



97TH GENERAL ASSEMBLY

State of Illinois

2011 and 2012

SB3793

Introduced 2/10/2012, by Sen. Darin M. LaHood

SYNOPSIS AS INTRODUCED:

40 ILCS 5/2-101	from Ch. 108 1/2, par. 2-101
40 ILCS 5/2-105	from Ch. 108 1/2, par. 2-105
40 ILCS 5/2-117	from Ch. 108 1/2, par. 2-117
40 ILCS 5/14-103.05	from Ch. 108 1/2, par. 14-103.05

Amends the General Assembly and State Employees Articles of the Illinois Pension Code. Provides that, for members of the Illinois Senate, participation in the General Assembly Retirement System is restricted to those individuals who first become participants before the effective date of the amendatory Act. Provides that an individual who first becomes a member of the Illinois Senate on or after February 1, 2011 and before the effective date of the amendatory Act may become a member of the State Employees' Retirement System of Illinois by making an election to participate in that System. Provides that an individual who first becomes a member of the Illinois Senate on or after the effective date of the amendatory Act shall become a member of the State Employees' Retirement System of Illinois beginning on the date of becoming a member of the Illinois Senate unless, within 24 months from that date, he or she has filed with the board a written notice of election not to participate in that System. Effective immediately.

LRB097 15147 JDS 60247 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 Sections 2-101, 2-105, 2-117, and 14-103.05 as follows:

6 (40 ILCS 5/2-101) (from Ch. 108 1/2, par. 2-101)

7 Sec. 2-101. Creation of system. A retirement system is
8 created to provide retirement annuities, survivor's annuities
9 and other benefits for certain members of the General Assembly,
10 certain elected state officials, and their beneficiaries.

11 The system shall be known as the "General Assembly
12 Retirement System". All its funds and property shall be a trust
13 separate from all other entities, maintained for the purpose of
14 securing payment of annuities and benefits under this Article.

15 For members of the Illinois Senate, participation in the
16 retirement system created under this Article is restricted to
17 those individuals who first become participants before the
18 effective date of this amendatory Act of the 97th General
19 Assembly.

20 (Source: P.A. 83-1440.)

21 (40 ILCS 5/2-105) (from Ch. 108 1/2, par. 2-105)

22 Sec. 2-105. Member. "Member": Members of the General

1 Assembly of this State, including persons who enter military
2 service while a member of the General Assembly, and any person
3 serving as Governor, Lieutenant Governor, Secretary of State,
4 Treasurer, Comptroller, or Attorney General for the period of
5 service in such office.

6 Any person who has served for 10 or more years as Clerk or
7 Assistant Clerk of the House of Representatives, Secretary or
8 Assistant Secretary of the Senate, or any combination thereof,
9 may elect to become a member of this system while thenceforth
10 engaged in such service by filing a written election with the
11 board. Any person so electing shall be deemed an active member
12 of the General Assembly for the purpose of validating and
13 transferring any service credits earned under any of the funds
14 and systems established under Articles 3 through 18 of this
15 Code.

16 However, notwithstanding any other provision of this
17 Article, a member of the Illinois Senate shall not be deemed to
18 be a participant for the purposes of this Article unless he or
19 she first becomes a participant before the effective date of
20 this amendatory Act of the 97th General Assembly.

21 (Source: P.A. 85-1008.)

22 (40 ILCS 5/2-117) (from Ch. 108 1/2, par. 2-117)

23 Sec. 2-117. Participants - Election not to participate.

24 (a) Every person who was a member on November 1, 1947, or
25 in military service on such date, is subject to the provisions

1 of this system beginning upon such date, unless prior to such
2 date he or she filed with the board a written notice of
3 election not to participate .

4 Every person who becomes a member after November 1, 1947,
5 and who is then not a participant becomes a participant
6 beginning upon the date of becoming a member unless, within 24
7 months from that date, he or she has filed with the board a
8 written notice of election not to participate.

9 Every member of the Illinois Senate who first becomes a
10 participant after February 1, 2011 and before the effective
11 date of this amendatory Act of the 97th General Assembly
12 becomes a participant beginning on the date of becoming a
13 member unless, within 24 months after that date, he or she has
14 filed with the board a written notice of election either (i)
15 not to participate or (ii) to participate instead in the
16 retirement system created under Article 14.

17 (b) A member who has filed notice of an election not to
18 participate (and a former member who has not yet begun to
19 receive a retirement annuity under this Article) may become a
20 participant with respect to the period for which the member
21 elected not to participate upon filing with the board, before
22 April 1, 1993, a written rescission of the election not to
23 participate. Upon contributing an amount equal to the
24 contributions he or she would have made as a participant from
25 November 1, 1947, or the date of becoming a member, whichever
26 is later, to the date of becoming a participant, with interest

1 at the rate of 4% per annum until the contributions are paid,
2 the participant shall receive credit for service as a member
3 prior to the date of the rescission, both before and after
4 November 1, 1947. The required contributions shall be made
5 before commencement of the retirement annuity; otherwise no
6 credit for service prior to the date of participation shall be
7 granted.

