

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 Sections 16-118, 16-127, and 20-109 as follows:

6 (40 ILCS 5/16-118) (from Ch. 108 1/2, par. 16-118)

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

11 (a) An annuitant receiving a retirement annuity other than  
12 a disability retirement annuity may accept employment as a  
13 teacher from a school board or other employer specified in  
14 Section 16-106 without impairing retirement status, if that  
15 employment:

16 (1) is not within the school year during which service  
17 was terminated; and

18 (2) does not exceed the following:

19 (i) before July 1, 2001, 100 paid days or 500 paid  
20 hours in any school year;

21 (ii) during the period beginning July 1, 2001  
22 through June 30, 2011, 120 paid days or 600 paid hours  
23 in each school year;

1 (iii) during the period beginning July 1, 2011  
2 through June 30, 2018, 100 paid days or 500 paid hours  
3 in each school year;

4 (iv) beginning July 1, 2018 through June 30, 2026  
5 ~~2023~~, 120 paid days or 600 paid hours in each school  
6 year, but not more than 100 paid days in the same  
7 classroom;

8 (v) (blank); and ~~during the period between July 1,~~  
9 ~~2021 and June 30, 2022, an additional 20 paid days or~~  
10 ~~100 paid hours shall be added to item (iv) of this~~  
11 ~~paragraph (2) to assist with addressing the substitute~~  
12 ~~teacher shortage that has been exacerbated by the~~  
13 ~~ongoing global pandemic; and~~

14 (vi) beginning July 1, 2026 ~~2023~~, 100 paid days or  
15 500 paid hours in each school year.

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

19 (b) Subsection (a) does not apply to an annuitant who  
20 returns to teaching under the program established in Section  
21 16-150.1, for the duration of his or her participation in that  
22 program.

23 (Source: P.A. 101-645, eff. 6-26-20; 102-537, eff. 8-20-21;  
24 102-709, eff. 4-22-22.)

1           Sec. 16-127. Computation of creditable service.

2           (a) Each member shall receive regular credit for all  
3 service as a teacher from the date membership begins, for  
4 which satisfactory evidence is supplied and all contributions  
5 have been paid.

6           (b) The following periods of service shall earn optional  
7 credit and each member shall receive credit for all such  
8 service for which satisfactory evidence is supplied and all  
9 contributions have been paid as of the date specified:

10           (1) Prior service as a teacher.

11           (2) Service in a capacity essentially similar or  
12 equivalent to that of a teacher, in the public common  
13 schools in school districts in this State not included  
14 within the provisions of this System, or of any other  
15 State, territory, dependency or possession of the United  
16 States, or in schools operated by or under the auspices of  
17 the United States, or under the auspices of any agency or  
18 department of any other State, and service during any  
19 period of professional speech correction or special  
20 education experience for a public agency within this State  
21 or any other State, territory, dependency or possession of  
22 the United States, and service prior to February 1, 1951  
23 as a recreation worker for the Illinois Department of  
24 Public Safety, for a period not exceeding the lesser of  
25  $2/5$  of the total creditable service of the member or 10  
26 years. The maximum service of 10 years which is allowable

1 under this paragraph shall be reduced by the service  
2 credit which is validated by other retirement systems  
3 under paragraph (i) of Section 15-113 and paragraph 1 of  
4 Section 17-133. Credit granted under this paragraph may  
5 not be used in determination of a retirement annuity or  
6 disability benefits unless the member has at least 5 years  
7 of creditable service earned subsequent to this employment  
8 with one or more of the following systems: Teachers'  
9 Retirement System of the State of Illinois, State  
10 Universities Retirement System, and the Public School  
11 Teachers' Pension and Retirement Fund of Chicago. Whenever  
12 such service credit exceeds the maximum allowed for all  
13 purposes of this Article, the first service rendered in  
14 point of time shall be considered. The changes to this  
15 subdivision (b) (2) made by Public Act 86-272 shall apply  
16 not only to persons who on or after its effective date  
17 (August 23, 1989) are in service as a teacher under the  
18 System, but also to persons whose status as such a teacher  
19 terminated prior to such effective date, whether or not  
20 such person is an annuitant on that date.

