

1 AMENDMENT TO HOUSE BILL 2157

2 AMENDMENT NO. _____. Amend House Bill 2157 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Illinois Pension Code is amended by
5 changing Sections 16-106, 16-118, 16-129.1, 17-106, 17-116.3,
6 17-116.4, 17-119.1, 17-121, and 17-149 as follows:

7 (40 ILCS 5/16-106) (from Ch. 108 1/2, par. 16-106)

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

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

19 (2) Any educational, administrative, professional
20 or other staff employed in any facility of the Department
21 of Children and Family Services or the Department of
22 Human Services, in a position requiring certification

1 under the law governing the certification of teachers,
 2 and any person who (i) works in such a position for the
 3 Department of Corrections, (ii) was a member of this
 4 System on May 31, 1987, and (iii) did not elect to become
 5 a member of the State Employees' Retirement System
 6 pursuant to Section 14-108.2 of this Code;

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

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

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

21 (i) was an employee of and a participant in
 22 the system on the effective date of this amendatory
 23 Act of the 92nd General Assembly, or

24 (ii) becomes an employee of the system on or
 25 after the effective date of this amendatory Act of
 26 the 92nd General Assembly; as-an-exeeutive,-and-any
 27 person-employed-by--the--retirement--system--who--is
 28 certificated----under----the---law---governing---the
 29 certification-of-teachers;

30 (6) Any educational, administrative, professional
 31 or other staff employed by and under the supervision and
 32 control of a regional superintendent of schools, provided
 33 such employment position requires the person to be
 34 certificated under the law governing the certification of

1 teachers and is in an educational program serving 2 or
2 more districts in accordance with a joint agreement
3 authorized by the School Code or by federal legislation;

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

11 (8) Any officer or employee of a statewide teacher
12 organization or officer of a national teacher
13 organization who is certified under the law governing
14 certification of teachers, provided: (i) the individual
15 had previously established creditable service under this
16 Article, (ii) the individual files with the system an
17 irrevocable election to become a member, and (iii) the
18 individual does not receive credit for such service under
19 any other Article of this Code;

20 (9) Any educational, administrative, professional,
21 or other staff employed in a charter school operating in
22 compliance with the Charter Schools Law who is
23 certificated under the law governing the certification of
24 teachers.

25 An annuitant receiving a retirement annuity under this
26 Article or under Article 17 of this Code who is temporarily
27 employed by a board of education or other employer not
28 exceeding that permitted under Section 16-118 is not a
29 "teacher" for purposes of this Article. A person who has
30 received a single-sum retirement benefit under Section
31 16-136.4 of this Article is not a "teacher" for purposes of
32 this Article.

33 (Source: P.A. 89-450, eff. 4-10-96; 89-507, eff. 7-1-97;
34 90-14, eff. 7-1-97; 90-448, eff. 8-16-97.)

1 (40 ILCS 5/16-118) (from Ch. 108 1/2, par. 16-118)
 2 Sec. 16-118. Retirement. "Retirement": Entry upon a
 3 retirement annuity or receipt of a single-sum retirement
 4 benefit granted under this Article after termination of
 5 active service as a teacher.

6 An annuitant receiving a retirement annuity other than a
 7 disability retirement annuity may accept employment as a
 8 teacher from a school board or other employer specified in
 9 Section 16-106 without impairing retirement status if that
 10 employment: (1) is not within the school year during which
 11 service was terminated; and (2) does not exceed 100 paid days
 12 or 500 paid hours in any school year (during the period
 13 beginning July 1, 2001 through June 30, 2006, 120 paid days
 14 or 600 paid hours in each school year). Where such permitted
 15 employment is partly on a daily and partly on an hourly
 16 basis, a day shall be considered as 5 hours.

17 (Source: P.A. 86-273; 87-11; 87-794; 87-895.)

