



Rep. Katie Stuart

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10300HB0300ham001

LRB103 03827 RJT 59863 a

1 AMENDMENT TO HOUSE BILL 300

2 AMENDMENT NO. _____. Amend House Bill 300 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Illinois Pension Code is amended by
5 changing Section 16-158 as follows:

6 (40 ILCS 5/16-158) (from Ch. 108 1/2, par. 16-158)

7 Sec. 16-158. Contributions by State and other employing
8 units.

9 (a) The State shall make contributions to the System by
10 means of appropriations from the Common School Fund and other
11 State funds of amounts which, together with other employer
12 contributions, employee contributions, investment income, and
13 other income, will be sufficient to meet the cost of
14 maintaining and administering the System on a 90% funded basis
15 in accordance with actuarial recommendations.

16 The Board shall determine the amount of State

1 contributions required for each fiscal year on the basis of
2 the actuarial tables and other assumptions adopted by the
3 Board and the recommendations of the actuary, using the
4 formula in subsection (b-3).

5 (a-1) Annually, on or before November 15 until November
6 15, 2011, the Board shall certify to the Governor the amount of
7 the required State contribution for the coming fiscal year.
8 The certification under this subsection (a-1) shall include a
9 copy of the actuarial recommendations upon which it is based
10 and shall specifically identify the System's projected State
11 normal cost for that fiscal year.

12 On or before May 1, 2004, the Board shall recalculate and
13 recertify to the Governor the amount of the required State
14 contribution to the System for State fiscal year 2005, taking
15 into account the amounts appropriated to and received by the
16 System under subsection (d) of Section 7.2 of the General
17 Obligation Bond Act.

18 On or before July 1, 2005, the Board shall recalculate and
19 recertify to the Governor the amount of the required State
20 contribution to the System for State fiscal year 2006, taking
21 into account the changes in required State contributions made
22 by Public Act 94-4.

23 On or before April 1, 2011, the Board shall recalculate
24 and recertify to the Governor the amount of the required State
25 contribution to the System for State fiscal year 2011,
26 applying the changes made by Public Act 96-889 to the System's

1 assets and liabilities as of June 30, 2009 as though Public Act
2 96-889 was approved on that date.

3 (a-5) On or before November 1 of each year, beginning
4 November 1, 2012, the Board shall submit to the State Actuary,
5 the Governor, and the General Assembly a proposed
6 certification of the amount of the required State contribution
7 to the System for the next fiscal year, along with all of the
8 actuarial assumptions, calculations, and data upon which that
9 proposed certification is based. On or before January 1 of
10 each year, beginning January 1, 2013, the State Actuary shall
11 issue a preliminary report concerning the proposed
12 certification and identifying, if necessary, recommended
13 changes in actuarial assumptions that the Board must consider
14 before finalizing its certification of the required State
15 contributions. On or before January 15, 2013 and each January
16 15 thereafter, the Board shall certify to the Governor and the
17 General Assembly the amount of the required State contribution
18 for the next fiscal year. The Board's certification must note
19 any deviations from the State Actuary's recommended changes,
20 the reason or reasons for not following the State Actuary's
21 recommended changes, and the fiscal impact of not following
22 the State Actuary's recommended changes on the required State
23 contribution.

24 (a-10) By November 1, 2017, the Board shall recalculate
25 and recertify to the State Actuary, the Governor, and the
26 General Assembly the amount of the State contribution to the

1 System for State fiscal year 2018, taking into account the
2 changes in required State contributions made by Public Act
3 100-23. The State Actuary shall review the assumptions and
4 valuations underlying the Board's revised certification and
5 issue a preliminary report concerning the proposed
6 recertification and identifying, if necessary, recommended
7 changes in actuarial assumptions that the Board must consider
8 before finalizing its certification of the required State
9 contributions. The Board's final certification must note any
10 deviations from the State Actuary's recommended changes, the
11 reason or reasons for not following the State Actuary's
12 recommended changes, and the fiscal impact of not following
13 the State Actuary's recommended changes on the required State
14 contribution.

