



98TH GENERAL ASSEMBLY

State of Illinois

2013 and 2014

HB1351

by Rep. Raymond Poe

SYNOPSIS AS INTRODUCED:

40 ILCS 5/7-144

from Ch. 108 1/2, par. 7-144

30 ILCS 805/8.37 new

Amends the Illinois Municipal Retirement Fund (IMRF) Article of the Illinois Pension Code. Provides that an annuitant shall be considered a participating employee if he or she returns to work as an employee with a participating employer and works more than 599 hours annually (or 999 hours annually with a participating employer that has adopted a resolution excluding from participation in IMRF any person employed in a position normally requiring performance of duty for less than 1000 hours per year). Specifies that each of these annual periods shall commence on the month and day upon which the annuitant is first employed with the participating employer following the effective date of the annuity. Amends the State Mandates Act to require implementation without reimbursement. Effective immediately.

LRB098 03985 JDS 34005 b

FISCAL NOTE ACT
MAY APPLY

PENSION IMPACT
NOTE ACT MAY
APPLY

STATE MANDATES
ACT MAY REQUIRE
REIMBURSEMENT

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 Section 7-144 as follows:

6 (40 ILCS 5/7-144) (from Ch. 108 1/2, par. 7-144)

7 Sec. 7-144. Retirement annuities-Suspended during
8 employment.

9 (a) If any person receiving any annuity again becomes an
10 employee and receives earnings from employment in a position
11 requiring him, or entitling him to elect, to become a
12 participating employee, then the annuity payable to such
13 employee shall be suspended as of the 1st day of the month
14 coincidental with or next following the date upon which such
15 person becomes such an employee, unless the person is
16 authorized under subsection (b) of Section 7-137.1 of this Code
17 to continue receiving a retirement annuity during that period.
18 Upon proper qualification of the participating employee
19 payment of such annuity may be resumed on the 1st day of the
20 month following such qualification and upon proper application
21 therefor. The participating employee in such case shall be
22 entitled to a supplemental annuity arising from service and
23 credits earned subsequent to such re-entry as a participating

1 employee.

2 Notwithstanding any other provision of this Article, an
3 annuitant shall be considered a participating employee if he or
4 she returns to work as an employee with a participating
5 employer and works more than 599 hours annually (or 999 hours
6 annually with a participating employer that has adopted a
7 resolution pursuant to subsection (e) of Section 7-137 of this
8 Code). Each of these annual periods shall commence on the month
9 and day upon which the annuitant is first employed with the
10 participating employer following the effective date of the
11 annuity.

12 (b) Supplemental annuities to persons who return to service
13 for less than 48 months shall be computed under the provisions
14 of Sections 7-141, 7-142 and 7-143. In determining whether an
15 employee is eligible for an annuity which requires a minimum
16 period of service, his entire period of service shall be taken
17 into consideration but the supplemental annuity shall be based
18 on earnings and service in the supplemental period only. The
19 effective date of the suspended and supplemental annuity for
20 the purpose of increases after retirement shall be considered
21 to be the effective date of the suspended annuity.

22 (c) Supplemental annuities to persons who return to service
23 for 48 months or more shall be a monthly amount determined as
24 follows:

25 (1) An amount shall be computed under subparagraph b of
26 paragraph (1) of subsection (a) of Section 7-142,

1 considering all of the service credits of the employee;

2 (2) The actuarial value in monthly payments for life of
3 the annuity payments made before suspension shall be
4 determined and subtracted from the amount determined in (1)
5 above;

6 (3) The monthly amount of the suspended annuity, with
7 any applicable increases after retirement computed from
8 the effective date to the date of reinstatement, shall be
9 subtracted from the amount determined in (2) above and the
10 remainder shall be the amount of the supplemental annuity
11 provided that this amount shall not be less than the amount
12 computed under subsection (b) of this Section.

13 (4) The suspended annuity shall be reinstated at an
14 amount including any increases after retirement from the
15 effective date to date of reinstatement.

16 (5) The effective date of the combined suspended and
17 supplemental annuities for the purposes of increases after
18 retirement shall be considered to be the effective date of
19 the supplemental annuity.

20 (Source: P.A. 97-328, eff. 8-12-11; 97-609, eff. 1-1-12.)

21 Section 90. The State Mandates Act is amended by adding
22 Section 8.37 as follows:

23 (30 ILCS 805/8.37 new)

24 Sec. 8.37. Exempt mandate. Notwithstanding Sections 6 and 8

1 of this Act, no reimbursement by the State is required for the
2 implementation of any mandate created by this amendatory Act of
3 the 98th General Assembly.

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