



Sen. Pamela J. Althoff

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LRB099 16912 EFG 47538 a

1 AMENDMENT TO SENATE BILL 2701

2 AMENDMENT NO. _____. Amend Senate Bill 2701 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Illinois Pension Code is amended by
5 changing Section 7-137 and by adding Section 7-137.2 as
6 follows:

7 (40 ILCS 5/7-137) (from Ch. 108 1/2, par. 7-137)

8 Sec. 7-137. Participating and covered employees.

9 (a) The persons described in this paragraph (a) shall be
10 included within and be subject to this Article and eligible to
11 benefits from this fund, beginning upon the dates hereinafter
12 specified:

13 1. Except as to the employees specifically excluded
14 under the provisions of this Article, all persons who are
15 employees of any municipality (or instrumentality thereof)
16 or participating instrumentality on the effective date of

1 participation of the municipality or participating
2 instrumentality beginning upon such effective date.

3 2. Except as to the employees specifically excluded
4 under the provisions of this Article, all persons, who
5 became employees of any participating municipality (or
6 instrumentality thereof) or participating instrumentality
7 after the effective date of participation of such
8 municipality or participating instrumentality, beginning
9 upon the date such person becomes an employee.

10 3. All persons who file notice with the board as
11 provided in paragraph (b) 2 and 3 of this Section,
12 beginning upon the date of filing such notice.

13 (b) The following described persons shall not be considered
14 participating employees eligible for benefits from this fund,
15 but shall be included within and be subject to this Article
16 (each of the descriptions is not exclusive but is cumulative):

17 1. Any person who occupies an office or is employed in
18 a position normally requiring performance of duty during
19 less than 600 hours a year for a municipality (including
20 all instrumentalities thereof) or a participating
21 instrumentality. If a school treasurer performs services
22 for more than one school district, the total number of
23 hours of service normally required for the several school
24 districts shall be considered to determine whether he
25 qualifies under this paragraph;

26 2. Except as provided in item 2.5, any ~~Any~~ person who

1 holds elective office unless he has elected while in that
2 office in a written notice on file with the board to become
3 a participating employee;

4 2.5. Any person who holds elective office as a member
5 of the governing body of a participating municipality,
6 unless:

7 (i) the person has elected while in that office, in
8 a written notice on file with the board, to become a
9 participating employee;

10 (ii) the governing body has filed the resolution
11 required by subsection (a) of Section 7-137.2 of this
12 Article; and

13 (iii) the person has submitted to the authorized
14 agent the required logs evidencing that the person has
15 met the hourly standard as required by subsection (b)
16 of Section 7-137.2 of this Article;

17 3. Any person working for a city hospital unless any
18 such person, while in active employment, has elected in a
19 written notice on file with the board to become a
20 participating employee and notification thereof is
21 received by the board;

22 4. Any person who becomes an employee after June 30,
23 1979 as a public service employment program participant
24 under the federal Comprehensive Employment and Training
25 Act and whose wages or fringe benefits are paid in whole or
26 in part by funds provided under such Act;

1 5. Any person who is actively employed by a
2 municipality on its effective date of participation in the
3 Fund if that municipality (i) has at least 35 employees on
4 its effective date of participation; (ii) is located in a
5 county with at least 2,000,000 inhabitants; and (iii)
6 maintains an independent defined benefit pension plan for
7 the benefit of its eligible employees, unless the person
8 files with the board within 90 days after the
9 municipality's effective date of participation an
10 irrevocable election to participate.

11 (c) Any person electing to be a participating employee,
12 pursuant to paragraph (b) of this Section may not change such
13 election, except as provided in Section 7-137.1.

