



## 96TH GENERAL ASSEMBLY

### State of Illinois

2009 and 2010

HB1148

Introduced 2/11/2009, by Rep. Kevin Joyce - James D. Brosnahan  
- Kevin A. McCarthy

#### SYNOPSIS AS INTRODUCED:

40 ILCS 5/16-127

from Ch. 108 1/2, par. 16-127

Amends the Downstate Teacher Article of the Illinois Pension Code. Allows a member to establish optional credit for up to 2 years of service as a teacher or administrator employed by a private school recognized by the Illinois State Board of Education, provided that the teacher (i) was certified under the law governing the certification of teachers at the time the service was rendered, (ii) applies in writing on or before June 30, 2014, (iii) supplies satisfactory evidence of the employment, (iv) completes at least 10 years of contributing service as a teacher, and (v) pays the required contribution. Effective immediately.

LRB096 04392 AMC 14441 b

FISCAL 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 changing  
5 Section 16-127 as follows:

6 (40 ILCS 5/16-127) (from Ch. 108 1/2, par. 16-127)

7 Sec. 16-127. Computation of creditable service.

8 (a) Each member shall receive regular credit for all  
9 service as a teacher from the date membership begins, for which  
10 satisfactory evidence is supplied and all contributions have  
11 been paid.

12 (b) The following periods of service shall earn optional  
13 credit and each member shall receive credit for all such  
14 service for which satisfactory evidence is supplied and all  
15 contributions have been paid as of the date specified:

16 (1) Prior service as a teacher.

17 (2) Service in a capacity essentially similar or  
18 equivalent to that of a teacher, in the public common  
19 schools in school districts in this State not included  
20 within the provisions of this System, or of any other  
21 State, territory, dependency or possession of the United  
22 States, or in schools operated by or under the auspices of  
23 the United States, or under the auspices of any agency or

1 department of any other State, and service during any  
2 period of professional speech correction or special  
3 education experience for a public agency within this State  
4 or any other State, territory, dependency or possession of  
5 the United States, and service prior to February 1, 1951 as  
6 a recreation worker for the Illinois Department of Public  
7 Safety, for a period not exceeding the lesser of 2/5 of the  
8 total creditable service of the member or 10 years. The  
9 maximum service of 10 years which is allowable under this  
10 paragraph shall be reduced by the service credit which is  
11 validated by other retirement systems under paragraph (i)  
12 of Section 15-113 and paragraph 1 of Section 17-133. Credit  
13 granted under this paragraph may not be used in  
14 determination of a retirement annuity or disability  
15 benefits unless the member has at least 5 years of  
16 creditable service earned subsequent to this employment  
17 with one or more of the following systems: Teachers'  
18 Retirement System of the State of Illinois, State  
19 Universities Retirement System, and the Public School  
20 Teachers' Pension and Retirement Fund of Chicago. Whenever  
21 such service credit exceeds the maximum allowed for all  
22 purposes of this Article, the first service rendered in  
23 point of time shall be considered. The changes to this  
24 subdivision (b)(2) made by Public Act 86-272 shall apply  
25 not only to persons who on or after its effective date  
26 (August 23, 1989) are in service as a teacher under the

1 System, but also to persons whose status as such a teacher  
2 terminated prior to such effective date, whether or not  
3 such person is an annuitant on that date.

4 (3) Any periods immediately following teaching  
5 service, under this System or under Article 17, (or  
6 immediately following service prior to February 1, 1951 as  
7 a recreation worker for the Illinois Department of Public  
8 Safety) spent in active service with the military forces of  
9 the United States; periods spent in educational programs  
10 that prepare for return to teaching sponsored by the  
11 federal government following such active military service;  
12 if a teacher returns to teaching service within one  
13 calendar year after discharge or after the completion of  
14 the educational program, a further period, not exceeding  
15 one calendar year, between time spent in military service  
16 or in such educational programs and the return to  
17 employment as a teacher under this System; and a period of  
18 up to 2 years of active military service not immediately  
19 following employment as a teacher.

