



99TH GENERAL ASSEMBLY

State of Illinois

2015 and 2016

HB2455

Introduced 2/17/2015, by Rep. Dwight Kay

SYNOPSIS AS INTRODUCED:

40 ILCS 5/3-110	from Ch. 108 1/2, par. 3-110
40 ILCS 5/4-108	from Ch. 108 1/2, par. 4-108
40 ILCS 5/5-214	from Ch. 108 1/2, par. 5-214
40 ILCS 5/6-209	from Ch. 108 1/2, par. 6-209
40 ILCS 5/7-132	from Ch. 108 1/2, par. 7-132
40 ILCS 5/8-226	from Ch. 108 1/2, par. 8-226
40 ILCS 5/11-215	from Ch. 108 1/2, par. 11-215
40 ILCS 5/15-107	from Ch. 108 1/2, par. 15-107
40 ILCS 5/16-106	from Ch. 108 1/2, par. 16-106
40 ILCS 5/17-134	from Ch. 108 1/2, par. 17-134

Amends the Illinois Pension Code. In various Articles of the Code, provides that participants under those Articles are entitled only to creditable service for periods of service with a labor organization if the employee and employer contributions for the service are received by the Fund before the effective date of the amendatory Act. Amends the IMRF Article of the Illinois Pension Code to provide that the Illinois Municipal League and the Will County Governmental League are participating instrumentalities only with respect to service on or before the effective date of the amendatory Act. Effective immediately.

LRB099 03798 SXM 23811 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 3-110, 4-108, 5-214, 6-209, 7-132, 8-226, 11-215,
6 15-107, 16-106, and 17-134 as follows:

7 (40 ILCS 5/3-110) (from Ch. 108 1/2, par. 3-110)

8 Sec. 3-110. Creditable service.

9 (a) "Creditable service" is the time served by a police
10 officer as a member of a regularly constituted police force of
11 a municipality. In computing creditable service furloughs
12 without pay exceeding 30 days shall not be counted, but all
13 leaves of absence for illness or accident, regardless of
14 length, and all periods of disability retirement for which a
15 police officer has received no disability pension payments
16 under this Article shall be counted.

17 (a-5) Up to 3 years of time during which the police officer
18 receives a disability pension under Section 3-114.1, 3-114.2,
19 3-114.3, or 3-114.6 shall be counted as creditable service,
20 provided that (i) the police officer returns to active service
21 after the disability for a period at least equal to the period
22 for which credit is to be established and (ii) the police
23 officer makes contributions to the fund based on the rates

1 specified in Section 3-125.1 and the salary upon which the
2 disability pension is based. These contributions may be paid at
3 any time prior to the commencement of a retirement pension. The
4 police officer may, but need not, elect to have the
5 contributions deducted from the disability pension or to pay
6 them in installments on a schedule approved by the board. If
7 not deducted from the disability pension, the contributions
8 shall include interest at the rate of 6% per year, compounded
9 annually, from the date for which service credit is being
10 established to the date of payment. If contributions are paid
11 under this subsection (a-5) in excess of those needed to
12 establish the credit, the excess shall be refunded. This
13 subsection (a-5) applies to persons receiving a disability
14 pension under Section 3-114.1, 3-114.2, 3-114.3, or 3-114.6 on
15 the effective date of this amendatory Act of the 91st General
16 Assembly, as well as persons who begin to receive such a
17 disability pension after that date.

18 (b) Creditable service includes all periods of service in
19 the military, naval or air forces of the United States entered
20 upon while an active police officer of a municipality, provided
21 that upon applying for a permanent pension, and in accordance
22 with the rules of the board, the police officer pays into the
23 fund the amount the officer would have contributed if he or she
24 had been a regular contributor during such period, to the
25 extent that the municipality which the police officer served
26 has not made such contributions in the officer's behalf. The

1 total amount of such creditable service shall not exceed 5
2 years, except that any police officer who on July 1, 1973 had
3 more than 5 years of such creditable service shall receive the
4 total amount thereof.

5 (b-5) Creditable service includes all periods of service in
6 the military, naval, or air forces of the United States entered
7 upon before beginning service as an active police officer of a
8 municipality, provided that, in accordance with the rules of
9 the board, the police officer pays into the fund the amount the
10 police officer would have contributed if he or she had been a
11 regular contributor during such period, plus an amount
12 determined by the Board to be equal to the municipality's
13 normal cost of the benefit, plus interest at the actuarially
14 assumed rate calculated from the date the employee last became
15 a police officer under this Article. The total amount of such
16 creditable service shall not exceed 2 years.

17 (c) Creditable service also includes service rendered by a
18 police officer while on leave of absence from a police
19 department to serve as an executive of an organization whose
20 membership consists of members of a police department, subject
21 to the following conditions: (i) the police officer is a
22 participant of a fund established under this Article with at
23 least 10 years of service as a police officer; (ii) the police
24 officer received no credit for such service under any other
25 retirement system, pension fund, or annuity and benefit fund
26 included in this Code; (iii) pursuant to the rules of the board

1 the police officer pays to the fund the amount he or she would
2 have contributed had the officer been an active member of the
3 police department; (iv) the organization pays a contribution
4 equal to the municipality's normal cost for that period of
5 service; ~~and~~ (v) for all leaves of absence under this
6 subsection (c), including those beginning before January 5,
7 2012 (the effective date of Public Act 97-651) ~~this amendatory~~
8 ~~Act of the 97th General Assembly~~, the police officer continues
9 to remain in sworn status, subject to the professional
10 standards of the public employer or those terms established in
11 statute; and (vi) the employee and employer contributions for
12 the service are received by the fund before the effective date
13 of this amendatory Act of the 99th General Assembly.

14 (d) (1) Creditable service also includes periods of
15 service originally established in another police pension
16 fund under this Article or in the Fund established under
17 Article 7 of this Code for which (i) the contributions have
18 been transferred under Section 3-110.7 or Section 7-139.9
19 and (ii) any additional contribution required under
20 paragraph (2) of this subsection has been paid in full in
21 accordance with the requirements of this subsection (d).

22 (2) If the board of the pension fund to which
23 creditable service and related contributions are
24 transferred under Section 7-139.9 determines that the
25 amount transferred is less than the true cost to the
26 pension fund of allowing that creditable service to be

1 established, then in order to establish that creditable
2 service the police officer must pay to the pension fund,
3 within the payment period specified in paragraph (3) of
4 this subsection, an additional contribution equal to the
5 difference, as determined by the board in accordance with
6 the rules and procedures adopted under paragraph (6) of
7 this subsection. If the board of the pension fund to which
8 creditable service and related contributions are
9 transferred under Section 3-110.7 determines that the
10 amount transferred is less than the true cost to the
11 pension fund of allowing that creditable service to be
12 established, then the police officer may elect (A) to
13 establish that creditable service by paying to the pension
14 fund, within the payment period specified in paragraph (3)
15 of this subsection (d), an additional contribution equal to
16 the difference, as determined by the board in accordance
17 with the rules and procedures adopted under paragraph (6)
18 of this subsection (d) or (B) to have his or her creditable
19 service reduced by an amount equal to the difference
20 between the amount transferred under Section 3-110.7 and
21 the true cost to the pension fund of allowing that
22 creditable service to be established, as determined by the
23 board in accordance with the rules and procedures adopted
24 under paragraph (6) of this subsection (d).

25 (3) Except as provided in paragraph (4), the additional
26 contribution that is required or elected under paragraph

1 (2) of this subsection (d) must be paid to the board (i)
2 within 5 years from the date of the transfer of
3 contributions under Section 3-110.7 or 7-139.9 and (ii)
4 before the police officer terminates service with the fund.
5 The additional contribution may be paid in a lump sum or in
6 accordance with a schedule of installment payments
7 authorized by the board.

8 (4) If the police officer dies in service before
9 payment in full has been made and before the expiration of
10 the 5-year payment period, the surviving spouse of the
11 officer may elect to pay the unpaid amount on the officer's
12 behalf within 6 months after the date of death, in which
13 case the creditable service shall be granted as though the
14 deceased police officer had paid the remaining balance on
15 the day before the date of death.

16 (5) If the additional contribution that is required or
17 elected under paragraph (2) of this subsection (d) is not
18 paid in full within the required time, the creditable
19 service shall not be granted and the police officer (or the
20 officer's surviving spouse or estate) shall be entitled to
21 receive a refund of (i) any partial payment of the
22 additional contribution that has been made by the police
23 officer and (ii) those portions of the amounts transferred
24 under subdivision (a)(1) of Section 3-110.7 or
25 subdivisions (a)(1) and (a)(3) of Section 7-139.9 that
26 represent employee contributions paid by the police

1 officer (but not the accumulated interest on those
2 contributions) and interest paid by the police officer to
3 the prior pension fund in order to reinstate service
4 terminated by acceptance of a refund.

5 At the time of paying a refund under this item (5), the
6 pension fund shall also repay to the pension fund from
7 which the contributions were transferred under Section
8 3-110.7 or 7-139.9 the amount originally transferred under
9 subdivision (a) (2) of that Section, plus interest at the
10 rate of 6% per year, compounded annually, from the date of
11 the original transfer to the date of repayment. Amounts
12 repaid to the Article 7 fund under this provision shall be
13 credited to the appropriate municipality.

