



96TH GENERAL ASSEMBLY

State of Illinois

2009 and 2010

HB5961

Introduced 2/10/2010, by Rep. Kevin A. McCarthy

SYNOPSIS AS INTRODUCED:

40 ILCS 5/17-134

from Ch. 108 1/2, par. 17-134

30 ILCS 805/8.34 new

Amends the Chicago Teacher Article of the Illinois Pension Code. Provides that the amount of unused sick time that may be included in calculating the retirement pension is a maximum of 340 days (rather than 244 days). Amends the State Mandates Act to require implementation without reimbursement. Effective immediately.

LRB096 20128 AMC 35664 b

FISCAL NOTE ACT
MAY APPLY

PENSION IMPACT
NOTE ACT MAY
APPLY

STATE MANDATES
ACT MAY REQUIRE
REIMBURSEMENT

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 17-134 as follows:

6 (40 ILCS 5/17-134) (from Ch. 108 1/2, par. 17-134)

7 Sec. 17-134. Contributions for leaves of absence; military
8 service; computing service. In computing service for pension
9 purposes the following periods of service shall stand in lieu
10 of a like number of years of teaching service upon payment
11 therefor in the manner hereinafter provided: (a) time spent on
12 a leave of absence granted by the employer; (b) service with
13 teacher or labor organizations based upon special leaves of
14 absence therefor granted by an Employer; (c) a maximum of 5
15 years spent in the military service of the United States, of
16 which up to 2 years may have been served outside the pension
17 period; (d) unused sick days at termination of service to a
18 maximum of 340 ~~244~~ days; (e) time lost due to layoff and
19 curtailment of the school term from June 6 through June 21,
20 1976; and (f) time spent after June 30, 1982 as a member of the
21 Board of Education, if required to resign from an
22 administrative or teaching position in order to qualify as a
23 member of the Board of Education.

1 (1) For time spent on or after September 6, 1948 on
2 sabbatical leaves of absence or sick leaves, for which
3 salaries are paid, an Employer shall make payroll
4 deductions at the applicable rates in effect during such
5 periods.

6 (2) For time spent on a leave of absence granted by the
7 employer for which no salaries are paid, teachers desiring
8 credit therefor shall pay the required contributions at the
9 rates in effect during such periods as though they were in
10 teaching service. If an Employer pays salary for vacations
11 which occur during a teacher's sick leave or maternity or
12 paternity leave without salary, vacation pay for which the
13 teacher would have qualified while in active service shall
14 be considered part of the teacher's total salary for
15 pension purposes. No more than 36 months of leave credit
16 may be allowed any person during the entire term of
17 service. Sabbatical leave credit shall be limited to the
18 time the person on leave without salary under an Employer's
19 rules is allowed to engage in an activity for which he
20 receives salary or compensation.

21 (3) For time spent prior to September 6, 1948, on
22 sabbatical leaves of absence or sick leaves for which
23 salaries were paid, teachers desiring service credit
24 therefor shall pay the required contributions at the
25 maximum applicable rates in effect during such periods.

26 (4) For service with teacher or labor organizations

1 authorized by special leaves of absence, for which no
2 payroll deductions are made by an Employer, teachers
3 desiring service credit therefor shall contribute to the
4 Fund upon the basis of the actual salary received from such
5 organizations at the percentage rates in effect during such
6 periods for certified positions with such Employer. To the
7 extent the actual salary exceeds the regular salary, which
8 shall be defined as the salary rate, as calculated by the
9 Board, in effect for the teacher's regular position in
10 teaching service on September 1, 1983 or on the effective
11 date of the leave with the organization, whichever is
12 later, the organization shall pay to the Fund the
13 employer's normal cost as set by the Board on the
14 increment.

