

1 AN ACT in relation to 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 State Employees Group Insurance Act of
5 1971 is amended by adding Section 6.15 as follows:

6 (5 ILCS 375/6.15 new)

7 Sec. 6.15. Retired teacher returning to service in
8 shortage area. Notwithstanding any other provision of this
9 Act, the eligibility of an annuitant or TRS benefit recipient
10 to participate in the program of health benefits established
11 under Section 6 or 6.5 of this Act is suspended for any
12 period during which he or she is covered under a plan of
13 group health benefits for active teachers due to eligible
14 employment as defined in Section 16-150.1 of the Illinois
15 Pension Code. Upon termination of that coverage, eligibility
16 to participate in the program of health benefits established
17 under Section 6 or 6.5 shall be immediately restored, without
18 any interruption or delay in coverage or limitation as to
19 pre-existing medical condition.

20 Section 10. The Illinois Pension Code is amended by
21 changing Sections 16-106, 16-118, 16-132, 16-150, and 16-152
22 and adding Section 16-150.1 as follows:

23 (40 ILCS 5/16-106) (from Ch. 108 1/2, par. 16-106)

24 Sec. 16-106. Teacher. "Teacher": The following
25 individuals, provided that, for employment prior to July 1,
26 1990, they are employed on a full-time basis, or if not
27 full-time, on a permanent and continuous basis in a position
28 in which services are expected to be rendered for at least
29 one school term:

1 (1) Any educational, administrative, professional
2 or other staff employed in the public common schools
3 included within this system in a position requiring
4 certification under the law governing the certification
5 of teachers;

6 (2) Any educational, administrative, professional
7 or other staff employed in any facility of the Department
8 of Children and Family Services or the Department of
9 Human Services, in a position requiring certification
10 under the law governing the certification of teachers,
11 and any person who (i) works in such a position for the
12 Department of Corrections, (ii) was a member of this
13 System on May 31, 1987, and (iii) did not elect to become
14 a member of the State Employees' Retirement System
15 pursuant to Section 14-108.2 of this Code; except that
16 "teacher" does not include any person who (A) becomes a
17 security employee of the Department of Human Services, as
18 defined in Section 14-110, after June 28, 2001 (the
19 effective date of Public Act 92-14), or (B) becomes a
20 member of the State Employees' Retirement System pursuant
21 to Section 14-108.2c of this Code;

22 (3) Any regional superintendent of schools,
23 assistant regional superintendent of schools, State
24 Superintendent of Education; any person employed by the
25 State Board of Education as an executive; any executive
26 of the boards engaged in the service of public common
27 school education in school districts covered under this
28 system of which the State Superintendent of Education is
29 an ex-officio member;

30 (4) Any employee of a school board association
31 operating in compliance with Article 23 of the School
32 Code who is certificated under the law governing the
33 certification of teachers;

34 (5) Any person employed by the retirement system

1 who:

2 (i) was an employee of and a participant in
3 the system on August 17, 2001 (the effective date of
4 Public Act 92-416), or

5 (ii) becomes an employee of the system on or
6 after August 17, 2001;

7 (6) Any educational, administrative, professional
8 or other staff employed by and under the supervision and
9 control of a regional superintendent of schools, provided
10 such employment position requires the person to be
11 certificated under the law governing the certification of
12 teachers and is in an educational program serving 2 or
13 more districts in accordance with a joint agreement
14 authorized by the School Code or by federal legislation;

15 (7) Any educational, administrative, professional
16 or other staff employed in an educational program
17 serving 2 or more school districts in accordance with a
18 joint agreement authorized by the School Code or by
19 federal legislation and in a position requiring
20 certification under the laws governing the certification
21 of teachers;

22 (8) Any officer or employee of a statewide teacher
23 organization or officer of a national teacher
24 organization who is certified under the law governing
25 certification of teachers, provided: (i) the individual
26 had previously established creditable service under this
27 Article, (ii) the individual files with the system an
28 irrevocable election to become a member, and (iii) the
29 individual does not receive credit for such service under
30 any other Article of this Code;

31 (9) Any educational, administrative, professional,
32 or other staff employed in a charter school operating in
33 compliance with the Charter Schools Law who is
34 certificated under the law governing the certification of

1 teachers.

2 An annuitant receiving a retirement annuity under this
3 Article or under Article 17 of this Code who is temporarily
4 employed by a board of education or other employer as not
5 ~~exceeding--that~~ permitted under Section 16-118 or 16-150.1 is
6 not a "teacher" for purposes of this Article. A person who
7 has received a single-sum retirement benefit under Section
8 16-136.4 of this Article is not a "teacher" for purposes of
9 this Article.

10 (Source: P.A. 92-14, eff. 6-28-01; 92-416, eff. 8-17-01;
11 92-651, eff. 7-11-02.)

12 (40 ILCS 5/16-118) (from Ch. 108 1/2, par. 16-118)

13 Sec. 16-118. Retirement. "Retirement": Entry upon a
14 retirement annuity or receipt of a single-sum retirement
15 benefit granted under this Article after termination of
16 active service as a teacher.

