

AN ACT in relation to public employee benefits.

Be it enacted by the People of the State of Illinois,
represented in the General Assembly:

Section 5. The Illinois Pension Code is amended by
changing Sections 13-401, 13-402, and 13-403 as follows:

(40 ILCS 5/13-401) (from Ch. 108 1/2, par. 13-401)

Sec. 13-401. Term of service.

(a) In computing the term of service, the following
periods of time shall be counted as periods of service for
annuity purposes only:

(1) the time during which the employee performs
services required by the Employer.

(2) approved vacations or leaves of absence with
whole or part pay.

(3) any period for which the employee receives a
disability benefit payable under this Article.

(4) leaves of absence for military service as
provided in Section 13-403(a), and military service as
provided in Section 13-403(b).

(b) In computing the term of service for the ordinary
disability benefit, the following periods of time shall be
counted as periods of service:

(1) the time during which the employee performs
services required by the Employer.

(2) approved vacations or leaves of absence with
whole or part pay.

(3) any period for which the employee receives a
duty disability benefit under this Article.

(c) Any employee who first enters service before the
effective date of this amendatory Act of 1997 may, during any
period of approved leave of absence without pay, continue to

make contributions for the retirement and surviving spouse's annuities for a total period not to exceed one year during the employee's entire aggregate service with the Employer. Upon making these contributions, the employee shall receive credit in terms of length of service for the retirement and surviving spouse's annuities. Concurrent Employer's contributions shall be provided by the District.

(d) An employee may establish credit for periods of approved leave of absence without pay, not to exceed a total of one year during the employee's aggregate service with the employer. To establish this credit, the employee must either continue to remain on approved leave of absence, return to service with the employer, or in the case of an employee who first enters service on or after the effective date of this amendatory Act of 1997, return to service with the employer for at least one calendar year. The employee must pay to the Fund the corresponding employee contributions, plus interest at the annual rate from time to time determined by the Board, compounded annually from the date of service to the date of payment. The corresponding employer contributions shall be provided by the District. Upon making the required contributions, the employee shall receive credit in terms of length of service for the retirement and surviving spouse's annuity in proportion to the number of pay periods or portion thereof for which contributions were made relative to 26 pay periods.

(e) Overtime or extra service shall not be included in computing any service. Not more than one year of service credit shall be allowed for service rendered during any calendar year.

(Source: P.A. 90-12, eff. 6-13-97.)

(40 ILCS 5/13-402) (from Ch. 108 1/2, par. 13-402)

Sec. 13-402. Length of service. For the purpose of

computing the length of service for the retirement annuity, surviving spouse's annuity, and child's annuity, and calculating the minimum service requirement for payment of military service under subsection (b) of Section 13-403, service of 120 days in any one calendar year shall constitute one year of service and service for any fractional part thereof shall constitute an equal fractional part of one year of service unless specifically provided otherwise. For all other purposes under this Article, including but not limited to the optional plans of additional benefits and contributions provided under Sections 13-304 and 13-314 of this Article, 26 pay periods of service during any 12 consecutive months shall constitute a year of service, and service rendered for 50% or more of a single pay period shall constitute service for the full pay period. Service of less than 50% of a single pay period shall not be counted.

(Source: P.A. 90-12, eff. 6-13-97.)

(40 ILCS 5/13-403) (from Ch. 108 1/2, par. 13-403)

Sec. 13-403. Military service.

(a) Any employee who, after commencement of service with the Employer, enlisted, was inducted or was otherwise ordered to serve in the military forces of the United States pursuant to any law, shall receive full service credit for the various purposes of this Article as though the employee were in the active service of the Employer during the period of military service provided that:

(1) beginning July 1, 1963, such service credit shall be granted only for military service for which the employee is inducted or called into military service pursuant to a call of a duly constituted authority or a law of the United States declaring a national emergency;

(2) the employee returns to the employ of the Employer within 90 days after the termination of the

national emergency; and

(3) the total service credit for such military service shall not exceed 5 years except that any employee who on July 1, 1963 had accrued more than 5 years of such credit shall be entitled to the total amount thereof.

(b) For a ten-year period following the effective date of this amendatory Act of the 93rd General Assembly, a contributing employee or commissioner meeting the minimum service requirements provided under this subsection may establish additional service credit for a period of up to 2 years of active military service in the United States Armed Forces for which he or she does not qualify for credit under subsection (a), provided that (1) the person was not dishonorably discharged from the military service, and (2) the amount of service credit established by the person under this subsection (b), when added to the amount of any military service credit granted to the person under subsection (a), shall not exceed 5 years.

The minimum service requirement for a contributing employee is 10 years of service credit as provided in Sections 13-401 and 13-402 of this Article and exclusive of Article 20. The minimum service requirement for a contributing commissioner is 5 years of service credit as provided in Sections 13-401 and 13-402 of this Article and exclusive of Article 20.

In order to establish military service credit under this subsection (b), the applicant must submit a written application to the Fund, including the applicant's discharge papers from military service, and pay to the Fund (i) employee contributions at the rates provided in this Article, based upon the person's salary on the last date as a participating employee prior to the military service or on the first date as a participating employee after the military service, whichever is greater, plus (ii) the current amount

determined by the board to be equal to the employer's normal cost of the benefits accrued for such military service, plus (iii) regular interest of 3% compounded annually on items (i) and (ii) from the date of entry or re-entry as a participating employee following the military service to the date of payment. Contributions must be paid in full before the credit is granted. Credit established under this subsection may be used for pension purposes only.

Notwithstanding any other provision of this Section, a person may not establish creditable service under this Section for any period for which the person receives credit under any other public employee retirement system, unless the credit under that other retirement system has been irrevocably relinquished.

(Source: P.A. 87-794.)

Section 90. The State Mandates Act is amended by adding Section 8.27 as follows:

(30 ILCS 805/8.27 new)

Sec. 8.27. Exempt mandate. Notwithstanding Sections 6 and 8 of this Act, no reimbursement by the State is required for the implementation of any mandate created by this amendatory Act of the 93rd General Assembly.

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