14 Transferred credit that is not granted due to failure
15 to pay the additional contribution within the required time
16 is lost; it may not be transferred to another pension fund
17 and may not be reinstated in the pension fund from which it
18 was transferred.

19 (6) The Public Employee Pension Fund Division of the
20 Department of Insurance shall establish by rule the manner
21 of making the calculation required under paragraph (2) of
22 this subsection, taking into account the appropriate
23 actuarial assumptions; the police officer's service, age,
24 and salary history; the level of funding of the pension
25 fund to which the credits are being transferred; and any
26 other factors that the Division determines to be relevant.

1 The rules may require that all calculations made under
2 paragraph (2) be reported to the Division by the board
3 performing the calculation, together with documentation of
4 the creditable service to be transferred, the amounts of
5 contributions and interest to be transferred, the manner in
6 which the calculation was performed, the numbers relied
7 upon in making the calculation, the results of the
8 calculation, and any other information the Division may
9 deem useful.

10 (e) (1) Creditable service also includes periods of
11 service originally established in the Fund established
12 under Article 7 of this Code for which the contributions
13 have been transferred under Section 7-139.11.

14 (2) If the board of the pension fund to which
15 creditable service and related contributions are
16 transferred under Section 7-139.11 determines that the
17 amount transferred is less than the true cost to the
18 pension fund of allowing that creditable service to be
19 established, then the amount of creditable service the
20 police officer may establish under this subsection (e)
21 shall be reduced by an amount equal to the difference, as
22 determined by the board in accordance with the rules and
23 procedures adopted under paragraph (3) of this subsection.

24 (3) The Public Pension Division of the Department of
25 Financial and Professional Regulation shall establish by
26 rule the manner of making the calculation required under

1 paragraph (2) of this subsection, taking into account the
2 appropriate actuarial assumptions; the police officer's
3 service, age, and salary history; the level of funding of
4 the pension fund to which the credits are being
5 transferred; and any other factors that the Division
6 determines to be relevant. The rules may require that all
7 calculations made under paragraph (2) be reported to the
8 Division by the board performing the calculation, together
9 with documentation of the creditable service to be
10 transferred, the amounts of contributions and interest to
11 be transferred, the manner in which the calculation was
12 performed, the numbers relied upon in making the
13 calculation, the results of the calculation, and any other
14 information the Division may deem useful.

15 (4) Until January 1, 2010, a police officer who
16 transferred service from the Fund established under
17 Article 7 of this Code under the provisions of Public Act
18 94-356 may establish additional credit, but only for the
19 amount of the service credit reduction in that transfer, as
20 calculated under paragraph (3) of this subsection (e). This
21 credit may be established upon payment by the police
22 officer of an amount to be determined by the board, equal
23 to (1) the amount that would have been contributed as
24 employee and employer contributions had all of the service
25 been as an employee under this Article, plus interest
26 thereon at the rate of 6% per year, compounded annually

1 from the date of service to the date of transfer, less (2)
2 the total amount transferred from the Article 7 Fund, plus
3 (3) interest on the difference at the rate of 6% per year,
4 compounded annually, from the date of the transfer to the
5 date of payment. The additional service credit is allowed
6 under this amendatory Act of the 95th General Assembly
7 notwithstanding the provisions of Article 7 terminating
8 all transferred credits on the date of transfer.

9 (Source: P.A. 96-297, eff. 8-11-09; 96-1260, eff. 7-23-10;
10 97-651, eff. 1-5-12.)

11 (40 ILCS 5/4-108) (from Ch. 108 1/2, par. 4-108)

12 Sec. 4-108. Creditable service.

13 (a) Creditable service is the time served as a firefighter
14 of a municipality. In computing creditable service, furloughs
15 and leaves of absence without pay exceeding 30 days in any one
16 year shall not be counted, but leaves of absence for illness or
17 accident regardless of length, and periods of disability for
18 which a firefighter received no disability pension payments
19 under this Article, shall be counted.

20 (b) Furloughs and leaves of absence of 30 days or less in
21 any one year may be counted as creditable service, if the
22 firefighter makes the contribution to the fund that would have
23 been required had he or she not been on furlough or leave of
24 absence. To qualify for this creditable service, the
25 firefighter must pay the required contributions to the fund not

1 more than 90 days subsequent to the termination of the furlough
2 or leave of absence, to the extent that the municipality has
3 not made such contribution on his or her behalf.

4 (c) Creditable service includes:

5 (1) Service in the military, naval or air forces of the
6 United States entered upon when the person was an active
7 firefighter, provided that, upon applying for a permanent
8 pension, and in accordance with the rules of the board the
9 firefighter pays into the fund the amount that would have
10 been contributed had he or she been a regular contributor
11 during such period of service, if and to the extent that
12 the municipality which the firefighter served made no such
13 contributions in his or her behalf. The total amount of
14 such creditable service shall not exceed 5 years, except
15 that any firefighter who on July 1, 1973 had more than 5
16 years of such creditable service shall receive the total
17 amount thereof as of that date.

18 (1.5) Up to 24 months of service in the military,
19 naval, or air forces of the United States that was served
20 prior to employment by a municipality or fire protection
21 district as a firefighter. To receive the credit for the
22 military service prior to the employment as a firefighter,
23 the firefighter must apply in writing to the fund and must
24 make contributions to the fund equal to (i) the employee
25 contributions that would have been required had the service
26 been rendered as a member, plus (ii) an amount determined

1 by the fund to be equal to the employer's normal cost of
2 the benefits accrued for that military service, plus (iii)
3 interest at the actuarially assumed rate provided by the
4 Department of Financial and Professional Regulation,
5 compounded annually from the first date of membership in
6 the fund to the date of payment on items (i) and (ii). The
7 changes to this paragraph (1.5) by this amendatory Act of
8 the 95th General Assembly apply only to participating
9 employees in service on or after its effective date.

10 (2) Service prior to July 1, 1976 by a firefighter
11 initially excluded from participation by reason of age who
12 elected to participate and paid the required contributions
13 for such service.

14 (3) Up to 8 years of service by a firefighter as an
15 officer in a statewide firefighters' association when he is
16 on a leave of absence from a municipality's payroll,
17 provided that (i) the firefighter has at least 10 years of
18 creditable service as an active firefighter, (ii) the
19 firefighter contributes to the fund the amount that he
20 would have contributed had he remained an active member of
21 the fund, (iii) the employee or statewide firefighter
22 association contributes to the fund an amount equal to the
23 employer's required contribution as determined by the
24 board, and (iv) for all leaves of absence under this
25 subdivision (3), including those beginning before January
26 5, 2012 (the effective date of Public Act 97-651) ~~this~~

1 ~~amendatory Act of the 97th General Assembly,~~ the
2 firefighter continues to remain in sworn status, subject to
3 the professional standards of the public employer or those
4 terms established in statute, and (v) the employee and
5 employer contributions for the service are received by the
6 fund before the effective date of this amendatory Act of
7 the 99th General Assembly.

8 (4) Time spent as an on-call fireman for a
9 municipality, calculated at the rate of one year of
10 creditable service for each 5 years of time spent as an
11 on-call fireman, provided that (i) the firefighter has at
12 least 18 years of creditable service as an active
13 firefighter, (ii) the firefighter spent at least 14 years
14 as an on-call firefighter for the municipality, (iii) the
15 firefighter applies for such creditable service within 30
16 days after the effective date of this amendatory Act of
17 1989, (iv) the firefighter contributes to the Fund an
18 amount representing employee contributions for the number
19 of years of creditable service granted under this
20 subdivision (4), based on the salary and contribution rate
21 in effect for the firefighter at the date of entry into the
22 Fund, to be determined by the board, and (v) not more than
23 3 years of creditable service may be granted under this
24 subdivision (4).

25 Except as provided in Section 4-108.5, creditable
26 service shall not include time spent as a volunteer

1 firefighter, whether or not any compensation was received
2 therefor. The change made in this Section by Public Act
3 83-0463 is intended to be a restatement and clarification
4 of existing law, and does not imply that creditable service
5 was previously allowed under this Article for time spent as
6 a volunteer firefighter.

7 (5) Time served between July 1, 1976 and July 1, 1988
8 in the position of protective inspection officer or
9 administrative assistant for fire services, for a
10 municipality with a population under 10,000 that is located
11 in a county with a population over 3,000,000 and that
12 maintains a firefighters' pension fund under this Article,
13 if the position included firefighting duties,
14 notwithstanding that the person may not have held an
15 appointment as a firefighter, provided that application is
16 made to the pension fund within 30 days after the effective
17 date of this amendatory Act of 1991, and the corresponding
18 contributions are paid for the number of years of service
19 granted, based upon the salary and contribution rate in
20 effect for the firefighter at the date of entry into the
21 pension fund, as determined by the Board.

22 (6) Service before becoming a participant by a
23 firefighter initially excluded from participation by
24 reason of age who becomes a participant under the amendment
25 to Section 4-107 made by this amendatory Act of 1993 and
26 pays the required contributions for such service.

