



99TH GENERAL ASSEMBLY

State of Illinois

2015 and 2016

HB4621

by Rep. C.D. Davidsmeyer

SYNOPSIS AS INTRODUCED:

40 ILCS 5/16-150.1
40 ILCS 5/16-203
30 ILCS 805/8.40 new

Amends the Downstate Teacher Article of the Illinois Pension Code. In the provision defining "eligible employment" for the purpose of allowing a teacher to return to teaching in subject shortage areas without impairing his or her retirement status or retirement annuity, changes the ending date of the employment from no later than June 30, 2013 to no later than June 30, 2020. Provides that any benefit increase that results from the amendatory Act is excluded from the definition of "new benefit increase". Amends the State Mandates Act to require implementation without reimbursement by the State. Effective immediately.

LRB099 16456 RPS 40790 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 16-150.1 and 16-203 as follows:

6 (40 ILCS 5/16-150.1)

7 Sec. 16-150.1. Return to teaching in subject shortage area.

8 (a) As used in this Section, "eligible employment" means
9 employment beginning on or after July 1, 2003 and ending no
10 later than June 30, 2020 ~~2013~~, in a subject shortage area at a
11 qualified school, in a position requiring certification under
12 the law governing the certification of teachers.

13 As used in this Section, "qualified school" means a public
14 elementary or secondary school that meets all of the following
15 requirements:

16 (1) At the time of hiring a retired teacher under this
17 Section, the school is experiencing a shortage of teachers
18 in the subject shortage area for which the teacher is
19 hired.

20 (2) The school district to which the school belongs has
21 complied with the requirements of subsection (e), and the
22 regional superintendent has certified that compliance to
23 the System.

1 (3) If the school district to which the school belongs
2 provides group health benefits for its teachers generally,
3 substantially similar health benefits are made available
4 for teachers participating in the program under this
5 Section, without any limitations based on pre-existing
6 conditions.

7 (b) An annuitant receiving a retirement annuity under this
8 Article (other than a disability retirement annuity) may engage
9 in eligible employment at a qualified school without impairing
10 his or her retirement status or retirement annuity, subject to
11 the following conditions:

12 (1) the eligible employment does not begin within the
13 school year during which service was terminated;

14 (2) the annuitant has not received any early retirement
15 incentive under Section 16-133.3, 16-133.4, or 16-133.5;

16 (3) if the annuitant retired before age 60 and with
17 less than 34 years of service, the eligible employment does
18 not begin within the year following the effective date of
19 the retirement annuity;

20 (4) if the annuitant retired at age 60 or above or with
21 34 or more years of service, the eligible employment does
22 not begin within the 90 days following the effective date
23 of the retirement annuity; and

24 (5) before the eligible employment begins, the
25 employer notifies the System in writing of the annuitant's
26 desire to participate in the program established under this

1 Section.

2 (c) An annuitant engaged in eligible employment in
3 accordance with subsection (b) shall be deemed a participant in
4 the program established under this Section for so long as he or
5 she remains employed in eligible employment.

6 (d) A participant in the program established under this
7 Section continues to be a retirement annuitant, rather than an
8 active teacher, for all of the purposes of this Code, but shall
9 be deemed an active teacher for other purposes, such as
10 inclusion in a collective bargaining unit, eligibility for
11 group health benefits, and compliance with the laws governing
12 the employment, regulation, certification, treatment, and
13 conduct of teachers.

14 With respect to an annuitant's eligible employment under
15 this Section, neither employee nor employer contributions
16 shall be made to the System and no additional service credit
17 shall be earned. Eligible employment does not affect the
18 annuitant's final average salary or the amount of the
19 retirement annuity.

20 (e) Before hiring a teacher under this Section, the school
21 district to which the school belongs must do the following:

22 (1) If the school district to which the school belongs
23 has honorably dismissed, within the calendar year
24 preceding the beginning of the school term for which it
25 seeks to employ a retired teacher under the program
26 established in this Section, any teachers who are legally

1 qualified to hold positions in the subject shortage area
2 and have not yet begun to receive their retirement
3 annuities under this Article, the vacant positions must
4 first be tendered to those teachers.