15 (a-15) On or after June 15, 2019, but no later than June
16 30, 2019, the Board shall recalculate and recertify to the
17 Governor and the General Assembly the amount of the State
18 contribution to the System for State fiscal year 2019, taking
19 into account the changes in required State contributions made
20 by Public Act 100-587. The recalculation shall be made using
21 assumptions adopted by the Board for the original fiscal year
22 2019 certification. The monthly voucher for the 12th month of
23 fiscal year 2019 shall be paid by the Comptroller after the
24 recertification required pursuant to this subsection is
25 submitted to the Governor, Comptroller, and General Assembly.
26 The recertification submitted to the General Assembly shall be

1 filed with the Clerk of the House of Representatives and the
2 Secretary of the Senate in electronic form only, in the manner
3 that the Clerk and the Secretary shall direct.

4 (b) Through State fiscal year 1995, the State
5 contributions shall be paid to the System in accordance with
6 Section 18-7 of the School Code.

7 (b-1) Beginning in State fiscal year 1996, on the 15th day
8 of each month, or as soon thereafter as may be practicable, the
9 Board shall submit vouchers for payment of State contributions
10 to the System, in a total monthly amount of one-twelfth of the
11 required annual State contribution certified under subsection
12 (a-1). From March 5, 2004 (the effective date of Public Act
13 93-665) through June 30, 2004, the Board shall not submit
14 vouchers for the remainder of fiscal year 2004 in excess of the
15 fiscal year 2004 certified contribution amount determined
16 under this Section after taking into consideration the
17 transfer to the System under subsection (a) of Section 6z-61
18 of the State Finance Act. These vouchers shall be paid by the
19 State Comptroller and Treasurer by warrants drawn on the funds
20 appropriated to the System for that fiscal year.

21 If in any month the amount remaining unexpended from all
22 other appropriations to the System for the applicable fiscal
23 year (including the appropriations to the System under Section
24 8.12 of the State Finance Act and Section 1 of the State
25 Pension Funds Continuing Appropriation Act) is less than the
26 amount lawfully vouchered under this subsection, the

1 difference shall be paid from the Common School Fund under the
2 continuing appropriation authority provided in Section 1.1 of
3 the State Pension Funds Continuing Appropriation Act.

4 (b-2) Allocations from the Common School Fund apportioned
5 to school districts not coming under this System shall not be
6 diminished or affected by the provisions of this Article.

7 (b-3) For State fiscal years 2012 through 2045, the
8 minimum contribution to the System to be made by the State for
9 each fiscal year shall be an amount determined by the System to
10 be sufficient to bring the total assets of the System up to 90%
11 of the total actuarial liabilities of the System by the end of
12 State fiscal year 2045. In making these determinations, the
13 required State contribution shall be calculated each year as a
14 level percentage of payroll over the years remaining to and
15 including fiscal year 2045 and shall be determined under the
16 projected unit credit actuarial cost method.

17 For each of State fiscal years 2018, 2019, and 2020, the
18 State shall make an additional contribution to the System
19 equal to 2% of the total payroll of each employee who is deemed
20 to have elected the benefits under Section 1-161 or who has
21 made the election under subsection (c) of Section 1-161.

22 A change in an actuarial or investment assumption that
23 increases or decreases the required State contribution and
24 first applies in State fiscal year 2018 or thereafter shall be
25 implemented in equal annual amounts over a 5-year period
26 beginning in the State fiscal year in which the actuarial

1 change first applies to the required State contribution.

2 A change in an actuarial or investment assumption that
3 increases or decreases the required State contribution and
4 first applied to the State contribution in fiscal year 2014,
5 2015, 2016, or 2017 shall be implemented:

6 (i) as already applied in State fiscal years before
7 2018; and

8 (ii) in the portion of the 5-year period beginning in
9 the State fiscal year in which the actuarial change first
10 applied that occurs in State fiscal year 2018 or
11 thereafter, by calculating the change in equal annual
12 amounts over that 5-year period and then implementing it
13 at the resulting annual rate in each of the remaining
14 fiscal years in that 5-year period.