1 (7) Up to 3 years of time during which the firefighter
2 receives a disability pension under Section 4-110,
3 4-110.1, or 4-111, provided that (i) the firefighter
4 returns to active service after the disability for a period
5 at least equal to the period for which credit is to be
6 established and (ii) the firefighter makes contributions
7 to the fund based on the rates specified in Section 4-118.1
8 and the salary upon which the disability pension is based.
9 These contributions may be paid at any time prior to the
10 commencement of a retirement pension. The firefighter may,
11 but need not, elect to have the contributions deducted from
12 the disability pension or to pay them in installments on a
13 schedule approved by the board. If not deducted from the
14 disability pension, the contributions shall include
15 interest at the rate of 6% per year, compounded annually,
16 from the date for which service credit is being established
17 to the date of payment. If contributions are paid under
18 this subdivision (c)(7) in excess of those needed to
19 establish the credit, the excess shall be refunded. This
20 subdivision (c)(7) applies to persons receiving a
21 disability pension under Section 4-110, 4-110.1, or 4-111
22 on the effective date of this amendatory Act of the 91st
23 General Assembly, as well as persons who begin to receive
24 such a disability pension after that date.

25 (Source: P.A. 97-651, eff. 1-5-12.)

1 (40 ILCS 5/5-214) (from Ch. 108 1/2, par. 5-214)

2 Sec. 5-214. Credit for other service. Any participant in
3 this fund (other than a member of the fire department of the
4 city) who has rendered service as a member of the police
5 department of the city for a period of 3 years or more is
6 entitled to credit for the various purposes of this Article for
7 service rendered prior to becoming a member or subsequent
8 thereto for the following periods:

9 (a) While on leave of absence from the police
10 department assigned or detailed to investigative,
11 protective, security or police work for the park district
12 of the city, the department of the Port of Chicago or the
13 sanitary district in which the city is located.

14 (b) As a temporary police officer in the city or while
15 serving in the office of the mayor or in the office of the
16 corporation counsel, as a member of the city council of the
17 city, as an employee of the Policemen's Annuity and Benefit
18 Fund created by this Article, as the head of an
19 organization whose membership consists of members of the
20 police department, the Public Vehicle License Commission
21 and the board of election commissioners of the city,
22 provided that, in each of these cases and for all periods
23 specified in this item (b), including those beginning
24 before January 5, 2012 (the effective date of Public Act
25 97-651) ~~this amendatory Act of the 97th General Assembly,~~
26 the police officer is on leave and continues to remain in

1 sworn status, subject to the professional standards of the
2 public employer or those terms established in statute.

3 (c) While performing safety or investigative work for
4 the county in which such city is principally located or for
5 the State of Illinois or for the federal government, on
6 leave of absence from the department of police, or while
7 performing investigative work for the department as a
8 civilian employee of the department.

9 (d) While on leave of absence from the police
10 department of the city and serving as the chief of police
11 of a police department outside the city.

12 No credit shall be granted in this fund, however, for this
13 service if the policeman has credit therefor in any other
14 annuity and benefit fund, or unless he contributes to this fund
15 the amount he would have contributed with interest had he
16 remained an active member of the police department in the
17 position he occupied as a result of a civil service competitive
18 examination, certification and appointment by the Civil
19 Service Board; or in the case of a city operating under the
20 provisions of a personnel ordinance the position he occupied as
21 a result of a personnel ordinance competitive examination
22 certification and appointment under the authority of a
23 Municipal Personnel ordinance.

24 Concurrently with such contributions, the city shall
25 contribute the amounts provided by this Article. No credit
26 shall be allowed for any period of time for which contributions

1 by the policeman have not been paid. The period of service
2 rendered by such policeman prior to the date he became a member
3 of the police department of the city or while detailed,
4 assigned or on leave of absence and employed in any of the
5 departments set forth hereinabove in this Section for which
6 such policeman has contributed to this fund shall be credited
7 to him as service for all the purposes of this Article, except
8 that he shall not have any of the rights conferred by the
9 provisions of Sections 5-127 and 5-162 of this Article.

10 The changes in this Section made by Public Act 86-273 shall
11 apply to members of the fund who have not begun receiving a
12 pension under this Article on August 23, 1989, without regard
13 to whether employment is terminated before that date.

14 Notwithstanding any other provision of this Section,
15 participants are only entitled to credit for service under
16 paragraph (b) of this Section as the head of an organization
17 whose membership consists of members of the police department
18 if the employee and employer contributions for the service are
19 received by the Fund before the effective date of this
20 amendatory Act of the 99th General Assembly.

21 (Source: P.A. 97-651, eff. 1-5-12.)

22 (40 ILCS 5/6-209) (from Ch. 108 1/2, par. 6-209)

23 Sec. 6-209. In computing the service rendered by a fireman
24 prior to the effective date, the following periods shall be
25 counted, in addition to all periods during which he performed

1 the duties of his position, as periods of service for annuity
2 purposes only: All periods of (a) vacation, (b) leave of
3 absence with whole or part pay, (c) leave of absence without
4 pay which were necessary on account of disability, and (d)
5 leave of absence during which he was engaged in the military or
6 naval service of the United States of America. Service credit
7 shall not be allowed for any period during which a fireman was
8 in receipt of pension on account of disability from any pension
9 fund superseded by this fund.

10 In computing the service rendered by a fireman on and after
11 the effective date, the following periods shall be counted in
12 addition to all periods during which he performed the duties of
13 his position, as periods of service for annuity purposes only:
14 All periods of (a) vacation, (b) leave of absence with whole or
15 part pay, (c) leave of absence during which he was engaged in
16 the military or naval service of the United States of America,
17 (d) disability for which he receives any disability benefit,
18 (e) disability for which he receives whole or part pay, (f)
19 leave of absence, or other authorized relief from active duty,
20 during which he served as president of The Firemen's
21 Association of Chicago, provided that for all leaves of absence
22 or other authorized relief under this item (f), including those
23 beginning before January 5, 2012 (the effective date of Public
24 Act 97-651) ~~this amendatory Act of the 97th General Assembly,~~
25 the fireman continues to remain in sworn status, subject to the
26 professional standards of the public employer or those terms

1 established in statute, (g) periods of suspension from duty not
2 to exceed a total of one year during the total period of
3 service of the fireman, and (h) a period of time not to exceed
4 23 days in 1980 in accordance with an agreement with the City
5 on a settlement of strike; provided that the fireman elects to
6 make contributions to the Fund for the various annuity and
7 benefit purposes according to the provisions of this Article as
8 though he were an active fireman, based upon the salary
9 attached to the civil service rank held by him during such
10 absence from duty, and if the fireman so elects, the city shall
11 make the prescribed concurrent contributions for such annuity
12 and benefit purposes as provided in this Article, all to the
13 end that such fireman shall be entitled to receive the same
14 annuities and benefits for which he would otherwise be eligible
15 if he had continued as an active fireman during the periods of
16 absence from duty. Notwithstanding any other provision of this
17 Section, a fireman may only use a leave of absence, or other
18 authorized relief from active duty, during which the fireman
19 served as president of The Firemen's Association of Chicago in
20 computing his or her service if the employee and employer
21 contributions for the service are received by the Fund before
22 the effective date of this amendatory Act of the 99th General
23 Assembly.

24 In computing service on and after the effective date for
25 ordinary disability benefit, all periods described in the
26 preceding paragraph, except any period for which a fireman

1 receives ordinary disability benefit, shall be counted as
2 periods of service.

3 In computing service for any of the purposes of this
4 Article, credit shall be given for any periods prior to January
5 9, 1997, during which an active fireman (or fire paramedic) who
6 is a member of the General Assembly is on leave of absence or
7 is otherwise authorized to be absent from duty to enable him to
8 perform his legislative duties, notwithstanding any reduction
9 in salary for such periods and notwithstanding that the
10 contributions paid by the fireman were based on such reduced
11 salary rather than the full amount of salary attached to his
12 civil service rank.

13 In computing service for any of the purposes of this
14 Article, no credit shall be given for any period during which a
15 fireman was not rendering active service because of his
16 discharge from the service, unless proceedings to test the
17 legality of the discharge are filed in a court of competent
18 jurisdiction within one year from the date of discharge and a
19 final judgment is entered therein declaring the discharge
20 illegal.

21 No overtime or extra service shall be included in computing
22 service of a fireman and not more than one year or a proper
23 fractional part thereof of service shall be allowed for service
24 rendered during any calendar year.

25 (Source: P.A. 97-651, eff. 1-5-12.)

1 (40 ILCS 5/7-132) (from Ch. 108 1/2, par. 7-132)
2 Sec. 7-132. Municipalities, instrumentalities and
3 participating instrumentalities included and effective dates.

4 (A) Municipalities and their instrumentalities.

