

HB2454



101ST GENERAL ASSEMBLY

State of Illinois

2019 and 2020

HB2454

by Rep. Dan Caulkins

SYNOPSIS AS INTRODUCED:

40 ILCS 5/14-111

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

Amends the State Employee Article of the Illinois Pension Code. In a provision that allows an annuitant to re-enter service of a department without impairing his or her retirement annuity if the temporary employment is for a period not exceeding 75 working days in a calendar year, limits the temporary employment to employment accepted by the annuitant before January 1, 2020. Effective immediately.

LRB101 06849 RPS 51880 b

FISCAL NOTE ACT
MAY APPLY

PENSION IMPACT
NOTE ACT MAY
APPLY

A BILL FOR

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 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 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, before January 1, 2020, accepts
3 temporary employment from such a department for a period
4 not exceeding 75 working days in any calendar year is not
5 considered to make a re-entry after retirement within the
6 meaning of this Section. Any part of a day on temporary
7 employment is considered a full day of employment.

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

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

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

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

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

1 the continuity of service for the computation of final average
2 compensation and the additional membership service shall be
3 considered, together with service rendered before the previous
4 retirement, in establishing final average compensation.

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

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

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