



## Adopted in House Comm. on Mar 13, 2008

09500HB5142ham001

LRB095 18517 AMC 48294 a

1 AMENDMENT TO HOUSE BILL 5142

2 AMENDMENT NO. \_\_\_\_\_. Amend House Bill 5142 by replacing  
3 line 22 on page 10 through line 23 on page 13 with the  
4 following:

5 "(40 ILCS 5/16-128) (from Ch. 108 1/2, par. 16-128)  
6 Sec. 16-128. Creditable service - required contributions.  
7 (a) In order to receive the creditable service specified  
8 under subsection (b) of Section 16-127 (other than paragraph  
9 (5.1) of subsection (b)), a member is required to make the  
10 following contributions: (i) an amount equal to the  
11 contributions which would have been required had such service  
12 been rendered as a member under this System; (ii) for military  
13 service not immediately following employment and for service  
14 established under subdivision (b)(10) of Section 16-127, an  
15 amount determined by the Board to be equal to the employer's  
16 normal cost of the benefits accrued for such service; and (iii)  
17 interest from the date the contributions would have been due

1 (or, in the case of a person establishing credit for military  
2 service under subdivision (b) (3) of Section 16-127, the date of  
3 first membership in the System, if that date is later) to the  
4 date of payment, at the following rate of interest, compounded  
5 annually: for periods prior to July 1, 1965, regular interest;  
6 from July 1, 1965 to June 30, 1977, 4% per year; on and after  
7 July 1, 1977, regular interest.

8 (a-5) In order to receive the creditable service specified  
9 in paragraph (5.1) of subsection (b) of Section 16-127, a  
10 member is required to make the following contributions: (i) an  
11 amount equal to the contributions which would have been  
12 required had such service been rendered as a member under this  
13 System; (ii) an amount determined by the Board to be equal to  
14 the employer's normal cost of the benefits accrued for such  
15 service; and (iii) interest from the date the contributions  
16 would have been due to the date of payment at the actuarially  
17 assumed interest rate.

18 (b) In order to receive creditable service under paragraph  
19 (2) of subsection (b) of Section 16-127 for those who were not  
20 members on June 30, 1963, the minimum required contribution  
21 shall be \$420 per year of service together with interest at 4%  
22 per year compounded annually from July 1, preceding the date of  
23 membership until June 30, 1977 and at regular interest  
24 compounded annually thereafter to the date of payment.

25 (c) In determining the contribution required in order to  
26 receive creditable service under paragraph (3) of subsection

1 (b) of Section 16-127, the salary rate for the remainder of the  
2 school term in which a member enters military service shall be  
3 assumed to be equal to the member's salary rate at the time of  
4 entering military service. However, for military service not  
5 immediately following employment, the salary rate on the last  
6 date as a participating teacher prior to such military service,  
7 or on the first date as a participating teacher after such  
8 military service, whichever is greater, shall be assumed to be  
9 equal to the member's salary rate at the time of entering  
10 military service. For each school term thereafter, the member's  
11 salary rate shall be assumed to be 5% higher than the salary  
12 rate in the previous school term.

13 (d) In determining the contribution required in order to  
14 receive creditable service under paragraph (5) and (5.1) of  
15 subsection (b) of Section 16-127, a member's salary rate during  
16 the period for which credit is being established shall be  
17 assumed to be equal to the member's last salary rate  
18 immediately preceding that period.

19 (d-5) For each year of service credit to be established  
20 under subsection (b-1) of Section 16-127, a member is required  
21 to contribute to the System (i) 16.5% of the annual salary rate  
22 during the first year of full-time employment as a teacher  
23 under this Article following the private school service, plus  
24 (ii) interest thereon from the date of first full-time  
25 employment as a teacher under this Article following the  
26 private school service to the date of payment, compounded

1 annually, at the rate of 8.5% per year for periods before the  
2 effective date of this amendatory Act of the 92nd General  
3 Assembly, and for subsequent periods at a rate equal to the  
4 System's actuarially assumed rate of return on investments.

5 (d-10) For service credit established under paragraph (6)  
6 of subsection (b) of Section 16-127 for days granted by an  
7 employer in excess of the member's normal annual sick leave  
8 allotment, the employer is required to pay the normal cost of  
9 benefits based upon such service credit. This subsection (d-10)  
10 does not apply to sick leave granted to teachers under  
11 contracts or collective bargaining agreements entered into,  
12 amended, or renewed before June 1, 2005 (the effective date of  
13 Public Act 94-4). The employer contributions required under  
14 this subsection (d-10) shall be paid in the form of a lump sum  
15 within 30 days after receipt of the bill after the teacher  
16 begins receiving benefits under this Article.

17 (e) Except for contributions under subsection (d-10), the  
18 contributions required under this Section may be made from the  
19 date the statement for such creditable service is issued until  
20 retirement date. All such required contributions must be made  
21 before any retirement annuity is granted.

22 (Source: P.A. 94-4, eff. 6-1-05; 94-1057, eff. 7-31-06.)".