5 (a) The following described municipalities, but not
6 including any with more than 1,000,000 inhabitants, and the
7 instrumentalities thereof, shall be included within and be
8 subject to this Article beginning upon the effective dates
9 specified by the Board:

10 (1) Except as to the municipalities and
11 instrumentalities thereof specifically excluded under this
12 Article, every county shall be subject to this Article, and
13 all cities, villages and incorporated towns having a
14 population in excess of 5,000 inhabitants as determined by
15 the last preceding decennial or subsequent federal census,
16 shall be subject to this Article following publication of
17 the census by the Bureau of the Census. Within 90 days
18 after publication of the census, the Board shall notify any
19 municipality that has become subject to this Article as a
20 result of that census, and shall provide information to the
21 corporate authorities of the municipality explaining the
22 duties and consequences of participation. The notification
23 shall also include a proposed date upon which participation
24 by the municipality will commence.

25 However, for any city, village or incorporated town

1 that attains a population over 5,000 inhabitants after
2 having provided social security coverage for its employees
3 under the Social Security Enabling Act, participation
4 under this Article shall not be mandatory but may be
5 elected in accordance with subparagraph (3) or (4) of this
6 paragraph (a), whichever is applicable.

7 (2) School districts, other than those specifically
8 excluded under this Article, shall be subject to this
9 Article, without election, with respect to all employees
10 thereof.

11 (3) Towns and all other bodies politic and corporate
12 which are formed by vote of, or are subject to control by,
13 the electors in towns and are located in towns which are
14 not participating municipalities on the effective date of
15 this Act, may become subject to this Article by election
16 pursuant to Section 7-132.1.

17 (4) Any other municipality (together with its
18 instrumentalities), other than those specifically excluded
19 from participation and those described in paragraph (3)
20 above, may elect to be included either by referendum under
21 Section 7-134 or by the adoption of a resolution or
22 ordinance by its governing body. A copy of such resolution
23 or ordinance duly authenticated and certified by the clerk
24 of the municipality or other appropriate official of its
25 governing body shall constitute the required notice to the
26 board of such action.

1 (b) A municipality that is about to begin participation
2 shall submit to the Board an application to participate, in a
3 form acceptable to the Board, not later than 90 days prior to
4 the proposed effective date of participation. The Board shall
5 act upon the application within 90 days, and if it finds that
6 the application is in conformity with its requirements and the
7 requirements of this Article, participation by the applicant
8 shall commence on a date acceptable to the municipality and
9 specified by the Board, but in no event more than one year from
10 the date of application.

11 (c) A participating municipality which succeeds to the
12 functions of a participating municipality which is dissolved or
13 terminates its existence shall assume and be transferred the
14 net accumulation balance in the municipality reserve and the
15 municipality account receivable balance of the terminated
16 municipality.

17 (d) In the case of a Veterans Assistance Commission whose
18 employees were being treated by the Fund on January 1, 1990 as
19 employees of the county served by the Commission, the Fund may
20 continue to treat the employees of the Veterans Assistance
21 Commission as county employees for the purposes of this
22 Article, unless the Commission becomes a participating
23 instrumentality in accordance with subsection (B) of this
24 Section.

25 (B) Participating instrumentalities.

1 (a) The participating instrumentalities designated in
2 paragraph (b) of this subsection shall be included within and
3 be subject to this Article if:

4 (1) an application to participate, in a form acceptable
5 to the Board and adopted by a two-thirds vote of the
6 governing body, is presented to the Board not later than 90
7 days prior to the proposed effective date; and

8 (2) the Board finds that the application is in
9 conformity with its requirements, that the applicant has
10 reasonable expectation to continue as a political entity
11 for a period of at least 10 years and has the prospective
12 financial capacity to meet its current and future
13 obligations to the Fund, and that the actuarial soundness
14 of the Fund may be reasonably expected to be unimpaired by
15 approval of participation by the applicant.

16 The Board shall notify the applicant of its findings within
17 90 days after receiving the application, and if the Board
18 approves the application, participation by the applicant shall
19 commence on the effective date specified by the Board.

20 (b) The following participating instrumentalities, so long
21 as they meet the requirements of Section 7-108 and the area
22 served by them or within their jurisdiction is not located
23 entirely within a municipality having more than one million
24 inhabitants, may be included hereunder:

25 i. Township School District Trustees.

26 ii. Multiple County and Consolidated Health

1 Departments created under Division 5-25 of the Counties
2 Code or its predecessor law.

3 iii. Public Building Commissions created under the
4 Public Building Commission Act, and located in counties of
5 less than 1,000,000 inhabitants.

6 iv. A multitype, consolidated or cooperative library
7 system created under the Illinois Library System Act. Any
8 library system created under the Illinois Library System
9 Act that has one or more predecessors that participated in
10 the Fund may participate in the Fund upon application. The
11 Board shall establish procedures for implementing the
12 transfer of rights and obligations from the predecessor
13 system to the successor system.

14 v. Regional Planning Commissions created under
15 Division 5-14 of the Counties Code or its predecessor law.

16 vi. Local Public Housing Authorities created under the
17 Housing Authorities Act, located in counties of less than
18 1,000,000 inhabitants.

19 vii. Illinois Municipal League, but only with respect
20 to service on or before the effective date of this
21 amendatory Act of the 99th General Assembly.

22 viii. Northeastern Illinois Metropolitan Area Planning
23 Commission.

24 ix. Southwestern Illinois Metropolitan Area Planning
25 Commission.

26 x. Illinois Association of Park Districts.

1 xi. Illinois Supervisors, County Commissioners and
2 Superintendents of Highways Association.

3 xii. Tri-City Regional Port District.

4 xiii. An association, or not-for-profit corporation,
5 membership in which is authorized under Section 85-15 of
6 the Township Code.

7 xiv. Drainage Districts operating under the Illinois
8 Drainage Code.

9 xv. Local mass transit districts created under the
10 Local Mass Transit District Act.

11 xvi. Soil and water conservation districts created
12 under the Soil and Water Conservation Districts Law.

13 xvii. Commissions created to provide water supply or
14 sewer services or both under Division 135 or Division 136
15 of Article 11 of the Illinois Municipal Code.

16 xviii. Public water districts created under the Public
17 Water District Act.

18 xix. Veterans Assistance Commissions established under
19 Section 9 of the Military Veterans Assistance Act that
20 serve counties with a population of less than 1,000,000.

21 xx. The governing body of an entity, other than a
22 vocational education cooperative, created under an
23 intergovernmental cooperative agreement established
24 between participating municipalities under the
25 Intergovernmental Cooperation Act, which by the terms of
26 the agreement is the employer of the persons performing

1 services under the agreement under the usual common law
2 rules determining the employer-employee relationship. The
3 governing body of such an intergovernmental cooperative
4 entity established prior to July 1, 1988 may make
5 participation retroactive to the effective date of the
6 agreement and, if so, the effective date of participation
7 shall be the date the required application is filed with
8 the fund. If any such entity is unable to pay the required
9 employer contributions to the fund, then the participating
10 municipalities shall make payment of the required
11 contributions and the payments shall be allocated as
12 provided in the agreement or, if not so provided, equally
13 among them.

14 xxi. The Illinois Municipal Electric Agency.

15 xxii. The Waukegan Port District.

16 xxiii. The Fox Waterway Agency created under the Fox
17 Waterway Agency Act.

18 xxiv. The Illinois Municipal Gas Agency.

19 xxv. The Kaskaskia Regional Port District.

20 xxvi. The Southwestern Illinois Development Authority.

21 xxvii. The Cairo Public Utility Company.

22 xxviii. Except with respect to employees who elect to
23 participate in the State Employees' Retirement System of
24 Illinois under Section 14-104.13 of this Code, the Chicago
25 Metropolitan Agency for Planning created under the
26 Regional Planning Act, provided that, with respect to the

1 benefits payable pursuant to Sections 7-146, 7-150, and
2 7-164 and the requirement that eligibility for such
3 benefits is conditional upon satisfying a minimum period of
4 service or a minimum contribution, any employee of the
5 Chicago Metropolitan Agency for Planning that was
6 immediately prior to such employment an employee of the
7 Chicago Area Transportation Study or the Northeastern
8 Illinois Planning Commission, such employee's service at
9 the Chicago Area Transportation Study or the Northeastern
10 Illinois Planning Commission and contributions to the
11 State Employees' Retirement System of Illinois established
12 under Article 14 and the Illinois Municipal Retirement Fund
13 shall count towards the satisfaction of such requirements.

14 xxix. United Counties Council (formerly the Urban
15 Counties Council), but only if the Council has a ruling
16 from the United States Internal Revenue Service that it is
17 a governmental entity.

18 xxx. The Will County Governmental League, but only if
19 the League has a ruling from the United States Internal
20 Revenue Service that it is a governmental entity and only
21 with respect to service on or before the effective date of
22 this amendatory Act of the 99th General Assembly.

23 (c) The governing boards of special education joint
24 agreements created under Section 10-22.31 of the School Code
25 without designation of an administrative district shall be
26 included within and be subject to this Article as participating

1 instrumentalities when the joint agreement becomes effective.
2 However, the governing board of any such special education
3 joint agreement in effect before September 5, 1975 shall not be
4 subject to this Article unless the joint agreement is modified
5 by the school districts to provide that the governing board is
6 subject to this Article, except as otherwise provided by this
7 Section.