15 For State fiscal years 1996 through 2005, the State
16 contribution to the System, as a percentage of the applicable
17 employee payroll, shall be increased in equal annual
18 increments so that by State fiscal year 2011, the State is
19 contributing at the rate required under this Section; except
20 that in the following specified State fiscal years, the State
21 contribution to the System shall not be less than the
22 following indicated percentages of the applicable employee
23 payroll, even if the indicated percentage will produce a State
24 contribution in excess of the amount otherwise required under
25 this subsection and subsection (a), and notwithstanding any
26 contrary certification made under subsection (a-1) before May

1 27, 1998 (the effective date of Public Act 90-582): 10.02% in
2 FY 1999; 10.77% in FY 2000; 11.47% in FY 2001; 12.16% in FY
3 2002; 12.86% in FY 2003; and 13.56% in FY 2004.

4 Notwithstanding any other provision of this Article, the
5 total required State contribution for State fiscal year 2006
6 is \$534,627,700.

7 Notwithstanding any other provision of this Article, the
8 total required State contribution for State fiscal year 2007
9 is \$738,014,500.

10 For each of State fiscal years 2008 through 2009, the
11 State contribution to the System, as a percentage of the
12 applicable employee payroll, shall be increased in equal
13 annual increments from the required State contribution for
14 State fiscal year 2007, so that by State fiscal year 2011, the
15 State is contributing at the rate otherwise required under
16 this Section.

17 Notwithstanding any other provision of this Article, the
18 total required State contribution for State fiscal year 2010
19 is \$2,089,268,000 and shall be made from the proceeds of bonds
20 sold in fiscal year 2010 pursuant to Section 7.2 of the General
21 Obligation Bond Act, less (i) the pro rata share of bond sale
22 expenses determined by the System's share of total bond
23 proceeds, (ii) any amounts received from the Common School
24 Fund in fiscal year 2010, and (iii) any reduction in bond
25 proceeds due to the issuance of discounted bonds, if
26 applicable.

1 Notwithstanding any other provision of this Article, the
2 total required State contribution for State fiscal year 2011
3 is the amount recertified by the System on or before April 1,
4 2011 pursuant to subsection (a-1) of this Section and shall be
5 made from the proceeds of bonds sold in fiscal year 2011
6 pursuant to Section 7.2 of the General Obligation Bond Act,
7 less (i) the pro rata share of bond sale expenses determined by
8 the System's share of total bond proceeds, (ii) any amounts
9 received from the Common School Fund in fiscal year 2011, and
10 (iii) any reduction in bond proceeds due to the issuance of
11 discounted bonds, if applicable. This amount shall include, in
12 addition to the amount certified by the System, an amount
13 necessary to meet employer contributions required by the State
14 as an employer under paragraph (e) of this Section, which may
15 also be used by the System for contributions required by
16 paragraph (a) of Section 16-127.

17 Beginning in State fiscal year 2046, the minimum State
18 contribution for each fiscal year shall be the amount needed
19 to maintain the total assets of the System at 90% of the total
20 actuarial liabilities of the System.

21 Amounts received by the System pursuant to Section 25 of
22 the Budget Stabilization Act or Section 8.12 of the State
23 Finance Act in any fiscal year do not reduce and do not
24 constitute payment of any portion of the minimum State
25 contribution required under this Article in that fiscal year.
26 Such amounts shall not reduce, and shall not be included in the

1 calculation of, the required State contributions under this
2 Article in any future year until the System has reached a
3 funding ratio of at least 90%. A reference in this Article to
4 the "required State contribution" or any substantially similar
5 term does not include or apply to any amounts payable to the
6 System under Section 25 of the Budget Stabilization Act.