17 (a) An annuitant receiving a retirement annuity other
18 than a disability retirement annuity may accept employment as
19 a teacher from a school board or other employer specified in
20 Section 16-106 without impairing retirement status, if that
21 employment: (1) is not within the school year during which
22 service was terminated; and (2) does not exceed 100 paid days
23 or 500 paid hours in any school year (during the period
24 beginning July 1, 2001 through June 30, 2006, 120 paid days
25 or 600 paid hours in each school year). Where such permitted
26 employment is partly on a daily and partly on an hourly
27 basis, a day shall be considered as 5 hours.

28 (b) Subsection (a) does not apply to an annuitant who
29 returns to teaching under the program established in Section
30 16-150.1, for the duration of his or her participation in
31 that program.

32 (Source: P.A. 92-416, eff. 8-17-01.)

1 (40 ILCS 5/16-132) (from Ch. 108 1/2, par. 16-132)
2 Sec. 16-132. Retirement annuity eligibility. A member
3 who has at least 20 years of creditable service is entitled
4 to a retirement annuity upon or after attainment of age 55.
5 A member who has at least 10 but less than 20 years of
6 creditable service is entitled to a retirement annuity upon
7 or after attainment of age 60. A member who has at least 5
8 but less than 10 years of creditable service is entitled to a
9 retirement annuity upon or after attainment of age 62. A
10 member who (i) has earned during the period immediately
11 preceding the last day of service at least one year of
12 contributing creditable service as an employee of a
13 department as defined in Section 14-103.04, (ii) has earned
14 at least 5 years of contributing creditable service as an
15 employee of a department as defined in Section 14-103.04, and
16 (iii) retires on or after January 1, 2001 is entitled to a
17 retirement annuity upon or after attainment of an age which,
18 when added to the number of years of his or her total
19 creditable service, equals at least 85. Portions of years
20 shall be counted as decimal equivalents.

21 A member who is eligible to receive a retirement annuity
22 of at least 74.6% of final average salary and will attain age
23 55 on or before December 31 during the year which commences
24 on July 1 shall be deemed to attain age 55 on the preceding
25 June 1.

26 A member meeting the above eligibility conditions is
27 entitled to a retirement annuity upon written application to
28 the board setting forth the date the member wishes the
29 retirement annuity to commence. However, the effective date
30 of the retirement annuity shall be no earlier than the day
31 following the last day of creditable service, regardless of
32 the date of official termination of employment.

33 To be eligible for a retirement annuity, a member shall
34 not be employed as a teacher in the schools included under

1 this System or under Article 17, except (i) as provided in
 2 Section 16-118 or 16-150.1, (ii) if unless the member is
 3 disabled (in which event, eligibility for salary must cease),
 4 or (iii) if unless the System is required by federal law to
 5 commence payment due to the member's age; the changes to this
 6 sentence made by this amendatory Act of the 93rd General
 7 Assembly 1991-shall apply without regard to whether the
 8 member terminated employment before or after its effective
 9 date.

10 (Source: P.A. 90-582, eff. 5-27-98; 91-927, eff. 12-14-00.)

11 (40 ILCS 5/16-150) (from Ch. 108 1/2, par. 16-150)
 12 Sec. 16-150. Re-entry.

13 (a) This Section does not apply to an annuitant who
 14 returns to teaching under the program established in Section
 15 16-150.1, for the duration of his or her participation in
 16 that program.

17 (b) If an annuitant under this System is again employed
 18 as a teacher for an aggregate period exceeding that permitted
 19 by Section 16-118, his or her retirement annuity shall be
 20 terminated and the annuitant shall thereupon be regarded as
 21 an active member. The annuitant's remaining accumulated
 22 contributions shall be transferred to the Members'
 23 Contribution Reserve from the Employer's Contribution
 24 Reserve.

25 Such annuitant is not entitled to a recomputation of his
 26 or her retirement annuity unless at least one full year of
 27 creditable service is rendered after the latest re-entry into
 28 service and the annuitant must have rendered at least 3 years
 29 of creditable service after last re-entry into service to
 30 qualify for a recomputation of the retirement annuity based
 31 on amendments enacted while in receipt of a retirement
 32 annuity, except when retirement was due to disability.

33 However, regardless of age, an annuitant in receipt of a

1 retirement annuity may be given temporary employment by a
2 school board not exceeding that permitted under Section
3 16-118 and continue to receive the retirement annuity.

4 (c) Unless retirement was necessitated by disability, a
5 retirement shall be considered cancelled and the retirement
6 allowance must be repaid in full if the annuitant is employed
7 as a teacher within the school year during which service was
8 terminated.

9 (d) An annuitant's retirement which does not include a
10 period of at least one full and complete school year shall be
11 considered cancelled and the retirement annuity must be
12 repaid in full unless such retirement was necessitated by
13 disability.

14 (Source: P.A. 86-273; 87-794.)

15 (40 ILCS 5/16-150.1 new)

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

18 (a) As used in this Section, "eligible employment" means
19 employment beginning on or after July 1, 2003 and ending no
20 later than June 30, 2008, in a subject shortage area at a
21 qualified school, in a position requiring certification under
22 the law governing the certification of teachers.