8 The governing board of the Special Education District of
9 Lake County shall become subject to this Article as a
10 participating instrumentality on July 1, 1997. Notwithstanding
11 subdivision (a)1 of Section 7-139, on the effective date of
12 participation, employees of the governing board of the Special
13 Education District of Lake County shall receive creditable
14 service for their prior service with that employer, up to a
15 maximum of 5 years, without any employee contribution.
16 Employees may establish creditable service for the remainder of
17 their prior service with that employer, if any, by applying in
18 writing and paying an employee contribution in an amount
19 determined by the Fund, based on the employee contribution
20 rates in effect at the time of application for the creditable
21 service and the employee's salary rate on the effective date of
22 participation for that employer, plus interest at the effective
23 rate from the date of the prior service to the date of payment.
24 Application for this creditable service must be made before
25 July 1, 1998; the payment may be made at any time while the
26 employee is still in service. The employer may elect to make

1 the required contribution on behalf of the employee.

2 The governing board of a special education joint agreement
3 created under Section 10-22.31 of the School Code for which an
4 administrative district has been designated, if there are
5 employees of the cooperative educational entity who are not
6 employees of the administrative district, may elect to
7 participate in the Fund and be included within this Article as
8 a participating instrumentality, subject to such application
9 procedures and rules as the Board may prescribe.

10 The Boards of Control of cooperative or joint educational
11 programs or projects created and administered under Section
12 3-15.14 of the School Code, whether or not the Boards act as
13 their own administrative district, shall be included within and
14 be subject to this Article as participating instrumentalities
15 when the agreement establishing the cooperative or joint
16 educational program or project becomes effective.

17 The governing board of a special education joint agreement
18 entered into after June 30, 1984 and prior to September 17,
19 1985 which provides for representation on the governing board
20 by less than all the participating districts shall be included
21 within and subject to this Article as a participating
22 instrumentality. Such participation shall be effective as of
23 the date the joint agreement becomes effective.

24 The governing boards of educational service centers
25 established under Section 2-3.62 of the School Code shall be
26 included within and subject to this Article as participating

1 instrumentalities. The governing boards of vocational
2 education cooperative agreements created under the
3 Intergovernmental Cooperation Act and approved by the State
4 Board of Education shall be included within and be subject to
5 this Article as participating instrumentalities. If any such
6 governing boards or boards of control are unable to pay the
7 required employer contributions to the fund, then the school
8 districts served by such boards shall make payment of required
9 contributions as provided in Section 7-172. The payments shall
10 be allocated among the several school districts in proportion
11 to the number of students in average daily attendance for the
12 last full school year for each district in relation to the
13 total number of students in average attendance for such period
14 for all districts served. If such educational service centers,
15 vocational education cooperatives or cooperative or joint
16 educational programs or projects created and administered
17 under Section 3-15.14 of the School Code are dissolved, the
18 assets and obligations shall be distributed among the districts
19 in the same proportions unless otherwise provided.

20 The governing board of Paris Cooperative High School shall
21 be included within and be subject to this Article as a
22 participating instrumentality on July 14, 2010 (the effective
23 date of Public Act 96-1046) ~~this amendatory Act of the 96th~~
24 ~~General Assembly~~. If the governing board of Paris Cooperative
25 High School is unable to pay the required employer
26 contributions to the fund, then the school districts served

1 shall make payment of required contributions as provided in
2 Section 7-172. The payments shall be allocated among the
3 several school districts in proportion to the number of
4 students in average daily attendance for the last full school
5 year for each district in relation to the total number of
6 students in average attendance for such period for all
7 districts served. If Paris Cooperative High School is
8 dissolved, then the assets and obligations shall be distributed
9 among the districts in the same proportions unless otherwise
10 provided.

11 The Philip J. Rock Center and School shall be included
12 within and be subject to this Article as a participating
13 instrumentality on July 26, 2012 (the effective date of Public
14 Act 97-854) ~~this amendatory Act of the 97th General Assembly.~~
15 The Philip J. Rock Center and School shall certify to the Fund
16 the dates of service of all employees within 90 days of July
17 26, 2012 (the effective date of Public Act 97-854) ~~this~~
18 ~~amendatory Act of the 97th General Assembly.~~ The Fund shall
19 transfer to the IMRF account of the Philip J. Rock Center and
20 School all creditable service and all employer contributions
21 made on behalf of the employees for service at the Philip J.
22 Rock Center and School that were reported and paid to IMRF by
23 another employer prior to this date. If the Philip J. Rock
24 Center and School is unable to pay the required employer
25 contributions to the Fund, then the amount due will be paid by
26 all employers as defined in item (2) of paragraph (a) of

1 subsection (A) of this Section. The payments shall be allocated
2 among these employers in proportion to the number of students
3 in average daily attendance for the last full school year for
4 each district in relation to the total number of students in
5 average attendance for such period for all districts. If the
6 Philip J. Rock Center and School is dissolved, then its IMRF
7 assets and obligations shall be distributed in the same
8 proportions unless otherwise provided.

9 Financial Oversight Panels established under Article 1H of
10 the School Code shall be included within and be subject to this
11 Article as a participating instrumentality on August 16, 2011
12 (the effective date of Public Act 97-429) ~~this amendatory Act~~
13 ~~of the 97th General Assembly~~. If the Financial Oversight Panel
14 is unable to pay the required employer contributions to the
15 fund, then the school districts served shall make payment of
16 required contributions as provided in Section 7-172. If the
17 Financial Oversight Panel is dissolved, then the assets and
18 obligations shall be distributed to the district served.

19 (d) The governing boards of special recreation joint
20 agreements created under Section 8-10b of the Park District
21 Code, operating without designation of an administrative
22 district or an administrative municipality appointed to
23 administer the program operating under the authority of such
24 joint agreement shall be included within and be subject to this
25 Article as participating instrumentalities when the joint
26 agreement becomes effective. However, the governing board of

1 any such special recreation joint agreement in effect before
2 January 1, 1980 shall not be subject to this Article unless the
3 joint agreement is modified, by the districts and
4 municipalities which are parties to the agreement, to provide
5 that the governing board is subject to this Article.

6 If the Board returns any employer and employee
7 contributions to any employer which erroneously submitted such
8 contributions on behalf of a special recreation joint
9 agreement, the Board shall include interest computed from the
10 end of each year to the date of payment, not compounded, at the
11 rate of 7% per annum.

12 (e) Each multi-township assessment district, the board of
13 trustees of which has adopted this Article by ordinance prior
14 to April 1, 1982, shall be a participating instrumentality
15 included within and subject to this Article effective December
16 1, 1981. The contributions required under Section 7-172 shall
17 be included in the budget prepared under and allocated in
18 accordance with Section 2-30 of the Property Tax Code.

19 (f) The Illinois Medical District Commission created under
20 the Illinois Medical District Act may be included within and
21 subject to this Article as a participating instrumentality,
22 notwithstanding that the location of the District is entirely
23 within the City of Chicago. To become a participating
24 instrumentality, the Commission must apply to the Board in the
25 manner set forth in paragraph (a) of this subsection (B). If
26 the Board approves the application, under the criteria and

1 procedures set forth in paragraph (a) and any other applicable
2 rules, criteria, and procedures of the Board, participation by
3 the Commission shall commence on the effective date specified
4 by the Board.

5 (C) Prospective participants.

6 Beginning January 1, 1992, each prospective participating
7 municipality or participating instrumentality shall pay to the
8 Fund the cost, as determined by the Board, of a study prepared
9 by the Fund or its actuary, detailing the prospective costs of
10 participation in the Fund to be expected by the municipality or
11 instrumentality.

12 (Source: P.A. 96-211, eff. 8-10-09; 96-551, eff. 8-17-09;
13 96-1000, eff. 7-2-10; 96-1046, eff. 7-14-10; 97-429, eff.
14 8-16-11; 97-854, eff. 7-26-12.)

15 (40 ILCS 5/8-226) (from Ch. 108 1/2, par. 8-226)

16 Sec. 8-226. Computation of service. In computing the term
17 of service of an employee prior to the effective date, the
18 entire period beginning on the date he was first appointed and
19 ending on the day before the effective date, except any
20 intervening period during which he was separated by withdrawal
21 from service, shall be counted for all purposes of this
22 Article, except that for any employee who was not in service on
23 the day before the effective date, service rendered prior to
24 such date shall not be considered for the purposes of Section

1 8-138.

2 For a person employed by an employer for whom this Article
3 was in effect prior to January 1, 1950, from whose salary
4 deductions are first made under this Article after December 31,
5 1949, any period of service rendered prior to the effective
6 date, unless he was in service on the day before the effective
7 date, shall not be counted as service.

8 The time a person was an employee of any territory annexed
9 to the city prior to the effective date shall be counted as a
10 period of service.

