

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 8-165 as follows:

6 (40 ILCS 5/8-165) (from Ch. 108 1/2, par. 8-165)

7 Sec. 8-165. Re-entry into service.

8 (a) Except as provided in subsection (c) or (d), when an
9 employee receiving age and service or prior service annuity
10 who has withdrawn from service after the effective date
11 re-enters service before age 65, any annuity previously
12 granted and any annuity fixed for his wife shall be cancelled.
13 The employee shall be credited for annuity purposes with sums
14 sufficient to provide annuities equal to those cancelled, as
15 of their ages on the date of re-entry; provided, the maximum
16 age of the wife for this purpose shall be as provided in
17 Section 8-155 of this Article.

18 The sums so credited shall provide for annuities to be
19 fixed and granted in the future. Contributions by the
20 employees and the city for the purposes of this Article shall
21 be made, and when the proper time arrives, as provided in this
22 Article, new annuities based upon the total credit for annuity
23 purposes and the entire term of his service shall be fixed for

1 the employee and his wife.

2 If the employee's wife died before he re-entered service,
3 no part of any credits for widow's or widow's prior service
4 annuity at the time annuity for his wife was fixed shall be
5 credited upon re-entry into service, and no such sums shall
6 thereafter be used to provide such annuity.

7 (b) Except as provided in subsection (c) or (d), when an
8 employee re-enters service after age 65, payments on account
9 of any annuity previously granted shall be suspended during
10 the time thereafter that he is in service, and when he again
11 withdraws, annuity payments shall be resumed. If the employee
12 dies in service, his widow shall receive the amount of annuity
13 previously fixed for her.

14 (c) For school years beginning on or after July 1, 2021, an
15 age and service or prior service annuity shall not be
16 cancelled in the case of an employee who is re-employed by the
17 Board of Education of the city as a Special Education
18 Classroom Assistant or Classroom Assistant on a temporary and
19 non-annual basis or on an hourly basis so long as the person:
20 (1) does not work for compensation on more than 120 days in a
21 school year; or (2) does not accept gross compensation for the
22 re-employment in a school year in excess of \$30,000. These
23 limitations apply only to school years that begin on or after
24 July 1, 2021. Re-employment under this subsection does not
25 require contributions, result in service credit being earned
26 or granted, or constitute active participation in the Fund.

1 (d) For school years beginning on or after July 1, 2023, an
2 age and service or prior service annuity shall not be
3 cancelled in the case of an employee who is re-employed by the
4 Board of Education of the city as a paraprofessional or
5 related service provider on a temporary and non-annual basis
6 or on an hourly basis so long as the person: (1) does not work
7 for compensation on more than 120 days in a school year; or (2)
8 does not accept gross compensation for the re-employment in a
9 school year in excess of \$30,000. These limitations apply only
10 to school years that begin on or after July 1, 2023.
11 Re-employment under this subsection does not require
12 contributions, result in service credit being earned or
13 granted, or constitute active participation in the Fund.

14 (Source: P.A. 102-342, eff. 8-13-21.)

15 Section 99. Effective date. This Act takes effect upon
16 becoming law.