

1 AMENDMENT TO HOUSE BILL 2665

2 AMENDMENT NO. _____. Amend House Bill 2665 by replacing
3 everything after the enacting clause with the following:

4 Section 20. The Illinois Pension Code is amended by
5 changing Sections 15-135, 16-127, 16-136.2, and as follows:

6 (40 ILCS 5/15-135) (from Ch. 108 1/2, par. 15-135)
7 Sec. 15-135. Retirement annuities - Conditions.

8 (a) A participant who retires in one of the following
9 specified years with the specified amount of service is
10 entitled to a retirement annuity at any age under the
11 retirement program applicable to the participant:

- 12 35 years if retirement is in 1997 or before;
- 13 34 years if retirement is in 1998;
- 14 33 years if retirement is in 1999;
- 15 32 years if retirement is in 2000;
- 16 31 years if retirement is in 2001;
- 17 30 years if retirement is in 2002 or later.;
- 18 ~~35-years-if-retirement-is-in-2003-or-later.~~

19 A participant with 8 or more years of service after
20 September 1, 1941, is entitled to a retirement annuity on or
21 after attainment of age 55.

22 A participant with at least 5 but less than 8 years of

1 service after September 1, 1941, is entitled to a retirement
2 annuity on or after attainment of age 62.

3 A participant who has at least 25 years of service in
4 this system as a police officer or firefighter is entitled to
5 a retirement annuity on or after the attainment of age 50, if
6 Rule 4 of Section 15-136 is applicable to the participant.

7 (b) The annuity payment period shall begin on the date
8 specified by the participant submitting a written
9 application, which date shall not be prior to termination of
10 employment or more than one year before the application is
11 received by the board; however, if the participant is not an
12 employee of an employer participating in this System or in a
13 participating system as defined in Article 20 of this Code on
14 April 1 of the calendar year next following the calendar year
15 in which the participant attains age 70 1/2, the annuity
16 payment period shall begin on that date regardless of whether
17 an application has been filed.

18 (c) An annuity is not payable if the amount provided
19 under Section 15-136 is less than \$10 per month.

20 (Source: P.A. 90-65, eff. 7-7-97; 90-766, eff. 8-14-98.)

21 (40 ILCS 5/16-127) (from Ch. 108 1/2, par. 16-127)
22 Sec. 16-127. Computation of creditable service.

23 (a) Each member shall receive regular credit for all
24 service as a teacher from the date membership begins, for
25 which satisfactory evidence is supplied and all contributions
26 have been paid.

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

31 (1) Prior service as a teacher.

32 (2) Service in a capacity essentially similar or
33 equivalent to that of a teacher, in the public common

1 schools in school districts in this State not included
2 within the provisions of this System, or of any other
3 State, territory, dependency or possession of the United
4 States, or in schools operated by or under the auspices
5 of the United States, or under the auspices of any agency
6 or department of any other State, and service during any
7 period of professional speech correction or special
8 education experience for a public agency within this
9 State or any other State, territory, dependency or
10 possession of the United States, and service prior to
11 February 1, 1951 as a recreation worker for the Illinois
12 Department of Public Safety, for a period not exceeding
13 the lesser of 2/5 of the total creditable service of the
14 member or 10 years. The maximum service of 10 years
15 which is allowable under this paragraph shall be reduced
16 by the service credit which is validated by other
17 retirement systems under paragraph (i) of Section 15-113
18 and paragraph 1 of Section 17-133. Credit granted under
19 this paragraph may not be used in determination of a
20 retirement annuity or disability benefits unless the
21 member has at least 5 years of creditable service earned
22 subsequent to this employment with one or more of the
23 following systems: Teachers' Retirement System of the
24 State of Illinois, State Universities Retirement System,
25 and the Public School Teachers' Pension and Retirement
26 Fund of Chicago. Whenever such service credit exceeds
27 the maximum allowed for all purposes of this Article, the
28 first service rendered in point of time shall be
29 considered. The changes to this subdivision (b)(2) made
30 by Public Act 86-272 shall apply not only to persons who
31 on or after its effective date (August 23, 1989) are in
32 service as a teacher under the System, but also to
33 persons whose status as such a teacher terminated prior
34 to such effective date, whether or not such person is an

1 annuitant on that date.

2 (3) Any periods immediately following teaching
3 service, under this System or under Article 17, (or
4 immediately following service prior to February 1, 1951
5 as a recreation worker for the Illinois Department of
6 Public Safety) spent in active service with the military
7 forces of the United States; periods spent in educational
8 programs that prepare for return to teaching sponsored by
9 the federal government following such active military
10 service; if a teacher returns to teaching service within
11 one calendar year after discharge or after the completion
12 of the educational program, a further period, not
13 exceeding one calendar year, between time spent in
14 military service or in such educational programs and the
15 return to employment as a teacher under this System; and
16 a period of up to 2 years of active military service not
17 immediately following employment as a teacher.

