Amends the Illinois Pension Code. In the Downstate Teacher Article, provides that beginning July 1, 2021 through June 30, 2022, to assist with addressing the substitute teacher shortage that has been exacerbated by the ongoing COVID-19 global pandemic and public health emergency, an annuitant may accept employment as a teacher without impairing his or her retirement status if that employment is not within the school year during which service was terminated and does not exceed 140 paid days (rather than 120 paid days) or 700 paid hours (rather than 600 paid hours) in each school year, but not more than 100 paid days in the same classroom. In the Chicago Teacher Article, provides that the service retirement pension shall not be cancelled in the case of a service retirement pensioner who is re-employed as a teacher or administrator (rather than a teacher) on a temporary and non-annual basis or on an hourly basis, so long as the person (1) does not work as a teacher or administrator (rather than a teacher) for compensation on more than 120 days in a school year or (2) in the case of a person who retires with at least 5 years of service as a principal or administrator, does not work as a teacher or administrator for compensation on more than 140 days in a school year. Removes a limitation on the amount of gross compensation a service retirement pensioner may receive for such re-employment without having the service retirement pension cancelled. Effective immediately.
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 16-118 and 17-149 as follows:

(40 ILCS 5/16-118) (from Ch. 108 1/2, par. 16-118)
Sec. 16-118. Retirement. "Retirement": Entry upon a retirement annuity or receipt of a single-sum retirement benefit granted under this Article after termination of active service as a teacher.
(a) An annuitant receiving a retirement annuity other than a disability retirement annuity may accept employment as a teacher from a school board or other employer specified in Section 16-106 without impairing retirement status, if that employment:
(1) is not within the school year during which service was terminated; and
(2) does not exceed the following:
   (i) before July 1, 2001, 100 paid days or 500 paid hours in any school year;
   (ii) during the period beginning July 1, 2001 through June 30, 2011, 120 paid days or 600 paid hours in each school year;
(iii) during the period beginning July 1, 2011 through June 30, 2018, 100 paid days or 500 paid hours in each school year;

(iv) beginning July 1, 2018 through June 30, 2021, 120 paid days or 600 paid hours in each school year, but not more than 100 paid days in the same classroom; and

(v) beginning July 1, 2021 through June 30, 2022, to assist with addressing the substitute teacher shortage that has been exacerbated by the ongoing COVID-19 global pandemic and public health emergency, 140 paid days or 700 paid hours in each school year, but not more than 100 paid days in the same classroom;

(vi) beginning July 1, 2022 through June 30, 2023, 120 paid days or 600 paid hours in each school year, but not more than 100 paid days in the same classroom; and

(vii) (v) beginning July 1, 2023, 100 paid days or 500 paid hours in each school year.

Where such permitted employment is partly on a daily and partly on an hourly basis, a day shall be considered as 5 hours.

(b) Subsection (a) does not apply to an annuitant who returns to teaching under the program established in Section 16-150.1, for the duration of his or her participation in that program.
Sec. 17-149. Cancellation of pensions.

(a) If any person receiving a disability retirement pension from the Fund is re-employed as a teacher by an Employer, the pension shall be cancelled on the date the re-employment begins, or on the first day of a payroll period for which service credit was validated, whichever is earlier.

(b) If any person receiving a service retirement pension from the Fund is re-employed as a teacher on a permanent or annual basis by an Employer, the pension shall be cancelled on the date the re-employment begins, or on the first day of a payroll period for which service credit was validated, whichever is earlier. However, subject to the limitations and requirements of subsection (c-5), the pension shall not be cancelled in the case of a service retirement pensioner who is re-employed on a temporary and non-annual basis or on an hourly basis.

(c) If the date of re-employment on a permanent or annual basis occurs within 5 school months after the date of previous retirement, exclusive of any vacation period, the member shall be deemed to have been out of service only temporarily and not permanently retired. Such person shall be entitled to pension payments for the time he could have been employed as a teacher and received salary, but shall not be entitled to pension for
or during the summer vacation prior to his return to service.