7 Notwithstanding any other provision of this Section, the
8 required State contribution for State fiscal year 2005 and for
9 fiscal year 2008 and each fiscal year thereafter, as
10 calculated under this Section and certified under subsection
11 (a-1), shall not exceed an amount equal to (i) the amount of
12 the required State contribution that would have been
13 calculated under this Section for that fiscal year if the
14 System had not received any payments under subsection (d) of
15 Section 7.2 of the General Obligation Bond Act, minus (ii) the
16 portion of the State's total debt service payments for that
17 fiscal year on the bonds issued in fiscal year 2003 for the
18 purposes of that Section 7.2, as determined and certified by
19 the Comptroller, that is the same as the System's portion of
20 the total moneys distributed under subsection (d) of Section
21 7.2 of the General Obligation Bond Act. In determining this
22 maximum for State fiscal years 2008 through 2010, however, the
23 amount referred to in item (i) shall be increased, as a
24 percentage of the applicable employee payroll, in equal
25 increments calculated from the sum of the required State
26 contribution for State fiscal year 2007 plus the applicable

1 portion of the State's total debt service payments for fiscal
2 year 2007 on the bonds issued in fiscal year 2003 for the
3 purposes of Section 7.2 of the General Obligation Bond Act, so
4 that, by State fiscal year 2011, the State is contributing at
5 the rate otherwise required under this Section.

6 (b-4) Beginning in fiscal year 2018, each employer under
7 this Article shall pay to the System a required contribution
8 determined as a percentage of projected payroll and sufficient
9 to produce an annual amount equal to:

10 (i) for each of fiscal years 2018, 2019, and 2020, the
11 defined benefit normal cost of the defined benefit plan,
12 less the employee contribution, for each employee of that
13 employer who has elected or who is deemed to have elected
14 the benefits under Section 1-161 or who has made the
15 election under subsection (b) of Section 1-161; for fiscal
16 year 2021 and each fiscal year thereafter, the defined
17 benefit normal cost of the defined benefit plan, less the
18 employee contribution, plus 2%, for each employee of that
19 employer who has elected or who is deemed to have elected
20 the benefits under Section 1-161 or who has made the
21 election under subsection (b) of Section 1-161; plus

22 (ii) the amount required for that fiscal year to
23 amortize any unfunded actuarial accrued liability
24 associated with the present value of liabilities
25 attributable to the employer's account under Section
26 16-158.3, determined as a level percentage of payroll over

1 a 30-year rolling amortization period.

2 In determining contributions required under item (i) of
3 this subsection, the System shall determine an aggregate rate
4 for all employers, expressed as a percentage of projected
5 payroll.

6 In determining the contributions required under item (ii)
7 of this subsection, the amount shall be computed by the System
8 on the basis of the actuarial assumptions and tables used in
9 the most recent actuarial valuation of the System that is
10 available at the time of the computation.

11 The contributions required under this subsection (b-4)
12 shall be paid by an employer concurrently with that employer's
13 payroll payment period. The State, as the actual employer of
14 an employee, shall make the required contributions under this
15 subsection.

16 (c) Payment of the required State contributions and of all
17 pensions, retirement annuities, death benefits, refunds, and
18 other benefits granted under or assumed by this System, and
19 all expenses in connection with the administration and
20 operation thereof, are obligations of the State.

21 If members are paid from special trust or federal funds
22 which are administered by the employing unit, whether school
23 district or other unit, the employing unit shall pay to the
24 System from such funds the full accruing retirement costs
25 based upon that service, which, beginning July 1, 2017, shall
26 be at a rate, expressed as a percentage of salary, equal to the

1 total employer's normal cost, expressed as a percentage of
2 payroll, as determined by the System. Employer contributions,
3 based on salary paid to members from federal funds, may be
4 forwarded by the distributing agency of the State of Illinois
5 to the System prior to allocation, in an amount determined in
6 accordance with guidelines established by such agency and the
7 System. Any contribution for fiscal year 2015 collected as a
8 result of the change made by Public Act 98-674 shall be
9 considered a State contribution under subsection (b-3) of this
10 Section.