18 (40 ILCS 5/16-129.1)

19 Sec. 16-129.1. Optional increase in retirement annuity.

20 (a) A member of the System may qualify for the augmented
 21 rate under subdivision (a)(B)(1) of Section 16-133 for all
 22 years of creditable service earned before July 1, 1998 by
 23 making the optional contribution specified in subsection (b).
 24 A member may not elect to qualify for the augmented rate for
 25 only a portion of his or her creditable service earned before
 26 July 1, 1998.

27 (b) The contribution shall be an amount equal to 1.0% of
 28 the member's highest salary rate in the 4 consecutive school
 29 years immediately prior to but not including the school year
 30 in which the application occurs, multiplied by the number of
 31 years of creditable service earned by the member before July
 32 1, 1998 or 20, whichever is less. This contribution shall be
 33 reduced by 1.0% of that salary rate for every 3 full years of

1 creditable service earned by the member after June 30, 1998.
2 The contribution shall be further reduced at the rate of 25%
3 of the contribution (as reduced for service after June 30,
4 1998) for each year of the member's total creditable service
5 in excess of 34 years. The contribution shall not in any
6 event exceed 20% of that salary rate.

7 The member shall pay to the System the amount of the
8 contribution as calculated at the time of application under
9 this Section. The amount of the contribution determined
10 under this subsection shall be recalculated at the time of
11 retirement, and if the System determines that the amount paid
12 by the member exceeds the recalculated amount, the System
13 shall refund the difference to the member with regular
14 interest from the date of payment to the date of refund.

15 The contribution required by this subsection shall be
16 paid in one of the following ways or in a combination of the
17 following ways that does not extend over more than 5 years:

18 (i) in a lump sum on or before the date of
19 retirement;

20 (ii) in substantially equal installments over a
21 period of time not to exceed 5 years, as a deduction from
22 salary in accordance with subsection (b) of Section
23 16-154;

24 (iii) if the member becomes an annuitant before
25 June 30, 2003, in substantially equal monthly
26 installments over a 24-month period, by reducing the
27 annuitant's monthly benefit over a 24-month period by the
28 amount of the otherwise applicable contribution. For
29 federal and Illinois tax purposes, the monthly amount by
30 which the annuitant's benefit is reduced shall not be
31 treated as a contribution by the annuitant, but rather as
32 a reduction of the annuitant's monthly benefit.

33 (c) If the member fails to make the full contribution
34 under this Section in a timely fashion, the payments made

1 under this Section shall be refunded to the member, without
 2 interest. If the member dies before making the full
 3 contribution, the payments made under this Section, together
 4 with regular interest thereon, shall be refunded to the
 5 member's designated beneficiary for benefits under Section
 6 16-138.

7 (d) For purposes of this Section and subdivision
 8 (a)(B)(1) of Section 16-133, optional creditable service
 9 established by a member shall be deemed to have been earned
 10 at the time of the employment or other qualifying event upon
 11 which the service is based, rather than at the time the
 12 credit was established in this System.

13 (e) The contributions required under this Section are
 14 the responsibility of the teacher and not the teacher's
 15 employer. However, an employer of teachers may, after the
 16 effective date of this amendatory Act of 1998, specifically
 17 agree, through collective bargaining or otherwise, to make
 18 the contributions required by this Section on behalf of those
 19 teachers.

20 (f) A person who, on or after July 1, 1998 and before
 21 June 4, 1999, began receiving a retirement annuity calculated
 22 at the augmented rate may apply in writing to have the
 23 annuity recalculated to reflect the changes to this Section
 24 and Section 16-133 that were enacted in Public Act 91-17.
 25 The amount of any resulting decrease in the optional
 26 contribution shall be refunded to the annuitant, without
 27 interest. Any resulting increase in retirement annuity shall
 28 take effect on the next annuity payment date following the
 29 date of application under this subsection.

30 (Source: P.A. 90-582, eff. 5-27-98; 91-17, eff. 6-4-99.)