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

1 of payment of the required contributions. In calculating
2 the automatic annual increase for an annuity that has
3 been recalculated under this Section, the increase
4 attributable to the additional service allowable under
5 P.A. 87-794 shall be included in the calculation of
6 automatic annual increases accruing after the effective
7 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
12 shall be granted from July 1 of the year in which he or
13 she entered service; if entry occurs during the school
14 term and the teacher was in teaching service at the
15 beginning of the school term, credit shall be granted
16 from July 1 of such year. In all other cases where credit
17 for military service is allowed, credit shall be granted
18 from the date of entry into the service.

19 The total period of military service for which
20 credit is granted shall not exceed 5 years for any member
21 unless the service: (A) is validated before July 1,
22 1964, and (B) does not extend beyond July 1, 1963.
23 Credit for military service shall be granted under this
24 Section only if not more than 5 years of the military
25 service for which credit is granted under this Section is
26 used by the member to qualify for a military retirement
27 allotment from any branch of the armed forces of the
28 United States. The changes to this subdivision (b)(3)
29 made by Public Act 86-272 shall apply not only to persons
30 who on or after its effective date (August 23, 1989) are
31 in service as a teacher under the System, but also to
32 persons whose status as such a teacher terminated prior
33 to such effective date, whether or not such person is an
34 annuitant on that date.

1 (4) Any periods served as a member of the General
2 Assembly.

3 (5)(i) Any periods for which a teacher, as defined
4 in Section 16-106, is granted a leave of absence,
5 provided he or she returns to teaching service creditable
6 under this System or the State Universities Retirement
7 System following the leave; (ii) periods during which a
8 teacher is involuntarily laid off from teaching, provided
9 he or she returns to teaching following the lay-off;
10 (iii) periods prior to July 1, 1983 during which a
11 teacher ceased covered employment due to pregnancy,
12 provided that the teacher returned to teaching service
13 creditable under this System or the State Universities
14 Retirement System following the pregnancy and submits
15 evidence satisfactory to the Board documenting that the
16 employment ceased due to pregnancy; and (iv) periods
17 prior to July 1, 1983 during which a teacher ceased
18 covered employment for the purpose of adopting an infant
19 under 3 years of age or caring for a newly adopted infant
20 under 3 years of age, provided that the teacher returned
21 to teaching service creditable under this System or the
22 State Universities Retirement System following the
23 adoption and submits evidence satisfactory to the Board
24 documenting that the employment ceased for the purpose of
25 adopting an infant under 3 years of age or caring for a
26 newly adopted infant under 3 years of age. However,
27 total credit under this paragraph (5) may not exceed 3
28 years.

29 Any qualified member or annuitant may apply for
30 credit under item (iii) or (iv) of this paragraph (5)
31 without regard to whether service was terminated before
32 the effective date of this amendatory Act of 1997. In
33 the case of an annuitant who establishes credit under
34 item (iii) or (iv), the annuity shall be recalculated to

1 include the additional service credit. The increase in
2 annuity shall take effect on the date the System receives
3 written notification of the annuitant's intent to
4 purchase the credit, if the required evidence is
5 submitted and the required contribution paid within 60
6 days of that notification, otherwise on the first annuity
7 payment date following the System's receipt of the
8 required evidence and contribution. The increase in an
9 annuity recalculated under this provision shall be
10 included in the calculation of automatic annual increases
11 in the annuity accruing after the effective date of the
12 recalculation.

13 Optional credit may be purchased under this
14 subsection (b)(5) for periods during which a teacher has
15 been granted a leave of absence pursuant to Section 24-13
16 of the School Code. A teacher whose service under this
17 Article terminated prior to the effective date of P.A.
18 86-1488 shall be eligible to purchase such optional
19 credit. If a teacher who purchases this optional credit
20 is already receiving a retirement annuity under this
21 Article, the annuity shall be recalculated as if the
22 annuitant had applied for the leave of absence credit at
23 the time of retirement. The difference between the
24 entitled annuity and the actual annuity shall be credited
25 to the purchase of the optional credit. The remainder of
26 the purchase cost of the optional credit shall be paid on
27 or before April 1, 1992.

28 The change in this paragraph made by Public Act
29 86-273 shall be applicable to teachers who retire after
30 June 1, 1989, as well as to teachers who are in service
31 on that date.

32 (6) Any days of unused and uncompensated
33 accumulated sick leave earned by a teacher. The service
34 credit granted under this paragraph shall be the ratio of

1 the number of unused and uncompensated accumulated sick
2 leave days to 170 days, subject to a maximum of one and
3 one-half years year of service credit; except that the
4 maximum shall be one year of service credit if the member
5 is employed under a contract and fails to complete the
6 period of service specified in the contract, unless the
7 member leaves service due to disability or the member's
8 employer notifies the System that the member is excused
9 from the service obligation. Prior to the member's
10 retirement, each former employer shall certify to the
11 System the number of unused and uncompensated accumulated
12 sick leave days credited to the member at the time of
13 termination of service. The period of unused sick leave
14 shall not be considered in determining the effective date
15 of retirement. A member is not required to make
16 contributions in order to obtain service credit for
17 unused sick leave.

