

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 (1) does not work as a
19 teacher for compensation on more than 100 days in a school year
20 and (2) does not accept gross compensation for the
21 re-employment in a school year in excess of (i) \$30,000 or (ii)
22 in the case of a person who retires with at least 5 years of
23 service as a principal, an amount that is equal to the daily
24 rate normally paid to retired principals multiplied by 100.
25 These limitations apply only to school years that begin on or
26 after the effective date of this amendatory Act of the 97th

1 General Assembly. Such re-employment does not require
2 contributions, result in service credit, or constitute active
3 membership in the Fund.

4 To be eligible for such re-employment without cancellation
5 of pension, the pensioner must notify the Fund and the Board of
6 Education of his or her intention to accept re-employment under
7 this subsection (c-5) before beginning that re-employment (or
8 if the re-employment began before the effective date of this
9 amendatory Act, then within 30 days after that effective date).

10 The Board of Education must certify to the Fund the
11 temporary and non-annual or hourly status and the compensation
12 of each pensioner re-employed under this subsection at least
13 quarterly, and when the pensioner is approaching the earnings
14 limitation under this subsection.

15 If the pensioner works more than 100 days or accepts excess
16 gross compensation for such re-employment in any school year
17 that begins on or after the effective date of this amendatory
18 Act of the 97th General Assembly, the service retirement
19 pension shall thereupon be cancelled.

20 The Board of the Fund shall adopt rules for the
21 implementation and administration of this subsection.

22 (d) Notwithstanding Sections 1-103.1 and 17-157, the
23 changes to this Section made by Public Act 90-32 apply without
24 regard to whether termination of service occurred before the
25 effective date of that Act and apply retroactively to August
26 23, 1989.

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

6 Notwithstanding Sections 1-103.1 and 17-157, the changes
7 to this Section made by this amendatory Act of the 97th General
8 Assembly apply without regard to whether termination of service
9 occurred before the effective date of this amendatory Act.

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

11 Section 90. The State Mandates Act is amended by adding
12 Section 8.36 as follows:

13 (30 ILCS 805/8.36 new)

14 Sec. 8.36. Exempt mandate. Notwithstanding Sections 6 and 8
15 of this Act, no reimbursement by the State is required for the
16 implementation of any mandate created by this amendatory Act of
17 the 97th General Assembly.

18 Section 99. Effective date. This Act takes effect upon
19 becoming law.