11 In computing the term of service of any employee subsequent
12 to the day before the effective date, the following periods
13 shall be counted as periods of service for age and service,
14 widow's and child's annuity purposes:

15 (a) The time during which he performed the duties of
16 his position;

17 (b) Vacations, leaves of absence with whole or part
18 pay, and leaves of absence without pay not longer than 90
19 days;

20 (c) Leaves of absence without pay that begin before
21 January 5, 2012 (the effective date of Public Act 97-651)
22 ~~this amendatory Act of the 97th General Assembly~~ and during
23 which a participant is employed full-time by a local labor
24 organization that represents municipal employees, provided
25 that (1) the participant continues to make employee
26 contributions to the Fund as though he were an active

1 employee, based on the regular salary rate received by the
2 participant for his municipal employment immediately prior
3 to such leave of absence (and in the case of such
4 employment prior to December 9, 1987, pays to the Fund an
5 amount equal to the employee contributions for such
6 employment plus regular interest thereon as calculated by
7 the board), and based on his current salary with such labor
8 organization after the effective date of this amendatory
9 Act of 1991, (2) after January 1, 1989 the participant, or
10 the labor organization on the participant's behalf, makes
11 contributions to the Fund as though it were the employer,
12 in the same amount and same manner as specified under this
13 Article, based on the regular salary rate received by the
14 participant for his municipal employment immediately prior
15 to such leave of absence, and based on his current salary
16 with such labor organization after the effective date of
17 this amendatory Act of 1991, ~~and~~ (3) the participant does
18 not receive credit in any pension plan established by the
19 local labor organization based on his employment by the
20 organization, and (4) the employee and employer
21 contributions for the service are received by the Fund
22 before the effective date of this amendatory Act of the
23 99th General Assembly;

24 (d) Any period of disability for which he received (i)
25 a disability benefit under this Article, or (ii) a
26 temporary total disability benefit under the Workers'

1 Compensation Act if the disability results from a condition
2 commonly termed heart attack or stroke or any other
3 condition falling within the broad field of coronary
4 involvement or heart disease, or (iii) whole or part pay;

5 (e) Any period for which contributions and service
6 credit have been transferred to this Fund under subsection
7 (d) of Section 9-121.1 or subsection (d) of Section
8 12-127.1 of this Code.

9 For a person employed by an employer in which the 1921 Act
10 was in effect prior to January 1, 1950, from whose salary
11 deductions are first made under the 1921 Act or this Article
12 after December 31, 1949, any period of service rendered
13 subsequent to the effective date and prior to the date he
14 became an employee and contributor, shall not be counted as a
15 period of service under this Article, except such period for
16 which he made payment as provided in Section 8-230 of this
17 Article, in which case such period shall be counted as a period
18 of service for all annuity purposes hereunder.

19 In computing the term of service of an employee subsequent
20 to the day before the effective date for ordinary disability
21 benefit purposes, all periods described in the preceding
22 paragraph, except any such period for which he receives
23 ordinary disability benefit, shall be counted as periods of
24 service; provided, that for any person employed by an employer
25 in which this Article was in effect prior to January 1, 1950,
26 from whose salary deductions are first made under this Article

1 after December 31, 1949, any period of service rendered
2 subsequent to the effective date and prior to the date he
3 became an employee and contributor, shall not be counted as a
4 period of service for ordinary disability benefit purposes,
5 unless the person made payment for the period as provided in
6 Section 8-230 of this Article, in which case the period shall
7 be counted as a period of service for ordinary disability
8 purposes for periods of disability on or after the effective
9 date of this amendatory Act of 1997.

10 Overtime or extra service shall not be included in
11 computing any term of service. Not more than 1 year of service
12 shall be allowed for service rendered during any calendar year.

13 For the purposes of this Section, the phrase "any pension
14 plan established by the local labor organization" means any
15 pension plan in which a participant may receive credit as a
16 result of his or her membership in the local labor
17 organization, including, but not limited to, the local labor
18 organization itself and its affiliates at the local,
19 intrastate, State, multi-state, national, or international
20 level. The definition of this phrase is a declaration of
21 existing law and shall not be construed as a new enactment.

22 (Source: P.A. 97-651, eff. 1-5-12.)

23 (40 ILCS 5/11-215) (from Ch. 108 1/2, par. 11-215)

24 Sec. 11-215. Computation of service.

25 (a) In computing the term of service of an employee prior

1 to the effective date, the entire period beginning on the date
2 he was first appointed and ending on the day before the
3 effective date, except any intervening period during which he
4 was separated by withdrawal from service, shall be counted for
5 all purposes of this Article. Only the first year of each
6 period of lay-off or leave of absence without pay, continuing
7 or extending for a period in excess of one year, shall be
8 counted as such service.

9 (b) For a person employed by an employer for whom this
10 Article was in effect prior to August 1, 1949, from whose
11 salary deductions are first made under this Article after July
12 31, 1949, any period of service rendered prior to the effective
13 date, unless he was in service on the day before the effective
14 date, shall not be counted as service.

15 (c) In computing the term of service of an employee
16 subsequent to the day before the effective date, the following
17 periods of time shall be counted as periods of service for
18 annuity purposes:

19 (1) the time during which he performed the duties of
20 his position;

21 (2) leaves of absence with whole or part pay, and
22 leaves of absence without pay not longer than 90 days;

23 (3) leaves of absence without pay that begin before
24 January 5, 2012 (the effective date of Public Act 97-651)
25 ~~this amendatory Act of the 97th General Assembly~~ and during
26 which a participant is employed full-time by a local labor

1 organization that represents municipal employees, provided
2 that (A) the participant continues to make employee
3 contributions to the Fund as though he were an active
4 employee, based on the regular salary rate received by the
5 participant for his municipal employment immediately prior
6 to such leave of absence (and in the case of such
7 employment prior to December 9, 1987, pays to the Fund an
8 amount equal to the employee contributions for such
9 employment plus regular interest thereon as calculated by
10 the board), and based on his current salary with such labor
11 organization after the effective date of this amendatory
12 Act of 1991, (B) after January 1, 1989 the participant, or
13 the labor organization on the participant's behalf, makes
14 contributions to the Fund as though it were the employer,
15 in the same amount and same manner as specified under this
16 Article, based on the regular salary rate received by the
17 participant for his municipal employment immediately prior
18 to such leave of absence, and based on his current salary
19 with such labor organization after the effective date of
20 this amendatory Act of 1991, ~~and~~ (C) the participant does
21 not receive credit in any pension plan established by the
22 local labor organization based on his employment by the
23 organization, and (D) the employee and employer
24 contributions for the service are received by the Fund
25 before the effective date of this amendatory Act of the
26 99th General Assembly;

1 (4) any period of disability for which he received (i)
2 a disability benefit under this Article, or (ii) a
3 temporary total disability benefit under the Workers'
4 Compensation Act if the disability results from a condition
5 commonly termed heart attack or stroke or any other
6 condition falling within the broad field of coronary
7 involvement or heart disease, or (iii) whole or part pay.

8 (d) For a person employed by an employer, or the retirement
9 board, in which "The 1935 Act" was in effect prior to August 1,
10 1949, from whose salary deductions are first made under "The
11 1935 Act" or this Article after July 31, 1949, any period of
12 service rendered subsequent to the effective date and prior to
13 August 1, 1949, shall not be counted as a period of service
14 under this Article, except such period for which he made
15 payment, as provided in Section 11-221 of this Article, in
16 which case such period shall be counted as a period of service
17 for all annuity purposes hereunder.

18 (e) In computing the term of service of an employee
19 subsequent to the day before the effective date for ordinary
20 disability benefit purposes, the following periods of time
21 shall be counted as periods of service:

22 (1) any period during which he performed the duties of
23 his position;

24 (2) leaves of absence with whole or part pay;

25 (3) any period of disability for which he received (i)
26 a duty disability benefit under this Article, or (ii) a

1 temporary total disability benefit under the Workers'
2 Compensation Act if the disability results from a condition
3 commonly termed heart attack or stroke or any other
4 condition falling within the broad field of coronary
5 involvement or heart disease, or (iii) whole or part pay.

6 However, any period of service rendered by an employee
7 contributor prior to the date he became a contributor to the
8 fund shall not be counted as a period of service for ordinary
9 disability purposes, unless the person made payment for the
10 period as provided in Section 11-221 of this Article, in which
11 case the period shall be counted as a period of service for
12 ordinary disability purposes for periods of disability on or
13 after the effective date of this amendatory Act of 1997.

14 Overtime or extra service shall not be included in
15 computing any term of service. Not more than 1 year of service
16 shall be allowed for service rendered during any calendar year.

17 For the purposes of this Section, the phrase "any pension
18 plan established by the local labor organization" means any
19 pension plan in which a participant may receive credit as a
20 result of his or her membership in the local labor
21 organization, including, but not limited to, the local labor
22 organization itself and its affiliates at the local,
23 intrastate, State, multi-state, national, or international
24 level. The definition of this phrase is a declaration of
25 existing law and shall not be construed as a new enactment.

26 (Source: P.A. 97-651, eff. 1-5-12.)