18 Credit for sick leave shall, at retirement, be
19 granted by the System for any retiring regional or
20 assistant regional superintendent of schools at the rate
21 of 6 days per year of creditable service or portion
22 thereof established while serving as such superintendent
23 or assistant superintendent.

24 (7) Periods prior to February 1, 1987 served as an
25 employee of the Illinois Mathematics and Science Academy
26 for which credit has not been terminated under Section
27 15-113.9 of this Code.

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

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

32 (10) Up to 2 years of employment with Southern
33 Illinois University - Carbondale from September 1, 1959
34 to August 31, 1961, or with Governors State University

1 from September 1, 1972 to August 31, 1974, for which the
2 teacher has no credit under Article 15. To receive
3 credit under this item (10), a teacher must apply in
4 writing to the Board and pay the required contributions
5 before May 1, 1993 and have at least 12 years of service
6 credit under this Article.

7 (c) The service credits specified in this Section shall
8 be granted only if: (1) such service credits are not used
9 for credit in any other statutory tax-supported public
10 employee retirement system other than the federal Social
11 Security program; and (2) the member makes the required
12 contributions as specified in Section 16-128. The service
13 credit shall be effective as of the date the required
14 contributions are completed.

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

17 Credit may not be granted under this Section covering any
18 period for which an age retirement or disability retirement
19 allowance has been paid.

20 (Source: P.A. 89-430, eff. 12-15-95; 90-32, eff. 6-27-97.)

21 (40 ILCS 5/16-136.2) (from Ch. 108 1/2, par. 16-136.2)
22 Sec. 16-136.2. Minimum retirement annuity.

23 (a) Any annuitant receiving a retirement annuity under
24 this Article is entitled to such additional amount of
25 retirement annuity under this Section, if necessary, that is
26 sufficient to provide a minimum retirement annuity of \$10 per
27 month for each year of creditable service forming the basis
28 of the retirement annuity, up to \$300 per month for 30 or
29 more years of creditable service. Effective January 1, 1984,
30 the minimum retirement annuity under this Section is \$15 per
31 month per year of service up to \$450 per month. Beginning
32 January 1, 1996, the minimum retirement annuity payable under
33 this Section shall be \$25 per month for each year of

1 creditable service, up to a maximum of \$750 per month for 30
2 or more years of creditable service. Beginning January 1,
3 2002, the minimum retirement annuity payable under this
4 Section shall be \$30 per month for each year of creditable
5 service, up to a maximum of 30 years of creditable service,
6 without regard to whether employment terminated prior to the
7 effective date of this amendatory Act of the 92nd General
8 Assembly.

9 An annuitant entitled to an increase in retirement
10 annuity under this Section shall be entitled to such increase
11 in retirement annuity effective the later of (1) September 1
12 following attainment of age 60; (2) September 1 following the
13 first anniversary in retirement; or (3) the first of the
14 month following receipt of the required qualifying
15 contribution from the annuitant.

16 (b) An annuitant who qualifies for an additional amount
17 of retirement annuity under subsection (a) of this Section
18 must make a one-time payment of 1% of the monthly average
19 salary for each full year of the creditable service forming
20 the basis of the retirement annuity or, if the retirement
21 annuity was not computed using average salary, 1% of the
22 original monthly retirement annuity for each full year of
23 service forming the basis of the retirement annuity.

24 (c) The minimum retirement annuity provided under this
25 Section shall continue to be paid only to the extent that
26 funds are available in the minimum retirement annuity reserve
27 established under Section 16-186.3.

28 (d) The annual increase provided on and after September
29 1, 1977 under Section 16-136.1 and on and after January 1,
30 1978 under Section 16-133.1 shall be paid in addition to the
31 minimum retirement annuity. Where an initial increase is
32 first payable on or after September 1, 1977, only that
33 portion of the increase based on the period in retirement
34 after August 31, 1976, under Section 16-136.1 and after

1 December 31, 1976, under Section 16-133.1 may be added to the
2 minimum retirement annuity.

3 (Source: P.A. 89-21, eff. 6-6-95; 89-25, eff. 6-21-95.)

4 Section 90. The State Mandates Act is amended by adding
5 Section 8.26 as follows:

6 (30 ILCS 805/8.26 new)

7 Sec. 8.26. Exempt mandate. Notwithstanding Sections 6
8 and 8 of this Act, no reimbursement by the State is required
9 for the implementation of any mandate created by this
10 amendatory Act of the 92nd General Assembly.

11 Section 99. Effective date. This Act takes effect upon
12 becoming law."