5 (2) For a period of at least 90 days during the 6
6 months preceding the beginning of either the fall or spring
7 term for which it seeks to employ a retired teacher under
8 the program established in this Section, the school
9 district must, on an ongoing basis, both (i) advertise its
10 vacancies in the subject shortage area in a newspaper of
11 general circulation in the area in which the school is
12 located and in employment bulletins published by college
13 and university placement offices located near the school;
14 and (ii) search for teachers legally qualified to fill
15 those vacancies through the Illinois Education Job Bank.

16 The school district must submit documentation of its
17 compliance with this subsection to the regional
18 superintendent. Upon receiving satisfactory documentation from
19 the school district, the regional superintendent shall certify
20 the district's compliance with this subsection to the System.

21 (f) This Section applies without regard to whether the
22 annuitant was in service on or after the effective date of this
23 amendatory Act of the 93rd General Assembly.

24 (Source: P.A. 94-129, eff. 7-7-05; 95-910, eff. 8-26-08.)

1 (Text of Section WITHOUT the changes made by P.A. 98-599,
2 which has been held unconstitutional)

3 Sec. 16-203. Application and expiration of new benefit
4 increases.

5 (a) As used in this Section, "new benefit increase" means
6 an increase in the amount of any benefit provided under this
7 Article, or an expansion of the conditions of eligibility for
8 any benefit under this Article, that results from an amendment
9 to this Code that takes effect after June 1, 2005 (the
10 effective date of Public Act 94-4). "New benefit increase",
11 however, does not include any benefit increase resulting from
12 the changes made to this Article by Public Act 95-910 or this
13 amendatory Act of the 99th General Assembly ~~this amendatory Act~~
14 ~~of the 95th General Assembly.~~

15 (b) Notwithstanding any other provision of this Code or any
16 subsequent amendment to this Code, every new benefit increase
17 is subject to this Section and shall be deemed to be granted
18 only in conformance with and contingent upon compliance with
19 the provisions of this Section.

20 (c) The Public Act enacting a new benefit increase must
21 identify and provide for payment to the System of additional
22 funding at least sufficient to fund the resulting annual
23 increase in cost to the System as it accrues.

24 Every new benefit increase is contingent upon the General
25 Assembly providing the additional funding required under this

1 subsection. The Commission on Government Forecasting and
2 Accountability shall analyze whether adequate additional
3 funding has been provided for the new benefit increase and
4 shall report its analysis to the Public Pension Division of the
5 Department of Financial and Professional Regulation. A new
6 benefit increase created by a Public Act that does not include
7 the additional funding required under this subsection is null
8 and void. If the Public Pension Division determines that the
9 additional funding provided for a new benefit increase under
10 this subsection is or has become inadequate, it may so certify
11 to the Governor and the State Comptroller and, in the absence
12 of corrective action by the General Assembly, the new benefit
13 increase shall expire at the end of the fiscal year in which
14 the certification is made.

15 (d) Every new benefit increase shall expire 5 years after
16 its effective date or on such earlier date as may be specified
17 in the language enacting the new benefit increase or provided
18 under subsection (c). This does not prevent the General
19 Assembly from extending or re-creating a new benefit increase
20 by law.

21 (e) Except as otherwise provided in the language creating
22 the new benefit increase, a new benefit increase that expires
23 under this Section continues to apply to persons who applied
24 and qualified for the affected benefit while the new benefit
25 increase was in effect and to the affected beneficiaries and
26 alternate payees of such persons, but does not apply to any

1 other person, including without limitation a person who
2 continues in service after the expiration date and did not
3 apply and qualify for the affected benefit while the new
4 benefit increase was in effect.

5 (Source: P.A. 94-4, eff. 6-1-05; 95-910, eff. 8-26-08.)

6 Section 90. The State Mandates Act is amended by adding
7 Section 8.40 as follows:

8 (30 ILCS 805/8.40 new)

9 Sec. 8.40. Exempt mandate. Notwithstanding Sections 6 and 8
10 of this Act, no reimbursement by the State is required for the
11 implementation of any mandate created by this amendatory Act of
12 the 99th General Assembly.

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