11 (d) Effective July 1, 1986, any employer of a teacher as
12 defined in paragraph (8) of Section 16-106 shall pay the
13 employer's normal cost of benefits based upon the teacher's
14 service, in addition to employee contributions, as determined
15 by the System. Such employer contributions shall be forwarded
16 monthly in accordance with guidelines established by the
17 System.

18 However, with respect to benefits granted under Section
19 16-133.4 or 16-133.5 to a teacher as defined in paragraph (8)
20 of Section 16-106, the employer's contribution shall be 12%
21 (rather than 20%) of the member's highest annual salary rate
22 for each year of creditable service granted, and the employer
23 shall also pay the required employee contribution on behalf of
24 the teacher. For the purposes of Sections 16-133.4 and
25 16-133.5, a teacher as defined in paragraph (8) of Section
26 16-106 who is serving in that capacity while on leave of

1 absence from another employer under this Article shall not be
2 considered an employee of the employer from which the teacher
3 is on leave.

4 (e) Beginning July 1, 1998, every employer of a teacher
5 shall pay to the System an employer contribution computed as
6 follows:

7 (1) Beginning July 1, 1998 through June 30, 1999, the
8 employer contribution shall be equal to 0.3% of each
9 teacher's salary.

10 (2) Beginning July 1, 1999 and thereafter, the
11 employer contribution shall be equal to 0.58% of each
12 teacher's salary.

13 The school district or other employing unit may pay these
14 employer contributions out of any source of funding available
15 for that purpose and shall forward the contributions to the
16 System on the schedule established for the payment of member
17 contributions.

18 These employer contributions are intended to offset a
19 portion of the cost to the System of the increases in
20 retirement benefits resulting from Public Act 90-582.

21 Each employer of teachers is entitled to a credit against
22 the contributions required under this subsection (e) with
23 respect to salaries paid to teachers for the period January 1,
24 2002 through June 30, 2003, equal to the amount paid by that
25 employer under subsection (a-5) of Section 6.6 of the State
26 Employees Group Insurance Act of 1971 with respect to salaries

1 paid to teachers for that period.

2 The additional 1% employee contribution required under
3 Section 16-152 by Public Act 90-582 is the responsibility of
4 the teacher and not the teacher's employer, unless the
5 employer agrees, through collective bargaining or otherwise,
6 to make the contribution on behalf of the teacher.

7 If an employer is required by a contract in effect on May
8 1, 1998 between the employer and an employee organization to
9 pay, on behalf of all its full-time employees covered by this
10 Article, all mandatory employee contributions required under
11 this Article, then the employer shall be excused from paying
12 the employer contribution required under this subsection (e)
13 for the balance of the term of that contract. The employer and
14 the employee organization shall jointly certify to the System
15 the existence of the contractual requirement, in such form as
16 the System may prescribe. This exclusion shall cease upon the
17 termination, extension, or renewal of the contract at any time
18 after May 1, 1998.

19 (f) If the amount of a teacher's salary for any school year
20 used to determine final average salary exceeds the member's
21 annual full-time salary rate with the same employer for the
22 previous school year by more than 6%, the teacher's employer
23 shall pay to the System, in addition to all other payments
24 required under this Section and in accordance with guidelines
25 established by the System, the present value of the increase
26 in benefits resulting from the portion of the increase in

1 salary that is in excess of 6%. This present value shall be
2 computed by the System on the basis of the actuarial
3 assumptions and tables used in the most recent actuarial
4 valuation of the System that is available at the time of the
5 computation. If a teacher's salary for the 2005-2006 school
6 year is used to determine final average salary under this
7 subsection (f), then the changes made to this subsection (f)
8 by Public Act 94-1057 shall apply in calculating whether the
9 increase in his or her salary is in excess of 6%. For the
10 purposes of this Section, change in employment under Section
11 10-21.12 of the School Code on or after June 1, 2005 shall
12 constitute a change in employer. The System may require the
13 employer to provide any pertinent information or
14 documentation. The changes made to this subsection (f) by
15 Public Act 94-1111 apply without regard to whether the teacher
16 was in service on or after its effective date.