8 (Source: P.A. 86-273; 87-1265.)

9 (40 ILCS 5/14-103.05) (from Ch. 108 1/2, par. 14-103.05)

10 Sec. 14-103.05. Employee.

11 (a) Any person employed by a Department who receives salary
12 for personal services rendered to the Department on a warrant
13 issued pursuant to a payroll voucher certified by a Department
14 and drawn by the State Comptroller upon the State Treasurer,
15 including an elected official described in subparagraph (d) of
16 Section 14-104, shall become an employee for purpose of
17 membership in the Retirement System on the first day of such
18 employment.

19 A person entering service on or after January 1, 1972 and
20 prior to January 1, 1984 shall become a member as a condition
21 of employment and shall begin making contributions as of the
22 first day of employment.

23 A person entering service on or after January 1, 1984
24 shall, upon completion of 6 months of continuous service which
25 is not interrupted by a break of more than 2 months, become a

1 member as a condition of employment. Contributions shall begin
2 the first of the month after completion of the qualifying
3 period.

4 A person employed by the Chicago Metropolitan Agency for
5 Planning on the effective date of this amendatory Act of the
6 95th General Assembly who was a member of this System as an
7 employee of the Chicago Area Transportation Study and makes an
8 election under Section 14-104.13 to participate in this System
9 for his or her employment with the Chicago Metropolitan Agency
10 for Planning.

11 An individual who first becomes a member of the Illinois
12 Senate on or after February 1, 2011 and before the effective
13 date of this amendatory Act of the 97th General Assembly shall
14 become a member of the System by making an election under
15 Section 2-117 to participate in the System created under this
16 Article.

17 An individual who first becomes a member of the Illinois
18 Senate on or after the effective date of this amendatory Act of
19 the 97th General Assembly shall become a member of the System
20 beginning on the date of becoming a member of the Illinois
21 Senate unless, within 24 months from that date, he or she has
22 filed with the board a written notice of election not to
23 participate in the System created under this Article.

24 The qualifying period of 6 months of service is not
25 applicable to: (1) a person who has been granted credit for
26 service in a position covered by the State Universities

1 Retirement System, the Teachers' Retirement System of the State
2 of Illinois, the General Assembly Retirement System, or the
3 Judges Retirement System of Illinois unless that service has
4 been forfeited under the laws of those systems; (2) a person
5 entering service on or after July 1, 1991 in a noncovered
6 position; (3) a person to whom Section 14-108.2a or 14-108.2b
7 applies; or (4) a person to whom subsection (a-5) of this
8 Section applies.

9 (a-5) A person entering service on or after December 1,
10 2010 shall become a member as a condition of employment and
11 shall begin making contributions as of the first day of
12 employment. A person serving in the qualifying period on
13 December 1, 2010 will become a member on December 1, 2010 and
14 shall begin making contributions as of December 1, 2010.

15 (b) The term "employee" does not include the following:

16 (1) except as otherwise provided in this Section,
17 members of the State Legislature, and persons electing to
18 become members of the General Assembly Retirement System
19 pursuant to Section 2-105;

20 (2) incumbents of offices normally filled by vote of
21 the people;

22 (3) except as otherwise provided in this Section, any
23 person appointed by the Governor with the advice and
24 consent of the Senate unless that person elects to
25 participate in this system;

26 (3.1) any person serving as a commissioner of an ethics

1 commission created under the State Officials and Employees
2 Ethics Act unless that person elects to participate in this
3 system with respect to that service as a commissioner;

4 (3.2) any person serving as a part-time employee in any
5 of the following positions: Legislative Inspector General,
6 Special Legislative Inspector General, employee of the
7 Office of the Legislative Inspector General, Executive
8 Director of the Legislative Ethics Commission, or staff of
9 the Legislative Ethics Commission, regardless of whether
10 he or she is in active service on or after July 8, 2004
11 (the effective date of Public Act 93-685), unless that
12 person elects to participate in this System with respect to
13 that service; in this item (3.2), a "part-time employee" is
14 a person who is not required to work at least 35 hours per
15 week;

16 (3.3) any person who has made an election under Section
17 1-123 and who is serving either as legal counsel in the
18 Office of the Governor or as Chief Deputy Attorney General;

19 (4) except as provided in Section 14-108.2 or
20 14-108.2c, any person who is covered or eligible to be
21 covered by the Teachers' Retirement System of the State of
22 Illinois, the State Universities Retirement System, or the
23 Judges Retirement System of Illinois;

24 (5) an employee of a municipality or any other
25 political subdivision of the State;

