



## 96TH GENERAL ASSEMBLY

### State of Illinois

2009 and 2010

HB0611

Introduced 2/6/2009, by Rep. Karen A. Yarbrough

#### SYNOPSIS AS INTRODUCED:

40 ILCS 5/17-134

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

30 ILCS 805/8.33 new

Amends the Chicago Teacher Article of the Illinois Pension Code. Provides that the amount of unused sick time that may be included in calculating the retirement pension is as determined as a result of a contract between Chicago Public Schools and the collective bargaining unit (rather than a maximum of 244 days). Amends the State Mandates Act to require implementation without reimbursement. Effective immediately.

LRB096 02998 AMC 13012 b

FISCAL NOTE ACT  
MAY APPLY

PENSION IMPACT  
NOTE ACT MAY  
APPLY

STATE MANDATES  
ACT MAY REQUIRE  
REIMBURSEMENT

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 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 as  
18 determined as a result of a contract between Chicago Public  
19 Schools and the collective bargaining unit ~~to a maximum of 244~~  
20 ~~days~~; (e) time lost due to layoff and curtailment of the school  
21 term from June 6 through June 21, 1976; and (f) time spent  
22 after June 30, 1982 as a member of the Board of Education, if  
23 required to resign from an administrative or teaching position

1 in order to qualify as a member of the Board of Education.

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

7 (2) For time spent on a leave of absence granted by the  
8 employer for which no salaries are paid, teachers desiring  
9 credit therefor shall pay the required contributions at the  
10 rates in effect during such periods as though they were in  
11 teaching service. If an Employer pays salary for vacations  
12 which occur during a teacher's sick leave or maternity or  
13 paternity leave without salary, vacation pay for which the  
14 teacher would have qualified while in active service shall  
15 be considered part of the teacher's total salary for  
16 pension purposes. No more than 36 months of leave credit  
17 may be allowed any person during the entire term of  
18 service. Sabbatical leave credit shall be limited to the  
19 time the person on leave without salary under an Employer's  
20 rules is allowed to engage in an activity for which he  
21 receives salary or compensation.

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

1           (4) For service with teacher or labor organizations  
2 authorized by special leaves of absence, for which no  
3 payroll deductions are made by an Employer, teachers  
4 desiring service credit therefor shall contribute to the  
5 Fund upon the basis of the actual salary received from such  
6 organizations at the percentage rates in effect during such  
7 periods for certified positions with such Employer. To the  
8 extent the actual salary exceeds the regular salary, which  
9 shall be defined as the salary rate, as calculated by the  
10 Board, in effect for the teacher's regular position in  
11 teaching service on September 1, 1983 or on the effective  
12 date of the leave with the organization, whichever is  
13 later, the organization shall pay to the Fund the  
14 employer's normal cost as set by the Board on the  
15 increment.

16           (5) For time spent in the military service, teachers  
17 entitled to and desiring credit therefor shall contribute  
18 the amount required for each year of service or fraction  
19 thereof at the rates in force (a) at the date of  
20 appointment, or (b) on return to teaching service as a  
21 regularly certified teacher, as the case may be; provided  
22 such rates shall not be less than \$450 per year of service.  
23 These conditions shall apply unless an Employer elects to  
24 and does pay into the Fund the amount which would have been  
25 due from such person had he been employed as a teacher  
26 during such time. In the case of credit for military

1 service not during the pension period, the teacher must  
2 also pay to the Fund an amount determined by the Board to  
3 be equal to the employer's normal cost of the benefits  
4 accrued from such service, plus interest thereon at 5% per  
5 year, compounded annually, from the date of appointment to  
6 the date of payment.

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

1 calculation of automatic annual increases accruing after  
2 the effective date of the recalculation.

3 The total credit for military service shall not exceed  
4 5 years, except that any teacher who on July 1, 1963, had  
5 validated credit for more than 5 years of military service  
6 shall be entitled to the total amount of such credit.

7 (6) A maximum of 244 unused sick days credited to his  
8 account by an Employer on the date of termination of  
9 employment. Members, upon verification of unused sick  
10 days, may add this service time to total creditable  
11 service.

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

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

1 contribution is paid, salary for pension purposes for any  
2 year in which such a layoff occurred shall include the  
3 compensation recognized for purposes of computing that  
4 contribution.

5 (9) For time spent after June 30, 1982, as a  
6 nonsalaried member of the Board of Education, if required  
7 to resign from an administrative or teaching position in  
8 order to qualify as a member of the Board of Education, an  
9 administrator or teacher desiring credit therefor shall  
10 pay the required contributions at the rates and salaries in  
11 effect during such periods as though the member were in  
12 service.

13 Effective September 1, 1974, the interest charged for  
14 validation of service described in paragraphs (2) through (5)  
15 of this Section shall be compounded annually at a rate of 5%  
16 commencing one year after the termination of the leave or  
17 return to service.

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

19 Section 90. The State Mandates Act is amended by adding  
20 Section 8.33 as follows:

21 (30 ILCS 805/8.33 new)

22 Sec. 8.33. Exempt mandate. Notwithstanding Sections 6 and 8  
23 of this Act, no reimbursement by the State is required for the  
24 implementation of any mandate created by this amendatory Act of

1 the 96th General Assembly.

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