

AN ACT concerning public employee benefits.

**Be it enacted by the People of the State of Illinois,
represented in the General Assembly:**

Section 5. The Illinois Pension Code is amended by changing Sections 14-103.10, 17-137, 17-138, and 17-139 as follows:

(40 ILCS 5/14-103.10) (from Ch. 108 1/2, par. 14-103.10)
Sec. 14-103.10. Compensation.

(a) For periods of service prior to January 1, 1978, the full rate of salary or wages payable to an employee for personal services performed if he worked the full normal working period for his position, subject to the following maximum amounts: (1) prior to July 1, 1951, \$400 per month or \$4,800 per year; (2) between July 1, 1951 and June 30, 1957 inclusive, \$625 per month or \$7,500 per year; (3) beginning July 1, 1957, no limitation.

In the case of service of an employee in a position involving part-time employment, compensation shall be determined according to the employees' earnings record.

(b) For periods of service on and after January 1, 1978, all remuneration for personal services performed defined as "wages" under the Social Security Enabling Act, including that part of such remuneration which is in excess of any maximum limitation provided in such Act, and including any benefits

received by an employee under a sick pay plan in effect before January 1, 1981, but excluding lump sum salary payments:

- (1) for vacation,
- (2) for accumulated unused sick leave,
- (3) upon discharge or dismissal,
- (4) for approved holidays.

(c) For periods of service on or after December 16, 1978, compensation also includes any benefits, other than lump sum salary payments made at termination of employment, which an employee receives or is eligible to receive under a sick pay plan authorized by law.

(d) For periods of service after September 30, 1985, compensation also includes any remuneration for personal services not included as "wages" under the Social Security Enabling Act, which is deducted for purposes of participation in a program established pursuant to Section 125 of the Internal Revenue Code or its successor laws.

(e) For members for which Section 1-160 applies for periods of service on and after January 1, 2011, all remuneration for personal services performed defined as "wages" under the Social Security Enabling Act, excluding remuneration that is in excess of the annual earnings, salary, or wages of a member or participant, as provided in subsection (b-5) of Section 1-160, but including any benefits received by an employee under a sick pay plan in effect before January 1, 1981. Compensation shall exclude lump sum salary payments:

- (1) for vacation;
- (2) for accumulated unused sick leave;
- (3) upon discharge or dismissal; and
- (4) for approved holidays.

(f) Notwithstanding the other provisions of this Section, for service on or after July 1, 2013, "compensation" does not include any stipend payable to an employee for service on a board or commission.

(Source: P.A. 96-1490, eff. 1-1-11.)

(40 ILCS 5/17-137) (from Ch. 108 1/2, par. 17-137)

Sec. 17-137. Board created. There shall be elected a Board of Trustees, herein also referred to as the "Board", to administer and control the Fund created by this Article. The Board shall consist of 12 members, 2 of whom shall be members of the Board of Education, 6 of whom shall be contributors who are not administrators ~~principals~~, one of whom shall be a contributor who is an administrator ~~a principal~~, and 3 of whom shall be pensioners, all to be chosen as provided in this Article.

(Source: P.A. 89-136, eff. 7-14-95; 90-566, eff. 1-2-98.)

(40 ILCS 5/17-138) (from Ch. 108 1/2, par. 17-138)

Sec. 17-138. Board membership. At the first meeting of the Board of Education in November of each year, the Board of Education shall appoint one of its members to serve, while a

member of the Board of Education, on the Board of Trustees for a term of 2 years.

During the first week of November, ~~On the last school day of the 4th week of October of each year~~ there shall be elected 2 members of the Board from the teachers other than administrators ~~principals~~, who shall hold office for terms of 3 years, provided the trustee retains his or her ~~while retaining their~~ status as a teacher ~~teachers~~ other than an administrator ~~principals~~, and other members to fill any unexpired terms. ~~In the event that schools are not in session on or during the week prior to the last Friday in October, this election shall be held on the Friday of the first subsequent full week of school.~~ The election shall be by secret ballot conducted in person or by secure electronic ballot, and shall be held in such manner as the Board by bylaws or rules shall provide. Only teachers who are not administrators ~~principals~~ shall be eligible to vote in the election.

