

1 AN ACT in relation to 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
5 changing Sections 17-124 and 17-133 as follows:

6 (40 ILCS 5/17-124) (from Ch. 108 1/2, par. 17-124)

7 Sec. 17-124. Death Benefits - Death on pension. On
8 written application to the Board, there shall be paid to the
9 estate of a deceased teacher-pensioner a refund of the
10 amounts he or she contributed to the Fund, less (1) any
11 former refund that has not been repaid, (2) the amount
12 contributed for a survivor's pension if such a pension is
13 payable under Sections 17-121 and 17-122, and (3) pension
14 payments received; pension--payments,--accrued,--temporarily
15 withheld-or-represented-by-checks-uncashed-at-the-date-of-his
16 death--and--the--excess,--if--any,--of-an-amount-equal-to-his
17 refundable-contributions-for-service-or-disability-retirement
18 pension-over-pension-to-the-date-of-death; provided, that if
19 there be filed with the Board prior to the death of the
20 pensioner his written direction, signed and acknowledged
21 before an officer authorized to take acknowledgments, that
22 such payments be paid to designated beneficiaries, they shall
23 be so paid on written application therefor to the Board. If
24 none of several named beneficiaries survives the pensioner
25 and no directive was furnished by the member to cover this
26 contingency, the deceased beneficiary's share shall be paid
27 to the estate of the pensioner.

28 If a reversionary pension is payable upon death of a
29 pensioner, the determination and payment of any refund of
30 contributions payable under this Section shall be made upon
31 death of the reversionary pensioner. At such time a refund of

1 contributions less (1) the amount contributed for annual
2 increases in pension and (2) total pension payments to the
3 teacher-pensioner and survivor shall be paid in the manner
4 provided in this Section to the designated beneficiaries, or
5 estate of the deceased survivor.

6 If a pension is payable to a surviving spouse and/or
7 minor children upon death of a pensioner, the determination
8 of any refund of contributions payable under this Section
9 shall be made upon death of the survivor and marriage or
10 attainment of age 18 of minor children. At that time a refund
11 of contributions for retirement and survivors' and children's
12 pensions less total pension payments to teacher-pensioner,
13 survivor and minor children shall be paid in the manner
14 provided in this Section to the designated beneficiaries, or
15 estate of the deceased survivor.

16 If eligible beneficiaries for survivors' or children's
17 benefits existed at the time of a pensioner's retirement but
18 not on the date of his death thereafter, the excess of total
19 contributions for retirement and survivors' and children's
20 pensions over pensions paid shall be determined upon death of
21 the pensioner and paid in the manner provided in this Section
22 to the designated beneficiaries, or estate of the deceased
23 teacher-pensioner.

24 Reversionary or survivor's pension payments accrued,
25 temporarily withheld, or represented by uncashed checks to
26 the date of death shall be paid to the reversionary
27 pensioner's or survivor's designated beneficiaries, or estate
28 in the manner provided in this Section.

29 On death of a retired teacher whose death occurs on or
30 after the effective date of this amendatory Act of 1991,
31 there shall be payable a lump sum death benefit equal to 6
32 times the teacher's salary rate for his last month of service
33 or \$10,000, whichever is less, upon death during the first
34 year on pension minus $1/5$ of the death benefit, as defined

1 herein, for each year or fraction thereof on pension after
2 the first full year, to a minimum of \$5,000.

3 Notwithstanding Section 17-157, the changes made in this
4 Section and Section 17-123 by this amendatory Act of 1991
5 shall apply to teachers dying on or after the effective date
6 of this amendatory Act of 1991 without regard to whether
7 service terminated prior to that date.

8 (Source: P.A. 90-566, eff. 1-2-98.)

9 (40 ILCS 5/17-133) (from Ch. 108 1/2, par. 17-133)

10 Sec. 17-133. Contributions for periods of outside and
11 other service. Regularly certified and--appointed teachers
12 who desire to have the following described services credited
13 for pension purposes shall submit to the Board evidence
14 thereof and pay into the Fund the amounts prescribed herein:

15 1. For teaching service by a certified teacher in
16 the public schools of the several states or in schools
17 operated by or under the auspices of the United States, a
18 teacher shall pay the contributions at the rates in force
19 (a) on the date of appointment as a regularly certified
20 teacher after salary adjustments are completed, or (b) at
21 the time of reappointment after salary adjustments are
22 completed, whichever is later, but not less than \$450 per
23 year of service. Upon the Board's approval of such
24 service and the payment of the required contributions,
25 service credit of not more than 10 years shall be
26 granted.

27 2. For service as a playground instructor in public
28 school playgrounds, teachers shall pay the contributions
29 prescribed in this Article (a) at the time of
30 appointment, as a regularly certified teacher after
31 salary adjustments are completed, or (b) on return to
32 service as a full time regularly certified teacher, as
33 the case may be, provided such rates or amounts shall not

1 be less than \$450 per year.

2 3. For service prior to September 1, 1955, in the
3 public schools of the City as a substitute, evening
4 school or temporary teacher, or for service as an
5 Americanization teacher prior to December 31, 1955,
6 teachers shall pay the contributions prescribed in this
7 Article (a) at the time of appointment, as a regularly
8 certified teacher after salary adjustments are completed,
9 (b) on return to service as a full time regularly
10 certified teacher, as the case may be, provided such
11 rates or amounts shall not be less than \$450 per year;
12 and provided further that for teachers employed on or
13 after September 1, 1953, rates shall not include
14 contributions for widows' pensions if the service
15 described in this sub-paragraph 3 was rendered before
16 that date. Any teacher entitled to repay a refund of
17 contributions under Section 17-126 may validate service
18 described in this paragraph by payment of the amounts
19 prescribed herein, together with the repayment of the
20 refund, provided that if such creditable service was the
21 last service rendered in the public schools of the City
22 and is not automatically reinstated by repayment of the
23 refund, the rates or amounts shall not be less than \$450
24 per year.

25 4. For service after June 30, 1982 as a member of
26 the Board of Education, if required to resign from an
27 administrative or teaching position in order to qualify
28 as a member of the Board of Education.

29 5. For service during the 1986-87 school year as a
30 teacher on a special leave of absence with full loss of
31 salary, teaching for an agency under contract to the
32 Board of Education, if the teacher returned to employment
33 in September, 1987. For service under this item 5, the
34 teacher must pay the contributions at the rates in force

1 at the completion of the leave period.

2 For service described in sub-paragraphs 1, 2 and 3 of
3 this Section, interest shall be charged beginning one year
4 after the effective date of appointment or reappointment.

5 Effective September 1, 1974, the interest rate to be
6 charged by the Fund on contributions provided in
7 sub-paragraphs 1, 2, 3 and 4 shall be 5% per annum compounded
8 annually.

9 (Source: P.A. 90-566, eff. 1-2-98; 91-887, eff. 7-6-00.)

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

12 (30 ILCS 805/8.27 new)

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

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