21 (3) Any periods immediately following teaching  
22 service, under this System or under Article 17, (or  
23 immediately following service prior to February 1, 1951 as  
24 a recreation worker for the Illinois Department of Public  
25 Safety) spent in active service with the military forces  
26 of the United States; periods spent in educational

1 programs that prepare for return to teaching sponsored by  
2 the federal government following such active military  
3 service; if a teacher returns to teaching service within  
4 one calendar year after discharge or after the completion  
5 of the educational program, a further period, not  
6 exceeding one calendar year, between time spent in  
7 military service or in such educational programs and the  
8 return to employment as a teacher under this System; and a  
9 period of up to 2 years of active military service not  
10 immediately following employment as a teacher.

11 The changes to this Section and Section 16-128  
12 relating to military service made by P.A. 87-794 shall  
13 apply not only to persons who on or after its effective  
14 date are in service as a teacher under the System, but also  
15 to persons whose status as a teacher terminated prior to  
16 that date, whether or not the person is an annuitant on  
17 that date. In the case of an annuitant who applies for  
18 credit allowable under this Section for a period of  
19 military service that did not immediately follow  
20 employment, and who has made the required contributions  
21 for such credit, the annuity shall be recalculated to  
22 include the additional service credit, with the increase  
23 taking effect on the date the System received written  
24 notification of the annuitant's intent to purchase the  
25 credit, if payment of all the required contributions is  
26 made within 60 days of such notice, or else on the first

1 annuity payment date following the date of payment of the  
2 required contributions. In calculating the automatic  
3 annual increase for an annuity that has been recalculated  
4 under this Section, the increase attributable to the  
5 additional service allowable under P.A. 87-794 shall be  
6 included in the calculation of automatic annual increases  
7 accruing after the effective date of the recalculation.

8 Credit for military service shall be determined as  
9 follows: if entry occurs during the months of July,  
10 August, or September and the member was a teacher at the  
11 end of the immediately preceding school term, credit shall  
12 be granted from July 1 of the year in which he or she  
13 entered service; if entry occurs during the school term  
14 and the teacher was in teaching service at the beginning  
15 of the school term, credit shall be granted from July 1 of  
16 such year. In all other cases where credit for military  
17 service is allowed, credit shall be granted from the date  
18 of entry into the service.

19 The total period of military service for which credit  
20 is granted shall not exceed 5 years for any member unless  
21 the service: (A) is validated before July 1, 1964, and (B)  
22 does not extend beyond July 1, 1963. Credit for military  
23 service shall be granted under this Section only if not  
24 more than 5 years of the military service for which credit  
25 is granted under this Section is used by the member to  
26 qualify for a military retirement allotment from any

1 branch of the armed forces of the United States. The  
2 changes to this subdivision (b)(3) made by Public Act  
3 86-272 shall apply not only to persons who on or after its  
4 effective date (August 23, 1989) are in service as a  
5 teacher under the System, but also to persons whose status  
6 as such a teacher terminated prior to such effective date,  
7 whether or not such person is an annuitant on that date.

8 (4) Any periods served as a member of the General  
9 Assembly.