31 (40 ILCS 5/17-106) (from Ch. 108 1/2, par. 17-106)
 32 Sec. 17-106. Contributor, member or teacher.
 33 "Contributor", "member" or "teacher": All members of the

1 teaching force of the city, including principals, assistant
2 principals, the general superintendent of schools, deputy
3 superintendents of schools, associate superintendents of
4 schools, assistant and district superintendents of schools,
5 members of the Board of Examiners, all other persons whose
6 employment requires a teaching certificate issued under the
7 laws governing the certification of teachers, any
8 educational, administrative, professional, or other staff
9 employed in a charter school operating in compliance with the
10 Charter Schools Law who is certified under the law governing
11 the certification of teachers, and employees of the Board,
12 but excluding persons contributing concurrently to any other
13 public employee pension system in Illinois for the same
14 employment or receiving retirement pensions under another
15 Article of this Code for that same employment, persons
16 employed on an hourly basis, and persons receiving pensions
17 from the Fund who are employed temporarily by an Employer for
18 150 100 days or less in any school year and not on an annual
19 basis.

20 In the case of a person who has been making contributions
21 and otherwise participating in this Fund prior to the
22 effective date of this amendatory Act of the 91st General
23 Assembly, and whose right to participate in the Fund is
24 established or confirmed by this amendatory Act, such prior
25 participation in the Fund, including all contributions
26 previously made and service credits previously earned by the
27 person, are hereby validated.

28 The changes made to this Section and Section 17-149 by
29 this amendatory Act of the 92nd General Assembly apply
30 without regard to whether the person was in service on or
31 after the effective date of this amendatory Act,
32 notwithstanding Sections 1-103.1 and 17-157.

33 (Source: P.A. 90-32, eff. 6-27-97; 90-566, eff. 1-2-98;
34 91-887, eff. 7-6-00.)

1 (40 ILCS 5/17-116.3)

2 Sec. 17-116.3. Early retirement incentives.

3 (a) A teacher who is covered by a collective bargaining
4 agreement shall not be eligible for the early retirement
5 incentives provided under this Section unless the collective
6 bargaining agent and the Board of Education have entered into
7 an agreement under which the agent agrees that any payment
8 for accumulated unused sick days to which the employee is
9 entitled upon withdrawal from service may be paid by the
10 Board of Education in installments over a period of up to 5
11 years, and a copy of this agreement has been filed with the
12 Board of the Fund.

13 To be eligible for the benefits provided in this Section,
14 a person must:

15 (1) be a member of this Fund who, on or after May
16 1, 1993, is (i) in active payroll status as a teacher, or
17 (ii) on layoff status from such a position with a right
18 of re-employment or recall to service, or (iii) on leave
19 of absence from such a position, but only if the member
20 on leave has not been receiving a disability benefit
21 under this Article for a continuous period of 2 years or
22 more as of the date of application;

23 (2) have not previously received a retirement
24 pension under this Article;

25 (3) file with the Board and the Board of Education,
26 before August 15, 1993, a written application requesting
27 the benefits provided in this Section and a notice of
28 resignation from employment, which resignation must take
29 effect before September 1, 1993 unless the applicant's
30 retirement is delayed under subsection (e), (f), or (f-5)
31 of this Section;

32 (4) be eligible to receive a retirement pension
33 under this Article (for which purpose any age enhancement
34 or creditable service received under this Section may be

1 used) and elect to receive the retirement pension
2 beginning no earlier than June 1, 1993 and no later than
3 September 1, 1993 or the date established under
4 subsection (e), (f), or (f-5) of this Section, if
5 applicable;

6 (5) have attained age 50 (without the use of any
7 age enhancement or creditable service received under this
8 Section) by the effective date of the retirement pension;

9 (6) have at least 5 years of creditable service
10 under this Fund or any of the participating systems under
11 the Retirement Systems Reciprocal Act (without the use of
12 any creditable service received under this Section) by
13 the effective date of the retirement pension.

14 (b) An eligible person may establish up to 5 years of
15 creditable service under this Section. In addition, for each
16 period of creditable service established under this Section,
17 a person's age at retirement shall be deemed to be increased
18 by an equal period.