17 Whenever it determines that a payment is or may be
18 required under this subsection, the System shall calculate the
19 amount of the payment and bill the employer for that amount.
20 The bill shall specify the calculations used to determine the
21 amount due. If the employer disputes the amount of the bill, it
22 may, within 30 days after receipt of the bill, apply to the
23 System in writing for a recalculation. The application must
24 specify in detail the grounds of the dispute and, if the
25 employer asserts that the calculation is subject to subsection
26 (g), (g-5), (g-10), (g-15), (g-20), or (h) of this Section,

1 must include an affidavit setting forth and attesting to all
2 facts within the employer's knowledge that are pertinent to
3 the applicability of that subsection. Upon receiving a timely
4 application for recalculation, the System shall review the
5 application and, if appropriate, recalculate the amount due.

6 The employer contributions required under this subsection
7 (f) may be paid in the form of a lump sum within 90 days after
8 receipt of the bill. If the employer contributions are not
9 paid within 90 days after receipt of the bill, then interest
10 will be charged at a rate equal to the System's annual
11 actuarially assumed rate of return on investment compounded
12 annually from the 91st day after receipt of the bill. Payments
13 must be concluded within 3 years after the employer's receipt
14 of the bill.

15 (f-1) (Blank).

16 (g) This subsection (g) applies only to payments made or
17 salary increases given on or after June 1, 2005 but before July
18 1, 2011. The changes made by Public Act 94-1057 shall not
19 require the System to refund any payments received before July
20 31, 2006 (the effective date of Public Act 94-1057).

21 When assessing payment for any amount due under subsection
22 (f), the System shall exclude salary increases paid to
23 teachers under contracts or collective bargaining agreements
24 entered into, amended, or renewed before June 1, 2005.

25 When assessing payment for any amount due under subsection
26 (f), the System shall exclude salary increases paid to a

1 teacher at a time when the teacher is 10 or more years from
2 retirement eligibility under Section 16-132 or 16-133.2.

3 When assessing payment for any amount due under subsection
4 (f), the System shall exclude salary increases resulting from
5 overload work, including summer school, when the school
6 district has certified to the System, and the System has
7 approved the certification, that (i) the overload work is for
8 the sole purpose of classroom instruction in excess of the
9 standard number of classes for a full-time teacher in a school
10 district during a school year and (ii) the salary increases
11 are equal to or less than the rate of pay for classroom
12 instruction computed on the teacher's current salary and work
13 schedule.

14 When assessing payment for any amount due under subsection
15 (f), the System shall exclude a salary increase resulting from
16 a promotion (i) for which the employee is required to hold a
17 certificate or supervisory endorsement issued by the State
18 Teacher Certification Board that is a different certification
19 or supervisory endorsement than is required for the teacher's
20 previous position and (ii) to a position that has existed and
21 been filled by a member for no less than one complete academic
22 year and the salary increase from the promotion is an increase
23 that results in an amount no greater than the lesser of the
24 average salary paid for other similar positions in the
25 district requiring the same certification or the amount
26 stipulated in the collective bargaining agreement for a

1 similar position requiring the same certification.

2 When assessing payment for any amount due under subsection
3 (f), the System shall exclude any payment to the teacher from
4 the State of Illinois or the State Board of Education over
5 which the employer does not have discretion, notwithstanding
6 that the payment is included in the computation of final
7 average salary.