10 (5) (i) Any periods for which a teacher, as defined in  
11 Section 16-106, is granted a leave of absence, provided he  
12 or she returns to teaching service creditable under this  
13 System or the State Universities Retirement System  
14 following the leave; (ii) periods during which a teacher  
15 is involuntarily laid off from teaching, provided he or  
16 she returns to teaching following the lay-off; (iii)  
17 periods prior to July 1, 1983 during which a teacher  
18 ceased covered employment due to pregnancy, provided that  
19 the teacher returned to teaching service creditable under  
20 this System or the State Universities Retirement System  
21 following the pregnancy and submits evidence satisfactory  
22 to the Board documenting that the employment ceased due to  
23 pregnancy; and (iv) periods prior to July 1, 1983 during  
24 which a teacher ceased covered employment for the purpose  
25 of adopting an infant under 3 years of age or caring for a  
26 newly adopted infant under 3 years of age, provided that

1           the teacher returned to teaching service creditable under  
2           this System or the State Universities Retirement System  
3           following the adoption and submits evidence satisfactory  
4           to the Board documenting that the employment ceased for  
5           the purpose of adopting an infant under 3 years of age or  
6           caring for a newly adopted infant under 3 years of age.  
7           However, total credit under this paragraph (5) may not  
8           exceed 3 years.

9           Any qualified member or annuitant may apply for credit  
10          under item (iii) or (iv) of this paragraph (5) without  
11          regard to whether service was terminated before the  
12          effective date of this amendatory Act of 1997. In the case  
13          of an annuitant who establishes credit under item (iii) or  
14          (iv), the annuity shall be recalculated to include the  
15          additional service credit. The increase in annuity shall  
16          take effect on the date the System receives written  
17          notification of the annuitant's intent to purchase the  
18          credit, if the required evidence is submitted and the  
19          required contribution paid within 60 days of that  
20          notification, otherwise on the first annuity payment date  
21          following the System's receipt of the required evidence  
22          and contribution. The increase in an annuity recalculated  
23          under this provision shall be included in the calculation  
24          of automatic annual increases in the annuity accruing  
25          after the effective date of the recalculation.

26          Optional credit may be purchased under this subsection



1 (b) (5) for periods during which a teacher has been granted  
2 a leave of absence pursuant to Section 24-13 of the School  
3 Code. A teacher whose service under this Article  
4 terminated prior to the effective date of P.A. 86-1488  
5 shall be eligible to purchase such optional credit. If a  
6 teacher who purchases this optional credit is already  
7 receiving a retirement annuity under this Article, the  
8 annuity shall be recalculated as if the annuitant had  
9 applied for the leave of absence credit at the time of  
10 retirement. The difference between the entitled annuity  
11 and the actual annuity shall be credited to the purchase  
12 of the optional credit. The remainder of the purchase cost  
13 of the optional credit shall be paid on or before April 1,  
14 1992.

15 The change in this paragraph made by Public Act 86-273  
16 shall be applicable to teachers who retire after June 1,  
17 1989, as well as to teachers who are in service on that  
18 date.

19 (6) Any days of unused and uncompensated accumulated  
20 sick leave earned by a teacher. The service credit granted  
21 under this paragraph shall be the ratio of the number of  
22 unused and uncompensated accumulated sick leave days to  
23 170 days, subject to a maximum of 2 years of service  
24 credit. Prior to the member's retirement, each former  
25 employer shall certify to the System the number of unused  
26 and uncompensated accumulated sick leave days credited to

1 the member at the time of termination of service. The  
2 period of unused sick leave shall not be considered in  
3 determining the effective date of retirement. A member is  
4 not required to make contributions in order to obtain  
5 service credit for unused sick leave.

6 Credit for sick leave shall, at retirement, be granted  
7 by the System for any retiring regional or assistant  
8 regional superintendent of schools at the rate of 6 days  
9 per year of creditable service or portion thereof  
10 established while serving as such superintendent or  
11 assistant superintendent.

12 (7) Periods prior to February 1, 1987 served as an  
13 employee of the Illinois Mathematics and Science Academy  
14 for which credit has not been terminated under Section  
15 15-113.9 of this Code.

16 (8) Service as a substitute teacher for work performed  
17 prior to July 1, 1990.

18 (9) Service as a part-time teacher for work performed  
19 prior to July 1, 1990.