19 The creditable service established under this Section may
20 be used for all purposes under this Article and the
21 Retirement Systems Reciprocal Act, except for the purposes of
22 Section 17-116.1, and the determination of average salary or
23 compensation under this or any other Article of this Code.

24 The age enhancement established under this Section may be
25 used for all purposes under this Article (including
26 calculation of a proportionate pension payable by this Fund
27 under the Retirement Systems Reciprocal Act), except for
28 purposes of the reversionary pension under Section 17-120,
29 and distributions required by federal law on account of age.
30 However, age enhancement established under this Section shall
31 not be used in determining benefits payable under other
32 Articles of this Code under the Retirement Systems Reciprocal
33 Act.

34 (c) For all creditable service established under this

1 Section, the employer must pay to the Fund an employer
2 contribution consisting of 12% of the member's highest annual
3 full-time rate of compensation for each year of creditable
4 service granted under this Section.

5 The employer contribution shall be paid to the Fund in
6 one of the following ways: (i) in a single sum at the time
7 of the member's retirement, (ii) in equal quarterly
8 installments over a period of 5 years from the date of
9 retirement, or (iii) subject to the approval of the Board of
10 the Fund, in unequal installments over a period of no more
11 than 5 years from the date of retirement, as provided in a
12 payment plan designed by the Fund to accommodate the needs of
13 the employer. The employer's failure to make the required
14 contributions in a timely manner shall not affect the payment
15 of the retirement pension.

16 For all creditable service established under this
17 Section, the employee must pay to the Fund an employee
18 contribution consisting of 4% of the member's highest annual
19 salary rate used in the determination of the retirement
20 pension for each year of creditable service granted under
21 this Section. The employee contribution shall be deducted
22 from the retirement annuity in 24 monthly installments.

23 (d) An annuitant who has received any age enhancement or
24 creditable service under this Section and whose pension is
25 suspended or cancelled under Section 17-149 or 17-150 shall
26 thereby forfeit the age enhancement and creditable service.
27 The forfeiture of creditable service under this subsection
28 shall not entitle the employer to a refund of the employer
29 contribution paid under this Section, nor to forgiveness of
30 any part of that contribution that remains unpaid. The
31 forfeiture of creditable service under this subsection shall
32 not entitle the employee to a refund of the employee
33 contribution paid under this Section.

34 (e) If the number of employees of an employer that apply

1 for early retirement under this Section exceeds 30% of those
2 eligible, the employer may require that, for any or all of
3 the number of applicants in excess of that 30%, the starting
4 date of the retirement pension enhanced under this Section be
5 no earlier than June 1, 1994 and no later than September 1,
6 1994. The right to have the retirement pension begin before
7 June 1, 1994 shall be allocated among the applicants on the
8 basis of seniority in the service of that employer.

9 This delay applies only to persons who are applying for
10 early retirement incentives under this Section, and does not
11 prevent a person whose application for early retirement
12 incentives has been withdrawn from beginning to receive a
13 retirement pension on the earliest date upon which the person
14 is otherwise eligible under this Article.

15 (f) For a member who is notified after July 30, 1993,
16 but before November 29, 1993, that he or she will become a
17 supernumerary or reserve teacher in the 1993-1994 school
18 year: (1) the August 15, 1993 application deadline in
19 subdivision (a)(3) of this Section is extended to December
20 14, 1993, (2) the September 1, 1993 deadline in subdivision
21 (a)(4) of this Section is extended to December 14, 1993, and
22 (3) the member shall not be included in the calculation of
23 the 30% under subsection (e) and is not subject to delay in
24 retirement under that subsection.

25 (f-5) For a member who is notified after January 1,
26 1994, but before March 1, 1994, that he or she will become a
27 reserve teacher in the 1993-1994 school year: (1) the August
28 15, 1993 application deadline in subdivision (a)(3) of this
29 Section is extended to April 1, 1994; (2) the September 1,
30 1993 deadline in subdivision (a)(4) of this Section is
31 extended to April 1, 1994; and (3) the member shall not be
32 included in the calculation of the 30% under subsection (e)
33 and is not subject to delay in retirement under that
34 subsection.