1 (40 ILCS 5/15-107) (from Ch. 108 1/2, par. 15-107)

2 Sec. 15-107. Employee.

3 (a) "Employee" means any member of the educational,
4 administrative, secretarial, clerical, mechanical, labor or
5 other staff of an employer whose employment is permanent and
6 continuous or who is employed in a position in which services
7 are expected to be rendered on a continuous basis for at least
8 4 months or one academic term, whichever is less, who (A)
9 receives payment for personal services on a warrant issued
10 pursuant to a payroll voucher certified by an employer and
11 drawn by the State Comptroller upon the State Treasurer or by
12 an employer upon trust, federal or other funds, or (B) is on a
13 leave of absence without pay. Employment which is irregular,
14 intermittent or temporary shall not be considered continuous
15 for purposes of this paragraph.

16 However, a person is not an "employee" if he or she:

17 (1) is a student enrolled in and regularly attending
18 classes in a college or university which is an employer,
19 and is employed on a temporary basis at less than full
20 time;

21 (2) is currently receiving a retirement annuity or a
22 disability retirement annuity under Section 15-153.2 from
23 this System;

24 (3) is on a military leave of absence;

25 (4) is eligible to participate in the Federal Civil

1 Service Retirement System and is currently making
2 contributions to that system based upon earnings paid by an
3 employer;

4 (5) is on leave of absence without pay for more than 60
5 days immediately following termination of disability
6 benefits under this Article;

7 (6) is hired after June 30, 1979 as a public service
8 employment program participant under the Federal
9 Comprehensive Employment and Training Act and receives
10 earnings in whole or in part from funds provided under that
11 Act; or

12 (7) is employed on or after July 1, 1991 to perform
13 services that are excluded by subdivision (a)(7)(f) or
14 (a)(19) of Section 210 of the federal Social Security Act
15 from the definition of employment given in that Section (42
16 U.S.C. 410).

17 (b) Any employer may, by filing a written notice with the
18 board, exclude from the definition of "employee" all persons
19 employed pursuant to a federally funded contract entered into
20 after July 1, 1982 with a federal military department in a
21 program providing training in military courses to federal
22 military personnel on a military site owned by the United
23 States Government, if this exclusion is not prohibited by the
24 federally funded contract or federal laws or rules governing
25 the administration of the contract.

26 (c) Any person appointed by the Governor under the Civil

1 Administrative Code of the State is an employee, if he or she
2 is a participant in this system on the effective date of the
3 appointment.

4 (d) A participant on lay-off status under civil service
5 rules is considered an employee for not more than 120 days from
6 the date of the lay-off.

7 (e) A participant is considered an employee during (1) the
8 first 60 days of disability leave, (2) the period, not to
9 exceed one year, in which his or her eligibility for disability
10 benefits is being considered by the board or reviewed by the
11 courts, and (3) the period he or she receives disability
12 benefits under the provisions of Section 15-152, workers'
13 compensation or occupational disease benefits, or disability
14 income under an insurance contract financed wholly or partially
15 by the employer.

16 (f) Absences without pay, other than formal leaves of
17 absence, of less than 30 calendar days, are not considered as
18 an interruption of a person's status as an employee. If such
19 absences during any period of 12 months exceed 30 work days,
20 the employee status of the person is considered as interrupted
21 as of the 31st work day.

22 (g) A staff member whose employment contract requires
23 services during an academic term is to be considered an
24 employee during the summer and other vacation periods, unless
25 he or she declines an employment contract for the succeeding
26 academic term or his or her employment status is otherwise

1 terminated, and he or she receives no earnings during these
2 periods.

3 (h) An individual who was a participating employee employed
4 in the fire department of the University of Illinois's
5 Champaign-Urbana campus immediately prior to the elimination
6 of that fire department and who immediately after the
7 elimination of that fire department became employed by the fire
8 department of the City of Urbana or the City of Champaign shall
9 continue to be considered as an employee for purposes of this
10 Article for so long as the individual remains employed as a
11 firefighter by the City of Urbana or the City of Champaign. The
12 individual shall cease to be considered an employee under this
13 subsection (h) upon the first termination of the individual's
14 employment as a firefighter by the City of Urbana or the City
15 of Champaign.

16 (i) An individual who is employed on a full-time basis as
17 an officer or employee of a statewide teacher organization that
18 serves System participants or an officer of a national teacher
19 organization that serves System participants may participate
20 in the System and shall be deemed an employee, provided that
21 (1) the individual has previously earned creditable service
22 under this Article, (2) the individual files with the System an
23 irrevocable election to become a participant before January 5,
24 2012 (the effective date of Public Act 97-651) ~~this amendatory~~
25 Act of the 97th General Assembly, (3) the individual does not
26 receive credit for that employment under any other Article of

1 this Code, ~~and~~ (4) the individual first became a full-time
2 employee of the teacher organization and becomes a participant
3 before January 5, 2012 (the effective date of Public Act
4 97-651), and (5) the employee and employer contribution for the
5 service are received by the Fund before the effective date of
6 this amendatory Act of the 99th General Assembly ~~this~~
7 ~~amendatory Act of the 97th General Assembly~~. An employee under
8 this subsection (i) is responsible for paying to the System
9 both (A) employee contributions based on the actual
10 compensation received for service with the teacher
11 organization and (B) employer contributions equal to the normal
12 costs (as defined in Section 15-155) resulting from that
13 service; all or any part of these contributions may be paid on
14 the employee's behalf or picked up for tax purposes (if
15 authorized under federal law) by the teacher organization.

16 A person who is an employee as defined in this subsection
17 (i) 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 for any such prior employment for
23 which the applicant received credit under any other provision
24 of this Code, or during which the applicant was on a leave of
25 absence under Section 15-113.2.

26 (j) A person employed by the State Board of Higher

1 Education in a position with the Illinois Century Network as of
2 June 30, 2004 shall be considered to be an employee for so long
3 as he or she remains continuously employed after that date by
4 the Department of Central Management Services in a position
5 with the Illinois Century Network, the Bureau of Communication
6 and Computer Services, or, if applicable, any successor bureau
7 and meets the requirements of subsection (a).

8 (k) In the case of doubt as to whether any person is an
9 employee within the meaning of this Section, the decision of
10 the Board shall be final.

11 (Source: P.A. 97-651, eff. 1-5-12; 98-599, eff. 6-1-14.)

12 (40 ILCS 5/16-106) (from Ch. 108 1/2, par. 16-106)

13 Sec. 16-106. Teacher. "Teacher": The following
14 individuals, provided that, for employment prior to July 1,
15 1990, they are employed on a full-time basis, or if not
16 full-time, on a permanent and continuous basis in a position in
17 which services are expected to be rendered for at least one
18 school term:

19 (1) Any educational, administrative, professional or
20 other staff employed in the public common schools included
21 within this system in a position requiring certification
22 under the law governing the certification of teachers;

23 (2) Any educational, administrative, professional or
24 other staff employed in any facility of the Department of
25 Children and Family Services or the Department of Human

1 Services, in a position requiring certification under the
2 law governing the certification of teachers, and any person
3 who (i) works in such a position for the Department of
4 Corrections, (ii) was a member of this System on May 31,
5 1987, and (iii) did not elect to become a member of the
6 State Employees' Retirement System pursuant to Section
7 14-108.2 of this Code; except that "teacher" does not
8 include any person who (A) becomes a security employee of
9 the Department of Human Services, as defined in Section
10 14-110, after June 28, 2001 (the effective date of Public
11 Act 92-14), or (B) becomes a member of the State Employees'
12 Retirement System pursuant to Section 14-108.2c of this
13 Code;

14 (3) Any regional superintendent of schools, assistant
15 regional superintendent of schools, State Superintendent
16 of Education; any person employed by the State Board of
17 Education as an executive; any executive of the boards
18 engaged in the service of public common school education in
19 school districts covered under this system of which the
20 State Superintendent of Education is an ex-officio member;

21 (4) Any employee of a school board association
22 operating in compliance with Article 23 of the School Code
23 who is certificated under the law governing the
24 certification of teachers, provided that he or she becomes
25 such an employee before the effective date of this
26 amendatory Act of the 98th General Assembly;

- 1 (5) Any person employed by the retirement system who:
- 2 (i) was an employee of and a participant in the
- 3 system on August 17, 2001 (the effective date of Public
- 4 Act 92-416), or
- 5 (ii) becomes an employee of the system on or after
- 6 August 17, 2001;
- 7 (6) Any educational, administrative, professional or
- 8 other staff employed by and under the supervision and
- 9 control of a regional superintendent of schools, provided
- 10 such employment position requires the person to be
- 11 certificated under the law governing the certification of
- 12 teachers and is in an educational program serving 2 or more
- 13 districts in accordance with a joint agreement authorized
- 14 by the School Code or by federal legislation;
- 15 (7) Any educational, administrative, professional or
- 16 other staff employed in an educational program serving 2 or
- 17 more school districts in accordance with a joint agreement
- 18 authorized by the School Code or by federal legislation and
- 19 in a position requiring certification under the laws
- 20 governing the certification of teachers;
- 21 (8) Any officer or employee of a statewide teacher
- 22 organization or officer of a national teacher organization
- 23 who is certified under the law governing certification of
- 24 teachers, provided: (i) the individual had previously
- 25 established creditable service under this Article, (ii)
- 26 the individual files with the system an irrevocable