When the member again retires on pension, the time of
service and the money contributed by him during re-employment
shall be added to the time and money previously credited. Such
person must acquire 3 consecutive years of additional
contributing service before he may retire again on a pension
at a rate and under conditions other than those in force or
attained at the time of his previous retirement.

(c-5) For school years beginning on or after July 1, 2019,
the service retirement pension shall not be cancelled in the
case of a service retirement pensioner who is re-employed as a
teacher or administrator on a temporary and non-annual basis
or on an hourly basis, so long as the person (1) does not work
as a teacher or administrator for compensation on more than
120 days in a school year or (2) does not accept gross
compensation for the re-employment in a school year in excess
of (i) $30,000 or (ii) in the case of a person who retires with
at least 5 years of service as a principal or administrator,
does not work as a teacher or administrator for compensation
on more than 140 days in a school year, an amount that is equal
to the daily rate normally paid to retired principals
multiplied by 100. These limitations apply only to school
years that begin on or after July 1, 2019. Such re-employment
does not require contributions, result in service credit, or
constitute active membership in the Fund.

The service retirement pension shall not be cancelled in
the case of a service retirement pensioner who is re-employed as a teacher on a temporary and non-annual basis or on an hourly basis, so long as the person (1) does not work as a teacher for compensation on more than 100 days in a school year or (2) does not accept gross compensation for the re-employment in a school year in excess of (i) $30,000 or (ii) in the case of a person who retires with at least 5 years of service as a principal, an amount that is equal to the daily rate normally paid to retired principals multiplied by 100. These limitations apply only to school years that begin on or after August 8, 2012 (the effective date of Public Act 97-912) and before July 1, 2019. Such re-employment does not require contributions, result in service credit, or constitute active membership in the Fund.

Notwithstanding the 120-day limit set forth in item (1) of this subsection (c-5), the service retirement pension shall not be cancelled in the case of a service retirement pensioner who teaches only driver education courses after regular school hours and does not teach any other subject area, so long as the person does not work as a teacher for compensation for more than 900 hours in a school year. The $30,000 limit set forth in subitem (i) of item (2) of this subsection (c-5) shall apply to a service retirement pensioner who teaches only driver education courses after regular school hours and does not teach any other subject area.

To be eligible for such re-employment without cancellation
of pension, the pensioner must notify the Fund and the Board of
Education of his or her intention to accept re-employment
under this subsection (c-5) before beginning that
re-employment (or if the re-employment began before the
effective date of this amendatory Act, then within 30 days
after that effective date).

An Employer must certify to the Fund the temporary and
non-annual or hourly status and the compensation of each
pensioner re-employed under this subsection at least
quarterly, and when the pensioner is approaching the earnings
limitation under this subsection.

If the pensioner works more than 100 days or accepts
excess gross compensation for such re-employment in any school
year that begins on or after August 8, 2012 (the effective date
of Public Act 97-912), the service retirement pension shall
thereupon be cancelled.

If the pensioner who only teaches drivers education
courses after regular school hours works more than 900 hours
or accepts excess gross compensation for such re-employment in
any school year that begins on or after the effective date of
this amendatory Act of the 99th General Assembly, the service
retirement pension shall thereupon be cancelled.

If the pensioner works more than 120 days or accepts
excess gross compensation for such re-employment in any school
year that begins on or after July 1, 2019, the service
retirement pension shall thereupon be cancelled.
The Board of the Fund shall adopt rules for the implementation and administration of this subsection.

(d) Notwithstanding Sections 1-103.1 and 17-157, the changes to this Section made by Public Act 90-32 apply without regard to whether termination of service occurred before the effective date of that Act and apply retroactively to August 23, 1989.

Notwithstanding Sections 1-103.1 and 17-157, the changes to this Section and Section 17-106 made by Public Act 92-599 apply without regard to whether termination of service occurred before the effective date of that Act.

Notwithstanding Sections 1-103.1 and 17-157, the changes to this Section made by this amendatory Act of the 97th General Assembly apply without regard to whether termination of service occurred before the effective date of this amendatory Act.

(Source: P.A. 101-340, eff. 8-9-19.)

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