1 (g) A member who receives any early retirement incentive
2 under Section 17-116.4, 17-116.5 or 17-116.6 may not receive
3 any early retirement incentive under this Section.

4 (h) The version of this Section included in Public Act
5 88-85 is intended to and shall control over the version of
6 this Section included in Public Act 88-89, notwithstanding
7 Section 6 of the Statute on Statutes. All persons qualifying
8 for early retirement incentives under this Section shall be
9 subject to the limitations and restrictions provided in the
10 version of this Section included in Public Act 88-85, as
11 amended by Public Act 88-511.

12 (i) In addition to the benefits provided under the other
13 provisions of this Section, every person who receives early
14 retirement benefits under this Section is entitled to one
15 additional year of creditable service and a corresponding
16 year of additional age enhancement, for which no additional
17 contribution is required. Every person who receives early
18 retirement benefits under this Section whose retirement
19 annuity has been calculated on the basis of a 4-year average
20 salary is also entitled to have the annuity recalculated on
21 the basis of the average salary for the 3 highest consecutive
22 years within the last 10 years of service.

23 The additional benefits provided by this subsection (i)
24 shall begin to accrue on the date the retirement annuity
25 began, notwithstanding Section 17-157. The Fund shall
26 recalculate all annuities originally calculated under this
27 Section to reflect the additional benefits provided under
28 this subsection and shall pay to the annuitant in a lump sum
29 the difference between the annuity payments paid before the
30 date of the recalculation and the recalculated amount of
31 those payments.

32 (Source: P.A. 88-85; 88-89; 88-511; 88-670, eff. 12-2-94.)

33 (40 ILCS 5/17-116.4)

1 Sec. 17-116.4. Early retirement incentives.

2 (a) A teacher who is covered by a collective bargaining
3 agreement shall not be eligible for the early retirement
4 incentives provided under this Section unless the collective
5 bargaining agent and the Board of Education have entered into
6 an agreement under which the agent agrees that any payment
7 for accumulated unused sick days to which the employee is
8 entitled upon withdrawal from service may be paid by the
9 Board of Education in installments over a period of up to 5
10 years, and a copy of this agreement has been filed with the
11 Board of the Fund.

12 To be eligible for the benefits provided in this Section,
13 a person must:

14 (1) be a member of this Fund who, on or after May
15 1, 1994, is (i) in active payroll status as a teacher, or
16 (ii) on layoff status from such a position with a right
17 of re-employment or recall to service, or (iii) on leave
18 of absence from such a position, but only if the member
19 on leave has not been receiving a disability benefit
20 under this Article for a continuous period of 2 years or
21 more as of the date of application;

22 (2) have not previously received a retirement
23 pension under this Article;

24 (3) file with the Board and the Board of Education,
25 before March 1, 1994, a written application requesting
26 the benefits provided in this Section and a notice of
27 resignation from employment, which resignation must take
28 effect no earlier than June 1, 1994 and no later than
29 September 1, 1994 unless the applicant's retirement is
30 delayed under subsection (e) of this Section;

31 (4) be eligible to receive a retirement pension
32 under this Article (for which purpose any age enhancement
33 or creditable service received under this Section may be
34 used) and elect to receive the retirement pension

1 beginning no earlier than June 1, 1994 and no later than
2 September 1, 1994 or the date established under
3 subsection (e) of this Section, if applicable;

4 (5) have attained age 50 (without the use of any
5 age enhancement or creditable service received under this
6 Section) after September 1, 1993 and no later than
7 September 1, 1994;

8 (6) have at least 5 years of creditable service
9 under this Fund or any of the participating systems under
10 the Retirement Systems Reciprocal Act (without the use of
11 any creditable service received under this Section) by
12 the effective date of the retirement pension.