20 The changes to this Section and Section 16-128 relating  
21 to military service made by P.A. 87-794 shall apply not  
22 only to persons who on or after its effective date are in  
23 service as a teacher under the System, but also to persons  
24 whose status as a teacher terminated prior to that date,  
25 whether or not the person is an annuitant on that date. In  
26 the case of an annuitant who applies for credit allowable

1 under this Section for a period of military service that  
2 did not immediately follow employment, and who has made the  
3 required contributions for such credit, the annuity shall  
4 be recalculated to include the additional service credit,  
5 with the increase taking effect on the date the System  
6 received written notification of the annuitant's intent to  
7 purchase the credit, if payment of all the required  
8 contributions is made within 60 days of such notice, or  
9 else on the first annuity payment date following the date  
10 of payment of the required contributions. In calculating  
11 the automatic annual increase for an annuity that has been  
12 recalculated under this Section, the increase attributable  
13 to the additional service allowable under P.A. 87-794 shall  
14 be included in the calculation of automatic annual  
15 increases accruing after the effective date of the  
16 recalculation.

17 Credit for military service shall be determined as  
18 follows: if entry occurs during the months of July, August,  
19 or September and the member was a teacher at the end of the  
20 immediately preceding school term, credit shall be granted  
21 from July 1 of the year in which he or she entered service;  
22 if entry occurs during the school term and the teacher was  
23 in teaching service at the beginning of the school term,  
24 credit shall be granted from July 1 of such year. In all  
25 other cases where credit for military service is allowed,  
26 credit shall be granted from the date of entry into the

1 service.

2 The total period of military service for which credit  
3 is granted shall not exceed 5 years for any member unless  
4 the service: (A) is validated before July 1, 1964, and (B)  
5 does not extend beyond July 1, 1963. Credit for military  
6 service shall be granted under this Section only if not  
7 more than 5 years of the military service for which credit  
8 is granted under this Section is used by the member to  
9 qualify for a military retirement allotment from any branch  
10 of the armed forces of the United States. The changes to  
11 this subdivision (b)(3) made by Public Act 86-272 shall  
12 apply not only to persons who on or after its effective  
13 date (August 23, 1989) are in service as a teacher under  
14 the System, but also to persons whose status as such a  
15 teacher terminated prior to such effective date, whether or  
16 not such person is an annuitant on that date.

17 (4) Any periods served as a member of the General  
18 Assembly.

19 (5) (i) Any periods for which a teacher, as defined in  
20 Section 16-106, is granted a leave of absence, provided he  
21 or she returns to teaching service creditable under this  
22 System or the State Universities Retirement System  
23 following the leave; (ii) periods during which a teacher is  
24 involuntarily laid off from teaching, provided he or she  
25 returns to teaching following the lay-off; (iii) periods  
26 prior to July 1, 1983 during which a teacher ceased covered

1 employment due to pregnancy, provided that the teacher  
2 returned to teaching service creditable under this System  
3 or the State Universities Retirement System following the  
4 pregnancy and submits evidence satisfactory to the Board  
5 documenting that the employment ceased due to pregnancy;  
6 and (iv) periods prior to July 1, 1983 during which a  
7 teacher ceased covered employment for the purpose of  
8 adopting an infant under 3 years of age or caring for a  
9 newly adopted infant under 3 years of age, provided that  
10 the teacher returned to teaching service creditable under  
11 this System or the State Universities Retirement System  
12 following the adoption and submits evidence satisfactory  
13 to the Board documenting that the employment ceased for the  
14 purpose of adopting an infant under 3 years of age or  
15 caring for a newly adopted infant under 3 years of age.  
16 However, total credit under this paragraph (5) may not  
17 exceed 3 years.

18 Any qualified member or annuitant may apply for credit  
19 under item (iii) or (iv) of this paragraph (5) without  
20 regard to whether service was terminated before the  
21 effective date of this amendatory Act of 1997. In the case  
22 of an annuitant who establishes credit under item (iii) or  
23 (iv), the annuity shall be recalculated to include the  
24 additional service credit. The increase in annuity shall  
25 take effect on the date the System receives written  
26 notification of the annuitant's intent to purchase the

1 credit, if the required evidence is submitted and the  
2 required contribution paid within 60 days of that  
3 notification, otherwise on the first annuity payment date  
4 following the System's receipt of the required evidence and  
5 contribution. The increase in an annuity recalculated  
6 under this provision shall be included in the calculation  
7 of automatic annual increases in the annuity accruing after  
8 the effective date of the recalculation.