20 (10) Up to 2 years of employment with Southern  
21 Illinois University - Carbondale from September 1, 1959 to  
22 August 31, 1961, or with Governors State University from  
23 September 1, 1972 to August 31, 1974, for which the  
24 teacher has no credit under Article 15. To receive credit  
25 under this item (10), a teacher must apply in writing to  
26 the Board and pay the required contributions before May 1,

1 1993 and have at least 12 years of service credit under  
2 this Article.

3 (11) Periods of service as a student teacher as  
4 described in Section 24-8.5 of the School Code for which  
5 the student teacher received a salary.

6 (b-1) A member may establish optional credit for up to 2  
7 years of service as a teacher or administrator employed by a  
8 private school recognized by the Illinois State Board of  
9 Education, provided that the teacher (i) was certified under  
10 the law governing the certification of teachers at the time  
11 the service was rendered, (ii) applies in writing on or before  
12 June 30, 2023, (iii) supplies satisfactory evidence of the  
13 employment, (iv) completes at least 10 years of contributing  
14 service as a teacher as defined in Section 16-106, and (v) pays  
15 the contribution required in subsection (d-5) of Section  
16 16-128. The member may apply for credit under this subsection  
17 and pay the required contribution before completing the 10  
18 years of contributing service required under item (iv), but  
19 the credit may not be used until the item (iv) contributing  
20 service requirement has been met.

21 (c) The service credits specified in this Section shall be  
22 granted only if: (1) such service credits are not used for  
23 credit in any other statutory tax-supported public employee  
24 retirement system other than the federal Social Security  
25 program; and (2) the member makes the required contributions  
26 as specified in Section 16-128. Except as provided in

1 subsection (b-1) of this Section, the service credit shall be  
2 effective as of the date the required contributions are  
3 completed.

4 Any service credits granted under this Section shall  
5 terminate upon cessation of membership for any cause.

6 Credit may not be granted under this Section covering any  
7 period for which an age retirement or disability retirement  
8 allowance has been paid.

9 Credit may not be granted under this Section for service  
10 as an employee of an entity that provides substitute teaching  
11 services under Section 2-3.173 of the School Code and is not a  
12 school district.

13 (Source: P.A. 102-525, eff. 8-20-21.)

14 (40 ILCS 5/20-109) (from Ch. 108 1/2, par. 20-109)

15 Sec. 20-109. "Pension credit": Credit or equities acquired  
16 by an employee in the form of contributions, earnings or  
17 service as defined under the law governing each of the systems  
18 in which he has credits or equities, except credits and  
19 equities (1) of less than one year in any one system, except  
20 that this one-year limitation shall not apply to (A) employees  
21 who transfer or are transferred, as a class, from one  
22 participating system to another or who are persons to whom  
23 Section 14-108.2a or 14-108.2b applies, ~~or~~ (B) persons who  
24 move from participation with a school district as a teacher  
25 aide under Article 7 to participation under Article 16, or (C)

1 persons who acquire credit as a substitute teacher covered  
2 under Article 16 and reach retirement eligibility under  
3 Article 7; or (2) which have previously been forfeited by  
4 acceptance of a refund or which have been applied towards a  
5 retirement annuity and have not been reestablished in  
6 accordance with the law governing the system from which the  
7 refund or retirement annuity had been received. If a  
8 retirement system provides no refund of contributions, the  
9 pension credit in the case of any employee who has  
10 participated in that system shall be considered effective for  
11 the purposes of this Article.

12 (Source: P.A. 94-834, eff. 6-6-06.)

13 Section 90. The State Mandates Act is amended by adding  
14 Section 8.47 as follows:

15 (30 ILCS 805/8.47 new)

16 Sec. 8.47. Exempt mandate. Notwithstanding Sections 6 and  
17 8 of this Act, no reimbursement by the State is required for  
18 the implementation of any mandate created by this amendatory  
19 Act of the 103rd General Assembly.

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