



97TH GENERAL ASSEMBLY

State of Illinois

2011 and 2012

HB3865

Introduced 10/27/2011, by Rep. Jack D. Franks

SYNOPSIS AS INTRODUCED:

40 ILCS 5/16-106

from Ch. 108 1/2, par. 16-106

40 ILCS 5/16-106.4 new

Amends the Downstate Teachers Article of the Illinois Pension Code. Requires an individual to be a member of the Teachers' Retirement System of the State of Illinois before the effective date of the amendatory Act in order for specified service as an officer or employee of a statewide teacher organization or as an officer of a national teacher organization to qualify as service as a teacher under the Code. Provides that any person whose membership in the Teachers' Retirement System of the State of Illinois is derived solely from employment as a substitute teacher and employment with a statewide teacher organization shall forfeit service credit in the System. Requires a refund of contributions made by those persons. Effective immediately.

LRB097 14296 JDS 59070 b

FISCAL NOTE ACT
MAY APPLY

PENSION IMPACT
NOTE ACT MAY
APPLY

1 AN ACT concerning the 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 16-106 and by adding Section 16-106.4 as follows:

6 (40 ILCS 5/16-106) (from Ch. 108 1/2, par. 16-106)

7 Sec. 16-106. Teacher. "Teacher": The following
8 individuals, provided that, for employment prior to July 1,
9 1990, they are employed on a full-time basis, or if not
10 full-time, on a permanent and continuous basis in a position in
11 which services are expected to be rendered for at least one
12 school term:

13 (1) Any educational, administrative, professional or
14 other staff employed in the public common schools included
15 within this system in a position requiring certification
16 under the law governing the certification of teachers;

17 (2) Any educational, administrative, professional or
18 other staff employed in any facility of the Department of
19 Children and Family Services or the Department of Human
20 Services, in a position requiring certification under the
21 law governing the certification of teachers, and any person
22 who (i) works in such a position for the Department of
23 Corrections, (ii) was a member of this System on May 31,

1 1987, and (iii) did not elect to become a member of the
2 State Employees' Retirement System pursuant to Section
3 14-108.2 of this Code; except that "teacher" does not
4 include any person who (A) becomes a security employee of
5 the Department of Human Services, as defined in Section
6 14-110, after June 28, 2001 (the effective date of Public
7 Act 92-14), or (B) becomes a member of the State Employees'
8 Retirement System pursuant to Section 14-108.2c of this
9 Code;

10 (3) Any regional superintendent of schools, assistant
11 regional superintendent of schools, State Superintendent
12 of Education; any person employed by the State Board of
13 Education as an executive; any executive of the boards
14 engaged in the service of public common school education in
15 school districts covered under this system of which the
16 State Superintendent of Education is an ex-officio member;

17 (4) Any employee of a school board association
18 operating in compliance with Article 23 of the School Code
19 who is certificated under the law governing the
20 certification of teachers;

21 (5) Any person employed by the retirement system who:

22 (i) was an employee of and a participant in the
23 system on August 17, 2001 (the effective date of Public
24 Act 92-416), or

25 (ii) becomes an employee of the system on or after
26 August 17, 2001;

1 (6) Any educational, administrative, professional or
2 other staff employed by and under the supervision and
3 control of a regional superintendent of schools, provided
4 such employment position requires the person to be
5 certificated under the law governing the certification of
6 teachers and is in an educational program serving 2 or more
7 districts in accordance with a joint agreement authorized
8 by the School Code or by federal legislation;

9 (7) Any educational, administrative, professional or
10 other staff employed in an educational program serving 2 or
11 more school districts in accordance with a joint agreement
12 authorized by the School Code or by federal legislation and
13 in a position requiring certification under the laws
14 governing the certification of teachers;

15 (8) Any officer or employee of a statewide teacher
16 organization or officer of a national teacher organization
17 who is certified under the law governing certification of
18 teachers, provided: (i) the individual had previously
19 established creditable service under this Article, (ii)
20 the individual files with the system an irrevocable
21 election to become a member, ~~and~~ (iii) the individual does
22 not receive credit for such service under any other Article
23 of this Code, and (iv) the individual was a member of the
24 System before the effective date of this amendatory Act of
25 the 97th General Assembly;

26 (9) Any educational, administrative, professional, or

1 other staff employed in a charter school operating in
2 compliance with the Charter Schools Law who is certificated
3 under the law governing the certification of teachers.

4 (10) Any person employed, on the effective date of this
5 amendatory Act of the 94th General Assembly, by the
6 Macon-Piatt Regional Office of Education in a
7 birth-through-age-three pilot program receiving funds
8 under Section 2-389 of the School Code who is required by
9 the Macon-Piatt Regional Office of Education to hold a
10 teaching certificate, provided that the Macon-Piatt
11 Regional Office of Education makes an election, within 6
12 months after the effective date of this amendatory Act of
13 the 94th General Assembly, to have the person participate
14 in the system. Any service established prior to the
15 effective date of this amendatory Act of the 94th General
16 Assembly for service as an employee of the Macon-Piatt
17 Regional Office of Education in a birth-through-age-three
18 pilot program receiving funds under Section 2-389 of the
19 School Code shall be considered service as a teacher if
20 employee and employer contributions have been received by
21 the system and the system has not refunded those
22 contributions.

23 An annuitant receiving a retirement annuity under this
24 Article or under Article 17 of this Code who is employed by a
25 board of education or other employer as permitted under Section
26 16-118 or 16-150.1 is not a "teacher" for purposes of this

1 Article. A person who has received a single-sum retirement
2 benefit under Section 16-136.4 of this Article is not a
3 "teacher" for purposes of this Article.

4 A person who is a teacher as described in item (8) of this
5 Section may establish service credit for similar employment
6 prior to becoming certified as a teacher if he or she (i) is
7 certified as a teacher on or before the effective date of this
8 amendatory Act of the 94th General Assembly, (ii) applies in
9 writing to the system within 6 months after the effective date
10 of this amendatory Act of the 94th General Assembly, and (iii)
11 pays to the system contributions equal to the normal costs
12 calculated from the date of first full-time employment as
13 described in item (8) to the date of payment, compounded
14 annually at the rate of 8.5% per year for periods before the
15 effective date of this amendatory Act of the 94th General
16 Assembly and for subsequent periods at a rate equal to the
17 System's actuarially assumed rate of return on investments.
18 However, credit shall not be granted under this paragraph for
19 any such prior employment for which the applicant received
20 credit under any other provision of this Code.

21 (Source: P.A. 93-320, eff. 7-23-03; 94-1111, eff. 2-27-07.)

22 (40 ILCS 5/16-106.4 new)

23 Sec. 16-106.4. Forfeiture of service credit; refund of
24 contributions. Any person whose membership in the Teachers'
25 Retirement System of the State of Illinois is derived solely

1 from employment as a substitute teacher and employment with a
2 statewide teacher organization shall forfeit service credit in
3 the Teachers' Retirement System of the State of Illinois and
4 shall receive a refund of the employee contributions and an
5 amount deemed by the board to be equal to the investment
6 returns attributed to the employee contributions.

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