8 (g-5) When assessing payment for any amount due under
9 subsection (f), the System shall exclude salary increases
10 resulting from overload or stipend work performed in a school
11 year subsequent to a school year in which the employer was
12 unable to offer or allow to be conducted overload or stipend
13 work due to an emergency declaration limiting such activities.

14 (g-10) When assessing payment for any amount due under
15 subsection (f), the System shall exclude salary increases
16 resulting from increased instructional time that exceeded the
17 instructional time required during the 2019-2020 school year.

18 (g-15) When assessing payment for any amount due under
19 subsection (f), the System shall exclude salary increases
20 resulting from teaching summer school on or after May 1, 2021
21 and before September 15, 2022.

22 (g-20) When assessing payment for any amount due under
23 subsection (f), the System shall exclude salary increases
24 resulting from Public Act 101-443 or this amendatory Act of
25 the 103rd General Assembly.

26 (h) When assessing payment for any amount due under

1 subsection (f), the System shall exclude any salary increase
2 described in subsection (g) of this Section given on or after
3 July 1, 2011 but before July 1, 2014 under a contract or
4 collective bargaining agreement entered into, amended, or
5 renewed on or after June 1, 2005 but before July 1, 2011.
6 Notwithstanding any other provision of this Section, any
7 payments made or salary increases given after June 30, 2014
8 shall be used in assessing payment for any amount due under
9 subsection (f) of this Section.

10 (i) The System shall prepare a report and file copies of
11 the report with the Governor and the General Assembly by
12 January 1, 2007 that contains all of the following
13 information:

14 (1) The number of recalculations required by the
15 changes made to this Section by Public Act 94-1057 for
16 each employer.

17 (2) The dollar amount by which each employer's
18 contribution to the System was changed due to
19 recalculations required by Public Act 94-1057.

20 (3) The total amount the System received from each
21 employer as a result of the changes made to this Section by
22 Public Act 94-4.

23 (4) The increase in the required State contribution
24 resulting from the changes made to this Section by Public
25 Act 94-1057.

26 (i-5) For school years beginning on or after July 1, 2017,

1 if the amount of a participant's salary for any school year
2 exceeds the amount of the salary set for the Governor, the
3 participant's employer shall pay to the System, in addition to
4 all other payments required under this Section and in
5 accordance with guidelines established by the System, an
6 amount determined by the System to be equal to the employer
7 normal cost, as established by the System and expressed as a
8 total percentage of payroll, multiplied by the amount of
9 salary in excess of the amount of the salary set for the
10 Governor. This amount shall be computed by the System on the
11 basis of the actuarial assumptions and tables used in the most
12 recent actuarial valuation of the System that is available at
13 the time of the computation. The System may require the
14 employer to provide any pertinent information or
15 documentation.

16 Whenever it determines that a payment is or may be
17 required under this subsection, the System shall calculate the
18 amount of the payment and bill the employer for that amount.
19 The bill shall specify the calculations used to determine the
20 amount due. If the employer disputes the amount of the bill, it
21 may, within 30 days after receipt of the bill, apply to the
22 System in writing for a recalculation. The application must
23 specify in detail the grounds of the dispute. Upon receiving a
24 timely application for recalculation, the System shall review
25 the application and, if appropriate, recalculate the amount
26 due.

1 The employer contributions required under this subsection
2 may be paid in the form of a lump sum within 90 days after
3 receipt of the bill. If the employer contributions are not
4 paid within 90 days after receipt of the bill, then interest
5 will be charged at a rate equal to the System's annual
6 actuarially assumed rate of return on investment compounded
7 annually from the 91st day after receipt of the bill. Payments
8 must be concluded within 3 years after the employer's receipt
9 of the bill.

10 (j) For purposes of determining the required State
11 contribution to the System, the value of the System's assets
12 shall be equal to the actuarial value of the System's assets,
13 which shall be calculated as follows:

14 As of June 30, 2008, the actuarial value of the System's
15 assets shall be equal to the market value of the assets as of
16 that date. In determining the actuarial value of the System's
17 assets for fiscal years after June 30, 2008, any actuarial
18 gains or losses from investment return incurred in a fiscal
19 year shall be recognized in equal annual amounts over the
20 5-year period following that fiscal year.