23 As used in this Section, "qualified school" means a
24 public elementary or secondary school that meets all of the
25 following requirements:

26 (1) At the time of hiring a retired teacher under
27 this Section, the school is experiencing a shortage of
28 teachers in the subject shortage area for which the
29 teacher is hired.

30 (2) The school district to which the school belongs
31 has complied with the requirements of subsection (e), and
32 the regional superintendent has certified that compliance
33 to the System.

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

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

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

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

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

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

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

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

33 (d) A participant in the program established under this
34 Section continues to be a retirement annuitant, rather than

1 an active teacher, for all of the purposes of this Code, but
2 shall be deemed an active teacher for other purposes, such as
3 inclusion in a collective bargaining unit, eligibility for
4 group health benefits, and compliance with the laws governing
5 the employment, regulation, certification, treatment, and
6 conduct of teachers.

7 With respect to an annuitant's eligible employment under
8 this Section, neither employee nor employer contributions
9 shall be made to the System and no additional service credit
10 shall be earned. Eligible employment does not affect the
11 annuitant's final average salary or the amount of the
12 retirement annuity.

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

16 (1) If the school district to which the school
17 belongs has honorably dismissed, within the calendar year
18 preceding the beginning of the school term for which it
19 seeks to employ a retired teacher under the program
20 established in this Section, any teachers who are legally
21 qualified to hold positions in the subject shortage area
22 and have not yet begun to receive their retirement
23 annuities under this Article, the vacant positions must
24 first be tendered to those teachers.

25 (2) For a period of at least 90 days during the 6
26 months preceding the beginning of the school term for
27 which it seeks to employ a retired teacher under the
28 program established in this Section, the school district
29 must, on an ongoing basis, both (i) advertise its
30 vacancies in the subject shortage area in a newspaper of
31 general circulation in the area in which the school is
32 located and in employment bulletins published by college
33 and university placement offices located near the school;
34 and (ii) search for teachers legally qualified to fill

1 those vacancies through the Illinois Education Job Bank.
 2 The school district must submit documentation of its
 3 compliance with this subsection to the regional
 4 superintendent. Upon receiving satisfactory documentation
 5 from the school district, the regional superintendent shall
 6 certify the district's compliance with this subsection to the
 7 System.

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

11 (40 ILCS 5/16-152) (from Ch. 108 1/2, par. 16-152)
 12 Sec. 16-152. Contributions by members.

13 (a) Each member shall make contributions for membership
 14 service to this System as follows:

15 (1) Effective July 1, 1998, contributions of 7.50%
 16 of salary towards the cost of the retirement annuity.
 17 Such contributions shall be deemed "normal
 18 contributions".

19 (2) Effective July 1, 1969, contributions of 1/2 of
 20 1% of salary toward the cost of the automatic annual
 21 increase in retirement annuity provided under Section
 22 16-133.1.

23 (3) Effective July 24, 1959, contributions of 1% of
 24 salary towards the cost of survivor benefits. Such
 25 contributions shall not be credited to the individual
 26 account of the member and shall not be subject to refund
 27 except as provided under Section 16-143.2.

28 (b) The minimum required contribution for any year of
 29 full-time teaching service shall be \$192.

30 (c) Contributions shall not be required of any annuitant
 31 receiving a retirement annuity who is given temporary
 32 employment ~~as not--exceeding--that~~ permitted under Section
 33 16-118 or 16-150.1.

1 (d) A person who (i) was a member before July 1, 1998,
2 (ii) retires with more than 34 years of creditable service,
3 and (iii) does not elect to qualify for the augmented rate
4 under Section 16-129.1 shall be entitled, at the time of
5 retirement, to receive a partial refund of contributions made
6 under this Section for service occurring after the later of
7 June 30, 1998 or attainment of 34 years of creditable
8 service, in an amount equal to 1.00% of the salary upon which
9 those contributions were based.

10 (Source: P.A. 90-582, eff. 5-27-98.)

11 Section 15. The School Code is amended by changing
12 Section 3-14.25 as follows:

13 (105 ILCS 5/3-14.25) (from Ch. 122, par. 3-14.25)

14 Sec. 3-14.25. Unfilled teaching positions list; subject
15 shortage area certifications.

16 (a) To maintain, and make available to the public during
17 regular business hours, a list of unfilled teaching positions
18 within the region. The most current version of the list must
19 be posted on or linked to the regional office of education's
20 Internet web site. If the regional office of education does
21 not have an Internet web site, the regional superintendent of
22 schools must make the list available to the State Board of
23 Education and the State Board of Education must post the list
24 on the State Board of Education's Internet web site. The
25 State Board of Education's Internet web site must provide a
26 link to each regional office of education's list.

27 (b) To certify to the Teachers' Retirement System of the
28 State of Illinois that a school district has submitted
29 satisfactory evidence of compliance with the requirements of
30 subsection (e) of Section 16-150.1 of the Illinois Pension
31 Code, for the purpose of authorizing the employment of
32 retired teachers in subject shortage areas under the program

1 established in that Section.

2 (Source: P.A. 92-41, eff. 7-1-01.)

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