13 (b) An eligible person may establish up to 5 years of
14 creditable service under this Section. In addition, for each
15 period of creditable service established under this Section,
16 a person's age at retirement shall be deemed to be increased
17 by an equal period.

18 The creditable service established under this Section may
19 be used for all purposes under this Article and the
20 Retirement Systems Reciprocal Act, except for the purposes of
21 Section 17-116.1, and the determination of average salary or
22 compensation under this or any other Article of this Code.

23 The age enhancement established under this Section may be
24 used for all purposes under this Article (including
25 calculation of a proportionate pension payable by this Fund
26 under the Retirement Systems Reciprocal Act), except for
27 purposes of the reversionary pension under Section 17-120,
28 and distributions required by federal law on account of age.
29 However, age enhancement established under this Section shall
30 not be used in determining benefits payable under other
31 Articles of this Code under the Retirement Systems Reciprocal
32 Act.

33 (c) For all creditable service established under this
34 Section, the employer must pay to the Fund an employer

1 contribution consisting of 12% of the member's highest annual
2 full-time rate of compensation for each year of creditable
3 service granted under this Section.

4 The employer contribution shall be paid to the Fund in
5 one of the following ways: (i) in a single sum at the time
6 of the member's retirement, (ii) in equal quarterly
7 installments over a period of 5 years from the date of
8 retirement, or (iii) subject to the approval of the Board of
9 the Fund, in unequal installments over a period of no more
10 than 5 years from the date of retirement, as provided in a
11 payment plan designed by the Fund to accommodate the needs of
12 the employer. The employer's failure to make the required
13 contributions in a timely manner shall not affect the payment
14 of the retirement pension.

15 For all creditable service established under this
16 Section, the employee must pay to the Fund an employee
17 contribution consisting of 4% of the member's highest annual
18 salary rate used in the determination of the retirement
19 pension for each year of creditable service granted under
20 this Section. The employee contribution shall be deducted
21 from the retirement annuity in 24 monthly installments.

22 (d) An annuitant who has received any age enhancement or
23 creditable service under this Section and whose pension is
24 suspended or cancelled under Section 17-149 or 17-150 shall
25 thereby forfeit the age enhancement and creditable service.
26 The forfeiture of creditable service under this subsection
27 shall not entitle the employer to a refund of the employer
28 contribution paid under this Section, nor to forgiveness of
29 any part of that contribution that remains unpaid. The
30 forfeiture of creditable service under this subsection shall
31 not entitle the employee to a refund of the employee
32 contribution paid under this Section.

33 (e) If the number of employees of an employer that apply
34 for early retirement under this Section exceeds 30% of those

1 eligible, the employer may require that, for any or all of
2 the number of applicants in excess of that 30%, the starting
3 date of the retirement pension enhanced under this Section be
4 no earlier than June 1, 1995 and no later than September 1,
5 1995. The right to have the retirement pension begin before
6 June 1, 1995 shall be allocated among the applicants on the
7 basis of seniority in the service of that employer.

8 This delay applies only to persons who are applying for
9 early retirement incentives under this Section, and does not
10 prevent a person whose application for early retirement
11 incentives has been withdrawn from beginning to receive a
12 retirement pension on the earliest date upon which the person
13 is otherwise eligible under this Article.

14 (f) A member who receives any early retirement incentive
15 under Section 17-116.3 may not receive any early retirement
16 incentive under this Section.

17 (g) Notwithstanding Section 17-157, a person who is
18 receiving early retirement benefits under this Section may
19 establish service credit for a period of up to 3 weeks during
20 the month of January, 1968, during which the person was
21 prevented from working due to civil unrest or a wildcat
22 strike. A person wishing to establish this credit must apply
23 in writing to the Board within 30 days after the effective
24 date of this amendatory Act of the 92nd General Assembly and
25 pay to the Fund an employee contribution calculated at the
26 rate and salary applicable to the employee at the time for
27 which credit is being established, without interest. When a
28 person establishes additional service credit under this
29 subsection, the Fund shall recalculate the annuity originally
30 granted under this Section to reflect the additional credit
31 and shall pay to the annuitant in a lump sum the difference
32 between the annuity payments paid before the date of the
33 recalculation and the recalculated amount of those payments.

