



94TH GENERAL ASSEMBLY
State of Illinois
2005 and 2006
HB4925

Introduced 1/19/2006, by Rep. Michael K. Smith

SYNOPSIS AS INTRODUCED:

40 ILCS 5/14-103.05

from Ch. 108 1/2, par. 14-103.05

Amends the State Employee Article of the Illinois Pension Code. Provides that certain individuals who represent or are employed as officers or employees of a statewide labor organization that represents members of the State Employees' Retirement System of Illinois may elect to participate in that System. Effective immediately.

LRB094 17486 AMC 52781 b

FISCAL NOTE ACT
MAY APPLY

PENSION IMPACT
NOTE ACT MAY
APPLY

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
5 changing Section 14-103.05 as follows:

6 (40 ILCS 5/14-103.05) (from Ch. 108 1/2, par. 14-103.05)
7 Sec. 14-103.05. Employee.

8 (a) Any person employed by a Department who receives salary
9 for personal services rendered to the Department on a warrant
10 issued pursuant to a payroll voucher certified by a Department
11 and drawn by the State Comptroller upon the State Treasurer,
12 including an elected official described in subparagraph (d) of
13 Section 14-104, shall become an employee for purpose of
14 membership in the Retirement System on the first day of such
15 employment.

16 A person entering service on or after January 1, 1972 and
17 prior to January 1, 1984 shall become a member as a condition
18 of employment and shall begin making contributions as of the
19 first day of employment.

20 A person entering service on or after January 1, 1984
21 shall, upon completion of 6 months of continuous service which
22 is not interrupted by a break of more than 2 months, become a
23 member as a condition of employment. Contributions shall begin
24 the first of the month after completion of the qualifying
25 period.

26 The qualifying period of 6 months of service is not
27 applicable to: (1) a person who has been granted credit for
28 service in a position covered by the State Universities
29 Retirement System, the Teachers' Retirement System of the State
30 of Illinois, the General Assembly Retirement System, or the
31 Judges Retirement System of Illinois unless that service has
32 been forfeited under the laws of those systems; (2) a person

1 entering service on or after July 1, 1991 in a noncovered
2 position; or (3) a person to whom Section 14-108.2a or
3 14-108.2b applies.

4 (b) The term "employee" does not include the following:

5 (1) members of the State Legislature, and persons
6 electing to become members of the General Assembly
7 Retirement System pursuant to Section 2-105;

8 (2) incumbents of offices normally filled by vote of
9 the people;

10 (3) except as otherwise provided in this Section, any
11 person appointed by the Governor with the advice and
12 consent of the Senate unless that person elects to
13 participate in this system;

14 (3.1) any person serving as a commissioner of an ethics
15 commission created under the State Officials and Employees
16 Ethics Act unless that person elects to participate in this
17 system with respect to that service as a commissioner;

18 (3.2) any person serving as a part-time employee in any
19 of the following positions: Legislative Inspector General,
20 Special Legislative Inspector General, employee of the
21 Office of the Legislative Inspector General, Executive
22 Director of the Legislative Ethics Commission, or staff of
23 the Legislative Ethics Commission, regardless of whether
24 he or she is in active service on or after July 8, 2004
25 (the effective date of Public Act 93-685), unless that
26 person elects to participate in this System with respect to
27 that service; in this item (3.2), a "part-time employee" is
28 a person who is not required to work at least 35 hours per
29 week;

30 (3.3) any person who has made an election under Section
31 1-123 and who is serving either as legal counsel in the
32 Office of the Governor or as Chief Deputy Attorney General;

33 (4) except as provided in Section 14-108.2 or
34 14-108.2c, any person who is covered or eligible to be
35 covered by the Teachers' Retirement System of the State of
36 Illinois, the State Universities Retirement System, or the

1 Judges Retirement System of Illinois;

2 (5) an employee of a municipality or any other
3 political subdivision of the State;

4 (6) any person who becomes an employee after June 30,
5 1979 as a public service employment program participant
6 under the Federal Comprehensive Employment and Training
7 Act and whose wages or fringe benefits are paid in whole or
8 in part by funds provided under such Act;

9 (7) enrollees of the Illinois Young Adult Conservation
10 Corps program, administered by the Department of Natural
11 Resources, authorized grantee pursuant to Title VIII of the
12 "Comprehensive Employment and Training Act of 1973", 29 USC
13 993, as now or hereafter amended;

14 (8) enrollees and temporary staff of programs
15 administered by the Department of Natural Resources under
16 the Youth Conservation Corps Act of 1970;

17 (9) any person who is a member of any professional
18 licensing or disciplinary board created under an Act
19 administered by the Department of Professional Regulation
20 or a successor agency or created or re-created after the
21 effective date of this amendatory Act of 1997, and who
22 receives per diem compensation rather than a salary,
23 notwithstanding that such per diem compensation is paid by
24 warrant issued pursuant to a payroll voucher; such persons
25 have never been included in the membership of this System,
26 and this amendatory Act of 1987 (P.A. 84-1472) is not
27 intended to effect any change in the status of such
28 persons;

29 (10) any person who is a member of the Illinois Health
30 Care Cost Containment Council, and receives per diem
31 compensation rather than a salary, notwithstanding that
32 such per diem compensation is paid by warrant issued
33 pursuant to a payroll voucher; such persons have never been
34 included in the membership of this System, and this
35 amendatory Act of 1987 is not intended to effect any change
36 in the status of such persons;

1 (11) any person who is a member of the Oil and Gas
2 Board created by Section 1.2 of the Illinois Oil and Gas
3 Act, and receives per diem compensation rather than a
4 salary, notwithstanding that such per diem compensation is
5 paid by warrant issued pursuant to a payroll voucher; or

6 (12) a person employed by the State Board of Higher
7 Education in a position with the Illinois Century Network
8 as of June 30, 2004, who remains continuously employed
9 after that date by the Department of Central Management
10 Services in a position with the Illinois Century Network
11 and participates in the Article 15 system with respect to
12 that employment.

13 (c) An individual who, on or after July 1, 2004, represents
14 or is employed as an officer or employee of a statewide labor
15 organization that represents members of this System may
16 participate in the System and shall be deemed an employee,
17 provided that (1) the individual has previously earned
18 creditable service under this Article, (2) the individual files
19 with the System an irrevocable election to become a
20 participant, and (3) the individual does not receive credit for
21 that employment under any other provision of this Code. An
22 employee under this subsection (c) is responsible for paying to
23 the System both (i) employee contributions based on the actual
24 compensation received for service with the labor organization
25 and (ii) employer contributions based on the percentage of
26 payroll certified by the board; all or any part of these
27 contributions may be paid on the employee's behalf or picked up
28 for tax purposes (if authorized under federal law) by the labor
29 organization.

30 A person who is an employee as defined in this subsection
31 may establish service credit for similar employment prior to
32 becoming an employee under this subsection by paying to the
33 System for that employment the contributions specified in this
34 subsection, plus interest at the effective rate from the date
35 of service to the date of payment. However, credit shall not be
36 granted under this subsection for any such prior employment for

1 which the applicant received credit under any other provision
2 of this Code, or during which the applicant was on a leave of
3 absence.

4 (Source: P.A. 92-14, eff. 6-28-01; 93-685, eff. 7-8-04; 93-839,
5 eff. 7-30-04; 93-1069, eff. 1-15-05.)

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