15 (5) For time spent in the military service, teachers
16 entitled to and desiring credit therefor shall contribute
17 the amount required for each year of service or fraction
18 thereof at the rates in force (a) at the date of
19 appointment, or (b) on return to teaching service as a
20 regularly certified teacher, as the case may be; provided
21 such rates shall not be less than \$450 per year of service.
22 These conditions shall apply unless an Employer elects to
23 and does pay into the Fund the amount which would have been
24 due from such person had he been employed as a teacher
25 during such time. In the case of credit for military
26 service not during the pension period, the teacher must

1 also pay to the Fund an amount determined by the Board to
2 be equal to the employer's normal cost of the benefits
3 accrued from such service, plus interest thereon at 5% per
4 year, compounded annually, from the date of appointment to
5 the date of payment.

6 The changes to this Section made by Public Act 87-795
7 shall apply not only to persons who on or after its
8 effective date are in service under the Fund, but also to
9 persons whose status as a teacher terminated prior to that
10 date, whether or not the person is an annuitant on that
11 date. In the case of an annuitant who applies for credit
12 allowable under this Section for a period of military
13 service that did not immediately follow employment, and who
14 has made the required contributions for such credit, the
15 annuity shall be recalculated to include the additional
16 service credit, with the increase taking effect on the date
17 the Fund received written notification of the annuitant's
18 intent to purchase the credit, if payment of all the
19 required contributions is made within 60 days of such
20 notice, or else on the first annuity payment date following
21 the date of payment of the required contributions. In
22 calculating the automatic annual increase for an annuity
23 that has been recalculated under this Section, the increase
24 attributable to the additional service allowable under
25 this amendatory Act of 1991 shall be included in the
26 calculation of automatic annual increases accruing after

1 the effective date of the recalculation.

2 The total credit for military service shall not exceed
3 5 years, except that any teacher who on July 1, 1963, had
4 validated credit for more than 5 years of military service
5 shall be entitled to the total amount of such credit.

6 (6) A maximum of 244 unused sick days credited to his
7 account by an Employer on the date of termination of
8 employment. Members, upon verification of unused sick
9 days, may add this service time to total creditable
10 service.

11 (7) In all cases where time spent on leave is
12 creditable and no payroll deductions therefor are made by
13 an Employer, persons desiring service credit shall make the
14 required contributions directly to the Fund.

15 (8) For time lost without pay due to layoff and
16 curtailment of the school term from June 6 through June 21,
17 1976, as provided in item (e) of the first paragraph of
18 this Section, persons who were contributors on the days
19 immediately preceding such layoff shall receive credit
20 upon paying to the Fund a contribution based on the rates
21 of compensation and employee contributions in effect at the
22 time of such layoff, together with an additional amount
23 equal to 12.2% of the compensation computed for such period
24 of layoff, plus interest on the entire amount at 5% per
25 annum from January 1, 1978 to the date of payment. If such
26 contribution is paid, salary for pension purposes for any

1 year in which such a layoff occurred shall include the
2 compensation recognized for purposes of computing that
3 contribution.

4 (9) For time spent after June 30, 1982, as a
5 nonsalaried member of the Board of Education, if required
6 to resign from an administrative or teaching position in
7 order to qualify as a member of the Board of Education, an
8 administrator or teacher desiring credit therefor shall
9 pay the required contributions at the rates and salaries in
10 effect during such periods as though the member were in
11 service.

12 Effective September 1, 1974, the interest charged for
13 validation of service described in paragraphs (2) through (5)
14 of this Section shall be compounded annually at a rate of 5%
15 commencing one year after the termination of the leave or
16 return to service.

17 (Source: P.A. 92-599, eff. 6-28-02.)

18 Section 90. The State Mandates Act is amended by adding
19 Section 8.34 as follows:

20 (30 ILCS 805/8.34 new)

21 Sec. 8.34. Exempt mandate. Notwithstanding Sections 6 and 8
22 of this Act, no reimbursement by the State is required for the
23 implementation of any mandate created by this amendatory Act of
24 the 96th General Assembly.

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