34 (Source: P.A. 88-85.)

1 (40 ILCS 5/17-119.1)

2 Sec. 17-119.1. Optional increase in retirement annuity.

3 (a) A member of the Fund may qualify for the augmented
4 rate under subdivision (b)(3) of Section 17-116 for all years
5 of creditable service earned before July 1, 1998 by making
6 the optional contribution specified in subsection (b); except
7 that a member who retires on or after July 1, 1998 with at
8 least 30 years of creditable service at retirement qualifies
9 for the augmented rate without making any contribution under
10 subsection (b). Any member who retires on or after July 1,
11 1998 and before the effective date of this amendatory Act of
12 the 92nd General Assembly with at least 30 years of
13 creditable service shall be paid a lump sum equal to the
14 amount he or she would have received under the augmented rate
15 minus the amount he or she actually received. A member may
16 not elect to qualify for the augmented rate for only a
17 portion of his or her creditable service earned before July
18 1, 1998.

19 (b) The contribution shall be an amount equal to 1.0% of
20 the member's highest salary rate in the 4 consecutive school
21 years immediately prior to but not including the school year
22 in which the application occurs, multiplied by the number of
23 years of creditable service earned by the member before July
24 1, 1998 or 20, whichever is less. This contribution shall be
25 reduced by 1.0% of that salary rate for every 3 full years of
26 creditable service earned by the member after June 30, 1998.
27 The contribution shall be further reduced at the rate of 25%
28 of the contribution (as reduced for service after June 30,
29 1998) for each year of the member's total creditable service
30 in excess of 34 years. The contribution shall not in any
31 event exceed 20% of that salary rate.

32 The member shall pay to the Fund the amount of the
33 contribution as calculated at the time of application under
34 this Section. The amount of the contribution determined

1 under this subsection shall be recalculated at the time of
2 retirement, and if the Fund determines that the amount paid
3 by the member exceeds the recalculated amount, the Fund shall
4 refund the difference to the member with regular interest
5 from the date of payment to the date of refund.

6 The contribution required by this subsection shall be
7 paid in one of the following ways or in a combination of the
8 following ways that does not extend over more than 5 years:

9 (i) in a lump sum on or before the date of
10 retirement;

11 (ii) in substantially equal installments over a
12 period of time not to exceed 5 years, as a deduction from
13 salary in accordance with Section 17-130.2;

14 (iii) if the member becomes an annuitant before
15 June 30, 2003, in substantially equal monthly
16 installments over a 24-month period, by a deduction from
17 the annuitant's monthly benefit.

18 (c) If the member fails to make the full contribution
19 under this Section in a timely fashion, the payments made
20 under this Section shall be refunded to the member, without
21 interest. If the member dies before making the full
22 contribution, the payments made under this Section shall be
23 refunded to the member's designated beneficiary.

24 (d) For purposes of this Section and subsection (b) of
25 Section 17-116, optional creditable service established by a
26 member shall be deemed to have been earned at the time of the
27 employment or other qualifying event upon which the service
28 is based, rather than at the time the credit was established
29 in this Fund.

30 (e) The contributions required under this Section are
31 the responsibility of the teacher and not the teacher's
32 employer. However, an employer of teachers may, after the
33 effective date of this amendatory Act of 1998, specifically
34 agree, through collective bargaining or otherwise, to make

1 the contributions required by this Section on behalf of those
2 teachers.

3 (Source: P.A. 90-582, eff. 5-27-98; 91-17, eff. 6-4-99.)

4 (40 ILCS 5/17-121) (from Ch. 108 1/2, par. 17-121)

5 Sec. 17-121. Survivor's and Children's pensions -
6 Eligibility. A surviving spouse of a teacher shall be
7 entitled to a survivor's pension only if he was married to
8 the contributor for at least 1 1/2 years immediately prior to
9 his death or retirement, whichever first occurs, and also on
10 the date of the last termination of his service.