9 Optional credit may be purchased under this subsection  
10 (b) (5) for periods during which a teacher has been granted  
11 a leave of absence pursuant to Section 24-13 of the School  
12 Code. A teacher whose service under this Article terminated  
13 prior to the effective date of P.A. 86-1488 shall be  
14 eligible to purchase such optional credit. If a teacher who  
15 purchases this optional credit is already receiving a  
16 retirement annuity under this Article, the annuity shall be  
17 recalculated as if the annuitant had applied for the leave  
18 of absence credit at the time of retirement. The difference  
19 between the entitled annuity and the actual annuity shall  
20 be credited to the purchase of the optional credit. The  
21 remainder of the purchase cost of the optional credit shall  
22 be paid on or before April 1, 1992.

23 The change in this paragraph made by Public Act 86-273  
24 shall be applicable to teachers who retire after June 1,  
25 1989, as well as to teachers who are in service on that  
26 date.



1           (6) Any days of unused and uncompensated accumulated  
2 sick leave earned by a teacher. The service credit granted  
3 under this paragraph shall be the ratio of the number of  
4 unused and uncompensated accumulated sick leave days to 170  
5 days, subject to a maximum of 2 years of service credit.  
6 Prior to the member's retirement, each former employer  
7 shall certify to the System the number of unused and  
8 uncompensated accumulated sick leave days credited to the  
9 member at the time of termination of service. The period of  
10 unused sick leave shall not be considered in determining  
11 the effective date of retirement. A member is not required  
12 to make contributions in order to obtain service credit for  
13 unused sick leave.

14           Credit for sick leave shall, at retirement, be granted  
15 by the System for any retiring regional or assistant  
16 regional superintendent of schools at the rate of 6 days  
17 per year of creditable service or portion thereof  
18 established while serving as such superintendent or  
19 assistant superintendent.

20           (7) Periods prior to February 1, 1987 served as an  
21 employee of the Illinois Mathematics and Science Academy  
22 for which credit has not been terminated under Section  
23 15-113.9 of this Code.

24           (8) Service as a substitute teacher for work performed  
25 prior to July 1, 1990.

26           (9) Service as a part-time teacher for work performed

1 prior to July 1, 1990.

2 (10) Up to 2 years of employment with Southern Illinois  
3 University - Carbondale from September 1, 1959 to August  
4 31, 1961, or with Governors State University from September  
5 1, 1972 to August 31, 1974, for which the teacher has no  
6 credit under Article 15. To receive credit under this item  
7 (10), a teacher must apply in writing to the Board and pay  
8 the required contributions before May 1, 1993 and have at  
9 least 12 years of service credit under this Article.

10 (b-1) A member may establish optional credit for up to 2  
11 years of service as a teacher or administrator employed by a  
12 private school recognized by the Illinois State Board of  
13 Education, provided that the teacher (i) was certified under  
14 the law governing the certification of teachers at the time the  
15 service was rendered, (ii) applies in writing on or before June  
16 30, 2014 ~~on or after June 1, 2002 and on or before June 1, 2005,~~  
17 (iii) supplies satisfactory evidence of the employment, (iv)  
18 completes at least 10 years of contributing service as a  
19 teacher as defined in Section 16-106, and (v) pays the  
20 contribution required in subsection (d-5) of Section 16-128.  
21 The member may apply for credit under this subsection and pay  
22 the required contribution before completing the 10 years of  
23 contributing service required under item (iv), but the credit  
24 may not be used until the item (iv) contributing service  
25 requirement has been met.

26 (c) The service credits specified in this Section shall be

1 granted only if: (1) such service credits are not used for  
2 credit in any other statutory tax-supported public employee  
3 retirement system other than the federal Social Security  
4 program; and (2) the member makes the required contributions as  
5 specified in Section 16-128. Except as provided in subsection  
6 (b-1) of this Section, the service credit shall be effective as  
7 of the date the required contributions are completed.

8 Any service credits granted under this Section shall  
9 terminate upon cessation of membership for any cause.

10 Credit may not be granted under this Section covering any  
11 period for which an age retirement or disability retirement  
12 allowance has been paid.

13 (Source: P.A. 92-867, eff. 1-3-03.)

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