



97TH GENERAL ASSEMBLY

State of Illinois

2011 and 2012

HB5744

Introduced 2/16/2012, by Rep. Robert Rita

SYNOPSIS AS INTRODUCED:

40 ILCS 5/17-149

from Ch. 108 1/2, par. 17-149

30 ILCS 805/8.36 new

Amends the Chicago Teacher Article of the Illinois Pension Code. Provides that a retired teacher may be re-employed as a teacher on a temporary and non-annual basis or on an hourly basis without loss of pension, so long as the person does not accept more than \$10,000 in gross compensation for that re-employment in a school year. Requires the pensioner to notify the Fund and the Board of Education of his or her intention to accept re-employment. Requires the Board of Education to certify the pensioner's status and compensation to the Fund. Requires the Board of the Fund to adopt rules for implementation. Amends the State Mandates Act to require implementation without reimbursement. Effective immediately.

LRB097 20561 EFG 66163 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 17-149 as follows:

6 (40 ILCS 5/17-149) (from Ch. 108 1/2, par. 17-149)

7 Sec. 17-149. Cancellation of pensions.

8 (a) If any person receiving a disability retirement pension
9 from the Fund is re-employed as a teacher by an Employer, the
10 pension shall be cancelled on the date the re-employment
11 begins, or on the first day of a payroll period for which
12 service credit was validated, whichever is earlier.

13 (b) If any person receiving a service retirement pension
14 from the Fund is re-employed as a teacher on a permanent or
15 annual basis by an Employer, the pension shall be cancelled on
16 the date the re-employment begins, or on the first day of a
17 payroll period for which service credit was validated,
18 whichever is earlier. However, subject to the limitations and
19 requirements of subsection (c-5), the pension shall not be
20 cancelled in the case of a service retirement pensioner who is
21 re-employed on a temporary and non-annual basis or on an hourly
22 basis.

23 (c) If the date of re-employment on a permanent or annual

1 basis occurs within 5 school months after the date of previous
2 retirement, exclusive of any vacation period, the member shall
3 be deemed to have been out of service only temporarily and not
4 permanently retired. Such person shall be entitled to pension
5 payments for the time he could have been employed as a teacher
6 and received salary, but shall not be entitled to pension for
7 or during the summer vacation prior to his return to service.

8 When the member again retires on pension, the time of
9 service and the money contributed by him during re-employment
10 shall be added to the time and money previously credited. Such
11 person must acquire 3 consecutive years of additional
12 contributing service before he may retire again on a pension at
13 a rate and under conditions other than those in force or
14 attained at the time of his previous retirement.

15 (c-5) The service retirement pension shall not be cancelled
16 in the case of a service retirement pensioner who is
17 re-employed as a teacher on a temporary and non-annual basis or
18 on an hourly basis, so long as the person does not accept more
19 than \$10,000 in gross compensation for that re-employment in
20 any school year that begins on or after the effective date of
21 this amendatory Act of the 97th General Assembly. Such
22 re-employment does not require contributions, result in
23 service credit, or constitute active membership in the Fund.

24 To be eligible for such re-employment without cancellation
25 of pension, the pensioner must notify the Fund and the Board of
26 Education of his or her intention to accept re-employment under

1 this subsection (c-5) before beginning that reemployment (or if
2 the re-employment began before the effective date of this
3 amendatory Act, then within 30 days after that effective date).

4 The Board of Education must certify to the Fund the
5 temporary and non-annual or hourly status and the compensation
6 of each pensioner re-employed under this subsection at least
7 quarterly, and when the pensioner is approaching the earnings
8 limitation under this subsection.

9 If the pensioner accepts more than \$10,000 in gross
10 compensation for such re-employment in any school year that
11 begins on or after the effective date of this amendatory Act of
12 the 97th General Assembly, the service retirement pension shall
13 thereupon be cancelled.

14 The Board of the Fund shall adopt rules for the
15 implementation and administration of this subsection.

16 (d) Notwithstanding Sections 1-103.1 and 17-157, the
17 changes to this Section made by Public Act 90-32 apply without
18 regard to whether termination of service occurred before the
19 effective date of that Act and apply retroactively to August
20 23, 1989.

21 Notwithstanding Sections 1-103.1 and 17-157, the changes
22 to this Section and Section 17-106 made by Public Act 92-599
23 ~~this amendatory Act of the 92nd General Assembly~~ apply without
24 regard to whether termination of service occurred before the
25 effective date of that ~~this amendatory~~ Act.

26 Notwithstanding Sections 1-103.1 and 17-157, the changes

1 to this Section and Section 17-106 made by this amendatory Act
2 of the 97th General Assembly apply without regard to whether
3 termination of service occurred before the effective date of
4 this amendatory Act.

5 (Source: P.A. 92-416, eff. 8-17-01; 92-599, eff. 6-28-02.)

6 Section 90. The State Mandates Act is amended by adding
7 Section 8.36 as follows:

8 (30 ILCS 805/8.36 new)

9 Sec. 8.36. Exempt mandate. Notwithstanding Sections 6 and 8
10 of this Act, no reimbursement by the State is required for the
11 implementation of any mandate created by this amendatory Act of
12 the 97th General Assembly.

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