21 (k) For purposes of determining the required State
22 contribution to the system for a particular year, the
23 actuarial value of assets shall be assumed to earn a rate of
24 return equal to the system's actuarially assumed rate of
25 return.

26 (Source: P.A. 101-10, eff. 6-5-19; 101-81, eff. 7-12-19;

1 102-16, eff. 6-17-21; 102-525, eff. 8-20-21; 102-558, eff.
2 8-20-21; 102-813, eff. 5-13-22.)

3 Section 10. The School Code is amended by changing Section
4 24-8 as follows:

5 (105 ILCS 5/24-8) (from Ch. 122, par. 24-8)

6 Sec. 24-8. Minimum salary. In fixing the salaries of
7 teachers, school boards shall pay those who serve on a
8 full-time basis not less than a rate for the school year that
9 is based upon training completed in a recognized institution
10 of higher learning, as follows: for the school year beginning
11 July 1, 1980 and until the 2020-2021 school year, less than a
12 bachelor's degree, \$9,000; 120 semester hours or more and a
13 bachelor's degree, \$10,000; 150 semester hours or more and a
14 master's degree, \$11,000. In fixing the salaries of teachers,
15 a school board shall pay those who serve on a full-time basis a
16 rate not less than (i) \$32,076 for the 2020-2021 school year,
17 (ii) \$34,576 for the 2021-2022 school year, (iii) \$37,076 for
18 the 2022-2023 school year, and (iv) \$40,000 for the 2023-2024
19 school year. The minimum salary rate for each school year
20 thereafter, ~~subject to review by the General Assembly,~~ shall
21 equal the minimum salary rate for the previous school year
22 increased by a percentage equal to the annualized percentage
23 increase, if any, in the Consumer Price Index for All Urban
24 Consumers for all items published by the United States

1 Department of Labor for the previous school year.

2 No later than July 20, 2023 and annually on or before each
3 July 20 thereafter, the Commission on Government Forecasting
4 and Accountability shall certify and publish the minimum
5 salary rate to be used in each school year in accordance with
6 this Section.

7 ~~On or before January 31, 2020, the Professional Review~~
8 ~~Panel created under Section 18-8.15 must submit a report to~~
9 ~~the General Assembly on how State funds and funds distributed~~
10 ~~under the evidence-based funding formula under Section 18-8.15~~
11 ~~may aid the financial effects of the changes made by this~~
12 ~~amendatory Act of the 101st General Assembly.~~

13 Based upon previous public school experience in this State
14 or any other state, territory, dependency or possession of the
15 United States, or in schools operated by or under the auspices
16 of the United States, teachers who serve on a full-time basis
17 shall have their salaries increased to at least the following
18 amounts above the starting salary for a teacher in such
19 district in the same classification: with less than a
20 bachelor's degree, \$750 after 5 years; with 120 semester hours
21 or more and a bachelor's degree, \$1,000 after 5 years and
22 \$1,600 after 8 years; with 150 semester hours or more and a
23 master's degree, \$1,250 after 5 years, \$2,000 after 8 years
24 and \$2,750 after 13 years.

25 For the purpose of this Section a teacher's salary shall
26 include any amount paid by the school district on behalf of the

1 teacher, as teacher contributions, to the Teachers' Retirement
2 System of the State of Illinois.

3 If a school board establishes a schedule for teachers'
4 salaries based on education and experience, not inconsistent
5 with this Section, all certificated nurses employed by that
6 board shall be paid in accordance with the provisions of such
7 schedule.

8 For purposes of this Section, a teacher who submits a
9 certificate of completion to the school office prior to the
10 first day of the school term shall be considered to have the
11 degree stated in such certificate.

12 (Source: P.A. 101-443, eff. 6-1-20.)

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