14 (d) Any employee who occupied the position of school nurse
15 in any participating municipality on August 8, 1961 and
16 continuously thereafter until the effective date of the
17 exercise of the option authorized by this subparagraph, who on
18 August 7, 1961 was a member of the Teachers' Retirement System
19 of Illinois, by virtue of certification by the Department of
20 Registration and Education as a public health nurse, may elect
21 to terminate participation in this Fund in order to
22 re-establish membership in such System. The election may be
23 exercised by filing written notice thereof with the Board or
24 with the Board of Trustees of said Teachers' Retirement System,
25 not later than September 30, 1963, and shall be effective on
26 the first day of the calendar month next following the month in

1 which the notice was filed. If the written notice is filed with
2 such Teachers' Retirement System, that System shall
3 immediately notify this Fund, but neither failure nor delay in
4 notification shall affect the validity of the employee's
5 election. If the option is exercised, the Fund shall notify
6 such Teachers' Retirement System of such fact and transfer to
7 that system the amounts contributed by the employee to this
8 Fund, including interest at 3% per annum, but excluding
9 contributions applicable to social security coverage during
10 the period beginning August 8, 1961 to the effective date of
11 the employee's election. Participation in this Fund as to any
12 credits on or after August 8, 1961 and up to the effective date
13 of the employee's election shall terminate on such effective
14 date.

15 (e) Any participating municipality or participating
16 instrumentality, other than a school district or special
17 education joint agreement created under Section 10-22.31 of the
18 School Code, may, by a resolution or ordinance duly adopted by
19 its governing body, elect to exclude from participation and
20 eligibility for benefits all persons who are employed after the
21 effective date of such resolution or ordinance and who occupy
22 an office or are employed in a position normally requiring
23 performance of duty for less than 1000 hours per year for the
24 participating municipality (including all instrumentalities
25 thereof) or participating instrumentality except for persons
26 employed in a position normally requiring performance of duty

1 for 600 hours or more per year (i) by such participating
2 municipality or participating instrumentality prior to the
3 effective date of the resolution or ordinance and (ii) by a
4 participating municipality or participating instrumentality,
5 which had not adopted such a resolution when the person was
6 employed, and the function served by the employee's position is
7 assumed by another participating municipality or participating
8 instrumentality. Notwithstanding the foregoing, a
9 participating municipality or participating instrumentality
10 which is formed solely to succeed to the functions of a
11 participating municipality or participating instrumentality
12 shall be considered to have adopted any such resolution or
13 ordinance which may have been applicable to the employees
14 performing such functions. The election made by the resolution
15 or ordinance shall take effect at the time specified in the
16 resolution or ordinance, and once effective shall be
17 irrevocable.

18 (Source: P.A. 96-1140, eff. 7-21-10; 97-328, eff. 8-12-11;
19 97-609, eff. 1-1-12.)

20 (40 ILCS 5/7-137.2 new)

21 Sec. 7-137.2. Participation by elected members of
22 municipal governing bodies.

23 (a) An elected member of the governing body of a
24 participating municipality is not eligible to participate in
25 the Fund with respect to that position unless the governing

1 body of the municipality has adopted a resolution, after public
2 debate and in a form acceptable to the Fund, certifying that
3 persons in the position of elected member of the governing body
4 are expected to work at least 600 hours annually (or 1000 hours
5 annually in a participating municipality that has adopted a
6 resolution pursuant to subsection (e) of Section 7-137 of this
7 Code). The resolution must be adopted and filed with the Fund
8 no more than 90 days after each general election in which a
9 member of the governing body is elected.

10 (b) An elected member of the governing body of a
11 participating municipality who participates in the Fund with
12 respect to that position must maintain a log of time worked in
13 that position and file the log with the authorized agent
14 semi-annually. To support participation in the Fund, the log
15 must show that the member works in that position at least 600
16 hours annually (or 1000 hours annually in a participating
17 municipality that has adopted a resolution pursuant to
18 subsection (e) of Section 7-137 of this Code). The log shall be
19 made available to the Fund upon request and shall be maintained
20 by the authorized agent for at least 5 years after the log is
21 filed with the authorized agent."