During the first week of November of 1995 and every third year thereafter, one contributor who is an administrator ~~a principal~~ shall be elected a member of the Board. This trustee shall hold office for a term of 3 years, provided the trustee retains ~~while retaining~~ his or her status as an administrator ~~a principal~~. The election shall be by mail ballot or by secure electronic ballot, and only contributors who are administrators ~~principals~~ shall be eligible to vote. The election shall be held in the manner provided by the Board by

rule or bylaw.

During the first week of November of each odd-numbered year there shall be elected 3 members of the Board from the pensioners, who shall hold office for a term of 2 years while retaining their status as pensioners. The election shall be by mail ballot or secure electronic ballot to all service and disability pensioners, and shall be held in such manner as the Board by bylaws or rules shall provide.

All trustees, while members of the Board of Education or while administrators ~~principals~~, teachers other than administrators ~~principals~~, or pensioners, as the case may be, shall hold their offices until their successors shall have been appointed or elected and qualified by subscribing to the constitutional oath of office at the immediately succeeding regular meeting of the Board.

(Source: P.A. 89-136, eff. 7-14-95; 90-566, eff. 1-2-98.)

(40 ILCS 5/17-139) (from Ch. 108 1/2, par. 17-139)

Sec. 17-139. Board elections and vacancies.

(1) Contributors other than administrators ~~principals~~ election. Every member who is not ~~a principal or~~ an administrator may vote at the election for as many persons as there are trustees to be elected by the contributors who are not ~~principals or~~ administrators, provided that the contributor obtained that voter eligibility status on or before October 1 of the election year. The name of a candidate shall

not be placed on ~~printed upon~~ the ballot unless he or she has been assigned on a regular certificate for at least 10 years in the Chicago public schools or charter schools and nominated by a petition signed by not less than 200 contributors who are not ~~principals or~~ administrators.

Petitions shall be filed with the recording secretary of the Fund on or after September 15 of each year and not later than October 1st of that year. No more than one candidate may be nominated by any one petition. If the nominations do not exceed the number of candidates to be elected, the canvassing board shall declare the nominated candidates elected. Otherwise, candidates receiving the highest number of votes cast for their respective terms shall be declared elected. The location and number of polling places shall be designated by the Board. ~~The election shall be conducted by the teachers who are not principals or administrators, and the judges of the election shall be selected from the teachers who are not principals or administrators, in such manner as the board in its bylaws or rules provides.~~

Elections to fill vacancies on the Board shall be held at the next annual election.

(2) Pensioners election. The name of a candidate shall not be placed ~~printed~~ on the ballot unless he or she has been nominated by a petition signed by not less than 100 pensioners of the Fund. Petitions shall be filed with the recording secretary of the Fund on or before October 1 of the

odd-numbered year. If the nominations do not exceed 3, the mailing of ballots shall be eliminated and the nominated candidates shall be declared elected. Otherwise, the 3 candidates receiving the highest number of votes cast shall be declared elected. ~~The mailing and counting of the ballots shall be conducted by the office of the Fund with volunteer assistance from pensioners at the request of the Board.~~

(3) Administrators ~~Principals~~ election. The name of a candidate shall not be placed ~~printed~~ on the ballot unless he or she has been nominated by a petition signed by at least 25 contributors who are ~~principals or~~ administrators. Petitions shall be filed with the recording secretary of the Fund on or before October 1 of the election year. Every member who is ~~a principal or~~ an administrator may vote at the election for one candidate who is a contributor who is an administrator, provided that the member obtained such voter eligibility status on or before October 1 of the election year ~~a principal~~. If only one eligible candidate is nominated, the election shall not be held and the nominated candidate shall be declared elected. Otherwise, the candidate receiving the highest number of votes cast shall be declared elected. ~~The mailing and counting of the ballots shall be conducted by the office of the Fund.~~

(4) Vacancies. The Board may fill vacancies occurring in the membership of the Board elected by the ~~principals,~~ administrators, teachers other than ~~principals or~~

administrators, or pensioners at any regular meeting of the Board. The Board of Education may fill vacancies occurring in the membership of the Board appointed by the Board of Education at any regular meeting of the Board of Education.

(Source: P.A. 94-514, eff. 8-10-05.)

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