1 election to become a member before January 5, 2012 (the
2 effective date of Public Act 97-651) ~~this amendatory Act of~~
3 ~~the 97th General Assembly~~, (iii) the individual does not
4 receive credit for such service under any other Article of
5 this Code, ~~and~~ (iv) the individual first became an officer
6 or employee of the teacher organization and becomes a
7 member before January 5, 2012 (the effective date of Public
8 Act 97-651), and (v) the employee and employer contribution
9 for the service are received by the Fund before the
10 effective date of this amendatory Act of the 99th General
11 Assembly ~~this amendatory Act of the 97th General Assembly;~~

12 (9) Any educational, administrative, professional, or
13 other staff employed in a charter school operating in
14 compliance with the Charter Schools Law who is certificated
15 under the law governing the certification of teachers;

16 (10) Any person employed, on the effective date of this
17 amendatory Act of the 94th General Assembly, by the
18 Macon-Piatt Regional Office of Education in a
19 birth-through-age-three pilot program receiving funds
20 under Section 2-389 of the School Code who is required by
21 the Macon-Piatt Regional Office of Education to hold a
22 teaching certificate, provided that the Macon-Piatt
23 Regional Office of Education makes an election, within 6
24 months after the effective date of this amendatory Act of
25 the 94th General Assembly, to have the person participate
26 in the system. Any service established prior to the

1 effective date of this amendatory Act of the 94th General
2 Assembly for service as an employee of the Macon-Piatt
3 Regional Office of Education in a birth-through-age-three
4 pilot program receiving funds under Section 2-389 of the
5 School Code shall be considered service as a teacher if
6 employee and employer contributions have been received by
7 the system and the system has not refunded those
8 contributions.

9 An annuitant receiving a retirement annuity under this
10 Article or under Article 17 of this Code who is employed by a
11 board of education or other employer as permitted under Section
12 16-118 or 16-150.1 is not a "teacher" for purposes of this
13 Article. A person who has received a single-sum retirement
14 benefit under Section 16-136.4 of this Article is not a
15 "teacher" for purposes of this Article.

16 (Source: P.A. 97-651, eff. 1-5-12; 98-463, eff. 8-16-13;
17 98-599, eff. 6-1-14.)

18 (40 ILCS 5/17-134) (from Ch. 108 1/2, par. 17-134)

19 Sec. 17-134. Contributions for leaves of absence; military
20 service; computing service. In computing service for pension
21 purposes the following periods of service shall stand in lieu
22 of a like number of years of teaching service upon payment
23 therefor in the manner hereinafter provided: (a) time spent on
24 a leave of absence granted by the employer; (b) service with
25 teacher or labor organizations based upon special leaves of

1 absence therefor granted by an Employer; (c) a maximum of 5
2 years spent in the military service of the United States, of
3 which up to 2 years may have been served outside the pension
4 period; (d) unused sick days at termination of service to a
5 maximum of 244 days; (e) time lost due to layoff and
6 curtailment of the school term from June 6 through June 21,
7 1976; and (f) time spent after June 30, 1982 as a member of the
8 Board of Education, if required to resign from an
9 administrative or teaching position in order to qualify as a
10 member of the Board of Education.

11 (1) For time spent on or after September 6, 1948 on
12 sabbatical leaves of absence or sick leaves, for which
13 salaries are paid, an Employer shall make payroll
14 deductions at the applicable rates in effect during such
15 periods.

16 (2) For time spent on a leave of absence granted by the
17 employer for which no salaries are paid, teachers desiring
18 credit therefor shall pay the required contributions at the
19 rates in effect during such periods as though they were in
20 teaching service. If an Employer pays salary for vacations
21 which occur during a teacher's sick leave or maternity or
22 paternity leave without salary, vacation pay for which the
23 teacher would have qualified while in active service shall
24 be considered part of the teacher's total salary for
25 pension purposes. No more than 36 months of leave credit
26 may be allowed any person during the entire term of

1 service. Sabbatical leave credit shall be limited to the
2 time the person on leave without salary under an Employer's
3 rules is allowed to engage in an activity for which he
4 receives salary or compensation.

5 (3) For time spent prior to September 6, 1948, on
6 sabbatical leaves of absence or sick leaves for which
7 salaries were paid, teachers desiring service credit
8 therefor shall pay the required contributions at the
9 maximum applicable rates in effect during such periods.

10 (4) For service with teacher or labor organizations
11 authorized by special leaves of absence, for which no
12 payroll deductions are made by an Employer, teachers
13 desiring service credit therefor shall contribute to the
14 Fund upon the basis of the actual salary received from such
15 organizations at the percentage rates in effect during such
16 periods for certified positions with such Employer. To the
17 extent the actual salary exceeds the regular salary, which
18 shall be defined as the salary rate, as calculated by the
19 Board, in effect for the teacher's regular position in
20 teaching service on September 1, 1983 or on the effective
21 date of the leave with the organization, whichever is
22 later, the organization shall pay to the Fund the
23 employer's normal cost as set by the Board on the
24 increment. Notwithstanding any other provision of this
25 subdivision (4), teachers are only eligible for credit for
26 service under this subdivision (4) if the special leave of

1 absence begins before January 5, 2012 (the effective date
2 of Public Act 97-651) and if the employee and employer
3 contributions for the service are received by the System
4 before the effective date of this amendatory Act of the
5 99th General Assembly.

6 (5) For time spent in the military service, teachers
7 entitled to and desiring credit therefor shall contribute
8 the amount required for each year of service or fraction
9 thereof at the rates in force (a) at the date of
10 appointment, or (b) on return to teaching service as a
11 regularly certified teacher, as the case may be; provided
12 such rates shall not be less than \$450 per year of service.
13 These conditions shall apply unless an Employer elects to
14 and does pay into the Fund the amount which would have been
15 due from such person had he been employed as a teacher
16 during such time. In the case of credit for military
17 service not during the pension period, the teacher must
18 also pay to the Fund an amount determined by the Board to
19 be equal to the employer's normal cost of the benefits
20 accrued from such service, plus interest thereon at 5% per
21 year, compounded annually, from the date of appointment to
22 the date of payment.

23 The changes to this Section made by Public Act 87-795
24 shall apply not only to persons who on or after its
25 effective date are in service under the Fund, but also to
26 persons whose status as a teacher terminated prior to that

1 date, whether or not the person is an annuitant on that
2 date. In the case of an annuitant who applies for credit
3 allowable under this Section for a period of military
4 service that did not immediately follow employment, and who
5 has made the required contributions for such credit, the
6 annuity shall be recalculated to include the additional
7 service credit, with the increase taking effect on the date
8 the Fund received written notification of the annuitant's
9 intent to purchase the credit, if payment of all the
10 required contributions is made within 60 days of such
11 notice, or else on the first annuity payment date following
12 the date of payment of the required contributions. In
13 calculating the automatic annual increase for an annuity
14 that has been recalculated under this Section, the increase
15 attributable to the additional service allowable under
16 this amendatory Act of 1991 shall be included in the
17 calculation of automatic annual increases accruing after
18 the effective date of the recalculation.

19 The total credit for military service shall not exceed
20 5 years, except that any teacher who on July 1, 1963, had
21 validated credit for more than 5 years of military service
22 shall be entitled to the total amount of such credit.

23 (6) For persons who first become teachers before the
24 effective date of this amendatory Act of the 98th General
25 Assembly, a maximum of 244 unused sick days credited to his
26 account by an Employer on the date of termination of

1 employment. Members, upon verification of unused sick
2 days, may add this service time to total creditable
3 service.

4 (7) In all cases where time spent on leave is
5 creditable and no payroll deductions therefor are made by
6 an Employer, persons desiring service credit shall make the
7 required contributions directly to the Fund.

8 (8) For time lost without pay due to layoff and
9 curtailment of the school term from June 6 through June 21,
10 1976, as provided in item (e) of the first paragraph of
11 this Section, persons who were contributors on the days
12 immediately preceding such layoff shall receive credit
13 upon paying to the Fund a contribution based on the rates
14 of compensation and employee contributions in effect at the
15 time of such layoff, together with an additional amount
16 equal to 12.2% of the compensation computed for such period
17 of layoff, plus interest on the entire amount at 5% per
18 annum from January 1, 1978 to the date of payment. If such
19 contribution is paid, salary for pension purposes for any
20 year in which such a layoff occurred shall include the
21 compensation recognized for purposes of computing that
22 contribution.

23 (9) For time spent after June 30, 1982, as a
24 nonsalaried member of the Board of Education, if required
25 to resign from an administrative or teaching position in
26 order to qualify as a member of the Board of Education, an

1 administrator or teacher desiring credit therefor shall
2 pay the required contributions at the rates and salaries in
3 effect during such periods as though the member were in
4 service.

5 Effective September 1, 1974, the interest charged for
6 validation of service described in paragraphs (2) through (5)
7 of this Section shall be compounded annually at a rate of 5%
8 commencing one year after the termination of the leave or
9 return to service.

10 (Source: P.A. 97-651, eff. 1-5-12; 98-599, eff. 6-1-14.)

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