



97TH GENERAL ASSEMBLY

State of Illinois

2011 and 2012

SB3168

Introduced 2/1/2012, by Sen. Terry Link

SYNOPSIS AS INTRODUCED:

40 ILCS 5/14-111
105 ILCS 5/24-1

from Ch. 108 1/2, par. 14-111
from Ch. 122, par. 24-1

Amends the State Employees Article of the Illinois Pension Code. Provides that an annuitant who accepts temporary employment from a department for total compensation of less than \$30,000 during a calendar year is not considered to make a re-entry after retirement. Amends the School Code. Prohibits a school board from hiring multiple people who are retired and are receiving a retirement annuity under the Teachers' Retirement System of the State of Illinois in order to fill, as a group, a teaching position that would ordinarily be occupied by a single, full-time teacher. Provides that this prohibition does not apply if the school board determines that there is a subject or administrative position shortage that would require action, in which case the school board must apply for an exemption under a Section of the Illinois Pension Code relating to returning to teaching in a subject shortage area. Effective immediately.

LRB097 19119 EFG 64360 b

FISCAL NOTE ACT
MAY APPLY

PENSION IMPACT
NOTE ACT MAY
APPLY

1 AN ACT concerning public employees.

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 Section 14-111 as follows:

6 (40 ILCS 5/14-111) (from Ch. 108 1/2, par. 14-111)

7 Sec. 14-111. Re-entry after ~~After~~ retirement.

8 (a) An annuitant who re-enters the service of a department
9 and receives compensation on a regular payroll shall receive no
10 payments of the retirement annuity during the time he is so
11 employed, with the following exceptions:

12 (1) An annuitant who is employed by a department while
13 he or she is a continuing participant in the General
14 Assembly Retirement System under Sections 2-117.1 and
15 14-105.4 will not be considered to have made a re-entry
16 after retirement within the meaning of this Section for the
17 duration of such continuing participation. Any person who
18 is a continuing participant under Sections 2-117.1 and
19 14-105.4 on the effective date of this amendatory Act of
20 1991 and whose retirement annuity has been suspended under
21 this Section shall be entitled to receive from the System a
22 sum equal to the annuity payments that have been withheld
23 under this Section, and shall receive the benefit of this

1 amendment without regard to Section 1-103.1.

2 (2) An annuitant who accepts temporary employment from
3 such a department (i) for a period not exceeding 75 working
4 days in any calendar year or (ii) for total compensation of
5 less than \$30,000 during a calendar year is not considered
6 to make a re-entry after retirement within the meaning of
7 this Section. Any part of a day on temporary employment is
8 considered a full day of employment.

9 (b) If such person re-enters the service of a department,
10 not as a temporary employee, contributions to the system shall
11 begin as of the date of re-employment and additional creditable
12 service shall begin to accrue. He shall assume the status of a
13 member entitled to all rights and privileges in the system,
14 including death and disability benefits, excluding a refund of
15 contributions.

16 Upon subsequent retirement, his retirement annuity shall
17 consist of:

18 (1) the amounts of the annuities terminated by re-entry
19 into service; and

20 (2) the amount of the additional retirement annuity
21 earned by the member during the period of additional
22 membership service which shall not be subject to
23 reversionary annuity if any.

24 The total retirement annuity shall not, however, exceed the
25 maximum applicable to the member at the time of original
26 retirement. In the computation of any such retirement annuity,

1 the time that the member was on retirement shall not interrupt
2 the continuity of service for the computation of final average
3 compensation and the additional membership service shall be
4 considered, together with service rendered before the previous
5 retirement, in establishing final average compensation.

6 A person who re-enters the service of a department within 3
7 years after retiring may qualify to have the retirement annuity
8 computed as though the member had not previously retired by
9 paying to the System, within 5 years after re-entry and prior
10 to subsequent retirement, in a lump sum or in installment
11 payments in accordance with such rules as may be adopted by the
12 Board, an amount equal to all retirement payments received,
13 including any payments received in accordance with subsection
14 (c) or (d) of Section 14-130, plus regular interest from the
15 date retirement payments were suspended to the date of
16 repayment.

17 (Source: P.A. 86-1488; 87-794.)

18 Section 10. The School Code is amended by changing Section
19 24-1 as follows:

20 (105 ILCS 5/24-1) (from Ch. 122, par. 24-1)

21 Sec. 24-1. Appointment - Salaries - Payment - School month
22 - School term.) School boards shall appoint all teachers,
23 determine qualifications of employment and fix the amount of
24 their salaries subject to limitation set forth in this Act.

1 They shall pay the wages of teachers monthly, subject, however,
2 to the provisions of Section 24-21. The school month shall be
3 the same as the calendar month but by resolution the school
4 board may adopt for its use a month of 20 days, including
5 holidays. The school term shall consist of at least the minimum
6 number of pupil attendance days required by Section 10-19, any
7 additional legal school holidays, days of teachers'
8 institutes, or equivalent professional educational
9 experiences, and one or two days at the beginning of the school
10 term when used as a teachers' workshop.

11 A school board is prohibited from hiring multiple people
12 who are retired and are receiving a retirement annuity under
13 the Teachers' Retirement System of the State of Illinois in
14 order to fill, as a group, a teaching position that would
15 ordinarily be occupied by a single, full-time teacher. However,
16 this prohibition does not apply if the school board determines
17 that there is a subject or administrative position shortage
18 that would require action, in which case the school board must
19 apply for an exemption under Section 16-150.1 of the Illinois
20 Pension Code.

21 (Source: P.A. 80-249.)

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