12 of authorized leave, and in that case the total period of
13 service credit established by the member under this subsection
14 may exceed one year. In determining the contributions required
15 for establishing service credit under this subsection, the
16 interest shall be calculated from the beginning of the leave of
17 absence to the date of payment.

18 (m) Any person who rendered contractual services to a
19 member of the General Assembly as a worker in the member's
20 district office may establish creditable service for up to 3
21 years of those contractual services by making the contributions
22 required under this Section. The System shall determine a
23 full-time salary equivalent for the purpose of calculating the
24 required contribution. To establish credit under this
25 subsection, the applicant must apply to the System by March 1,
26 1998.

27 (n) Any person who rendered contractual services to a
28 member of the General Assembly as a worker providing
29 constituent services to persons in the member's district may
30 establish creditable service for up to 8 years of those
31 contractual services by making the contributions required
32 under this Section. The System shall determine a full-time
33 salary equivalent for the purpose of calculating the required
34 contribution. To establish credit under this subsection, the

1 applicant must apply to the System by March 1, 1998.

2 (o) A member who participated in the Illinois Legislative
3 Staff Internship Program may establish creditable service for
4 up to one year of that participation by making the contribution
5 required under this Section. The System shall determine a
6 full-time salary equivalent for the purpose of calculating the
7 required contribution. Credit may not be established under this
8 subsection for any period for which service credit is
9 established under any other provision of this Code.

10 (p) By paying the contributions otherwise required under
11 this Section, plus an amount determined by the Board to be
12 equal to the employer's normal cost of the benefit plus
13 interest, a member may establish service credit for a period of
14 up to 8 years during which he or she was employed by the
15 Visually Handicapped Managers of Illinois in a vending program
16 operated under a contractual agreement with the Department of
17 Rehabilitation Services or its successor agency.

18 This subsection (p) applies without regard to whether the
19 person was in service on or after the effective date of this
20 amendatory Act of the 94th General Assembly. In the case of a
21 person who is receiving a retirement annuity on that effective
22 date, the increase, if any, shall begin to accrue on the first
23 annuity payment date following receipt by the System of the
24 contributions required under this subsection (p).

25 (q) By paying the required contributions under this
26 Section, plus an amount determined by the Board to be equal to
27 the employer's normal cost of the benefit plus interest, an
28 employee who was laid off but returned to State employment
29 under circumstances in which the employee is considered to have
30 been in continuous service for purposes of determining
31 seniority may establish creditable service for the period of
32 the layoff, provided that (1) the applicant does not receive
33 credit for that period under any other provision of this Code,
34 (2) at the time of the layoff, the applicant is not in an

1 initial probationary status consistent with the rules of the
2 Department of Central Management Services, and (3) the total
3 amount of creditable service established by the applicant under
4 this subsection (q) does not exceed 3 years. For service
5 established under this subsection (q), the required employee
6 contribution shall be based on the rate of compensation earned
7 by the employee on the date of returning to employment after
8 the layoff and the contribution rate then in effect, and the
9 required interest shall be calculated from the date of
10 returning to employment after the layoff to the date of
11 payment. Any new benefit increase created by this subsection
12 (q) is exempt from the provisions of subsection (d) of Section
13 14-152.1.

14 (Source: P.A. 94-612, eff. 8-18-05.)

15 Section 99. Effective date. This Act takes effect upon
16 becoming law."