11 If the surviving spouse is under age 50 and there are no
12 eligible minor children born to or legally adopted by the
13 contributor and his surviving spouse, payment of the
14 survivor's pension shall begin when the surviving spouse
15 attains age 50.

16 Remarriage of the surviving spouse prior to September 1,
17 1983 while in receipt of a survivor's pension shall
18 permanently terminate payment thereof, regardless of any
19 subsequent change in marital status; however, beginning
20 September 1, 1983, remarriage of a surviving spouse after
21 attainment of age 55 shall not terminate the survivor's
22 pension.

23 A surviving spouse whose pension was terminated on or
24 after September 1, 1983 due to remarriage after attainment of
25 age 55, and who applies for reinstatement of that pension
26 before January 1, 1990, shall be entitled to have the pension
27 reinstated effective January 1, 1990.

28 A surviving spouse of a member or annuitant under this
29 Fund who is also a dependent beneficiary under the provisions
30 of Section 16-140 is eligible for a reciprocal survivor's
31 pension, provided that any refund of survivor's pension
32 contributions is repaid to the Fund and application is made
33 within 30 days after the effective date of this amendatory

1 Act of the 92nd General Assembly.

2 (Source: P.A. 86-273.)

3 (40 ILCS 5/17-149) (from Ch. 108 1/2, par. 17-149)

4 Sec. 17-149. Cancellation of pensions. If any person
5 receiving a service or disability retirement pension from the
6 Fund is re-employed as a teacher by an Employer, the pension
7 shall be cancelled on the date the re-employment begins, or
8 on the first day of a payroll period for which service credit
9 was validated, whichever is earlier. However, beginning
10 August--23,--1989, the pension shall not be cancelled in case
11 of a service retirement pensioner who is temporarily
12 re-employed for not more than 150 ~~100~~ days during any school
13 year or on an hourly basis, provided the pensioner does not
14 receive salary in any school year of an amount more than that
15 payable to a substitute teacher for 150 ~~100~~ days' employment.
16 A service retirement pensioner who is temporarily re-employed
17 for not more than 150 ~~100~~ days during any school year or on
18 an hourly basis shall be entitled, at the end of the school
19 year, to a refund of any contributions made to the Fund
20 during that school year.

21 If the pensioner does receive salary from an Employer in
22 any school year for more than 150 ~~100~~ days' employment, the
23 pensioner shall be deemed to have returned to service on the
24 first day of employment as a pensioner-substitute. The
25 pensioner shall reimburse the Fund for pension payments
26 received after the return to service and shall pay to the
27 Fund the participant's contributions prescribed in Section
28 17-130 of this Article.

29 If the date of re-employment occurs within 5 school
30 months after the date of previous retirement, exclusive of
31 any vacation period, the member shall be deemed to have been
32 out of service only temporarily and not permanently retired.
33 Such person shall be entitled to pension payments for the

1 time he could have been employed as a teacher and received
2 salary, but shall not be entitled to pension for or during
3 the summer vacation prior to his return to service.

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

11 Notwithstanding Sections 1-103.1 and 17-157, the changes
12 to this Section made by this amendatory Act of 1997 shall
13 apply without regard to whether termination of service
14 occurred before the effective date of this amendatory Act and
15 shall apply retroactively to August 23, 1989.

16 (Source: P.A. 90-32, eff. 6-27-97; 90-566, eff. 1-2-98.)

17 Section 90. The State Mandates Act is amended by adding
18 Section 8.25 as follows:

19 (30 ILCS 805/8.25 new)

20 Sec. 8.25. Exempt mandate. Notwithstanding Sections 6
21 and 8 of this Act, no reimbursement by the State is required
22 for the implementation of any mandate created by this
23 amendatory Act of the 92nd General Assembly.

24 Section 99. Effective date. This Act takes effect upon
25 becoming law."