26 (6) any person who becomes an employee after June 30,

1 1979 as a public service employment program participant
2 under the Federal Comprehensive Employment and Training
3 Act and whose wages or fringe benefits are paid in whole or
4 in part by funds provided under such Act;

5 (7) enrollees of the Illinois Young Adult Conservation
6 Corps program, administered by the Department of Natural
7 Resources, authorized grantee pursuant to Title VIII of the
8 "Comprehensive Employment and Training Act of 1973", 29 USC
9 993, as now or hereafter amended;

10 (8) enrollees and temporary staff of programs
11 administered by the Department of Natural Resources under
12 the Youth Conservation Corps Act of 1970;

13 (9) any person who is a member of any professional
14 licensing or disciplinary board created under an Act
15 administered by the Department of Professional Regulation
16 or a successor agency or created or re-created after the
17 effective date of this amendatory Act of 1997, and who
18 receives per diem compensation rather than a salary,
19 notwithstanding that such per diem compensation is paid by
20 warrant issued pursuant to a payroll voucher; such persons
21 have never been included in the membership of this System,
22 and this amendatory Act of 1987 (P.A. 84-1472) is not
23 intended to effect any change in the status of such
24 persons;

25 (10) any person who is a member of the Illinois Health
26 Care Cost Containment Council, and receives per diem

1 compensation rather than a salary, notwithstanding that
2 such per diem compensation is paid by warrant issued
3 pursuant to a payroll voucher; such persons have never been
4 included in the membership of this System, and this
5 amendatory Act of 1987 is not intended to effect any change
6 in the status of such persons;

7 (11) any person who is a member of the Oil and Gas
8 Board created by Section 1.2 of the Illinois Oil and Gas
9 Act, and receives per diem compensation rather than a
10 salary, notwithstanding that such per diem compensation is
11 paid by warrant issued pursuant to a payroll voucher;

12 (12) a person employed by the State Board of Higher
13 Education in a position with the Illinois Century Network
14 as of June 30, 2004, who remains continuously employed
15 after that date by the Department of Central Management
16 Services in a position with the Illinois Century Network
17 and participates in the Article 15 system with respect to
18 that employment;

19 (13) any person who first becomes a member of the Civil
20 Service Commission on or after January 1, 2012;

21 (14) any person, other than the Director of Employment
22 Security, who first becomes a member of the Board of Review
23 of the Department of Employment Security on or after
24 January 1, 2012;

25 (15) any person who first becomes a member of the Civil
26 Service Commission on or after January 1, 2012;

1 (16) any person who first becomes a member of the
2 Illinois Liquor Control Commission on or after January 1,
3 2012;

4 (17) any person who first becomes a member of the
5 Secretary of State Merit Commission on or after January 1,
6 2012;

7 (18) any person who first becomes a member of the Human
8 Rights Commission on or after January 1, 2012;

9 (19) any person who first becomes a member of the State
10 Mining Board on or after January 1, 2012;

11 (20) any person who first becomes a member of the
12 Property Tax Appeal Board on or after January 1, 2012;

13 (21) any person who first becomes a member of the
14 Illinois Racing Board on or after January 1, 2012;

15 (22) any person who first becomes a member of the
16 Department of State Police Merit Board on or after January
17 1, 2012;

18 (23) any person who first becomes a member of the
19 Illinois State Toll Highway Authority on or after January
20 1, 2012; or

21 (24) any person who first becomes a member of the
22 Illinois State Board of Elections on or after January 1,
23 2012.

24 (c) An individual who represents or is employed as an
25 officer or employee of a statewide labor organization that
26 represents members of this System may participate in the System

1 and shall be deemed an employee, provided that (1) the
2 individual has previously earned creditable service under this
3 Article, (2) the individual files with the System an
4 irrevocable election to become a participant within 6 months
5 after the effective date of this amendatory Act of the 94th
6 General Assembly, and (3) the individual does not receive
7 credit for that employment under any other provisions of this
8 Code. An employee under this subsection (c) is responsible for
9 paying to the System both (i) employee contributions based on
10 the actual compensation received for service with the labor
11 organization and (ii) employer contributions based on the
12 percentage of payroll certified by the board; all or any part
13 of these contributions may be paid on the employee's behalf or
14 picked up for tax purposes (if authorized under federal law) by
15 the labor organization.

16 A person who is an employee as defined in this subsection
17 (c) may establish service credit for similar employment prior
18 to becoming an employee under this subsection by paying to the
19 System for that employment the contributions specified in this
20 subsection, plus interest at the effective rate from the date
21 of service to the date of payment. However, credit shall not be
22 granted under this subsection (c) for any such prior employment
23 for which the applicant received credit under any other
24 provision of this Code or during which the applicant was on a
25 leave of absence.

26 (Source: P.A. 96-1490, eff. 1-1-11; 97-609, eff. 1-1-12.)

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