



1 Charter Schools Law who is certified under the law governing  
 2 the certification of teachers, and employees of the Board,  
 3 but excluding persons contributing concurrently to any other  
 4 public employee pension system in Illinois for the same  
 5 employment or receiving retirement pensions under another  
 6 Article of this Code for that same employment, persons  
 7 employed on an hourly basis, and persons receiving pensions  
 8 from the Fund who are employed temporarily by an Employer for  
 9 ~~150--days--or--less--in--any--school--year~~ and not on an annual  
 10 basis.

11 In the case of a person who has been making contributions  
 12 and otherwise participating in this Fund prior to the  
 13 effective date of this amendatory Act of the 91st General  
 14 Assembly, and whose right to participate in the Fund is  
 15 established or confirmed by this amendatory Act, such prior  
 16 participation in the Fund, including all contributions  
 17 previously made and service credits previously earned by the  
 18 person, are hereby validated.

19 The changes made to this Section and Section 17-149 by  
 20 this amendatory Act of the 92nd General Assembly apply  
 21 without regard to whether the person was in service on or  
 22 after the effective date of this amendatory Act,  
 23 notwithstanding Sections 1-103.1 and 17-157.

24 (Source: P.A. 91-887, eff. 7-6-00; 92-416, eff. 8-17-01.)

25 (40 ILCS 5/17-119.1)

26 Sec. 17-119.1. Optional increase in retirement annuity.

27 (a) A member of the Fund may qualify for the augmented  
 28 rate under subdivision (b)(3) of Section 17-116 for all years  
 29 of creditable service earned before July 1, 1998 by making  
 30 the optional contribution specified in subsection (b); except  
 31 that a member who retires on or after July 1, 1998 with at  
 32 least 30 years of creditable service at retirement qualifies  
 33 for the augmented rate without making any contribution under

1 subsection (b). Any member who retires on or after July 1,  
2 1998 and before the effective date of this amendatory Act of  
3 the 92nd General Assembly with at least 30 years of  
4 creditable service shall be paid a lump sum equal to the  
5 amount he or she would have received under the augmented rate  
6 minus the amount he or she actually received. A member may  
7 not elect to qualify for the augmented rate for only a  
8 portion of his or her creditable service earned before July  
9 1, 1998.

10 (b) The contribution shall be an amount equal to 1.0% of  
11 the member's highest salary rate in the 4 consecutive school  
12 years immediately prior to but not including the school year  
13 in which the application occurs, multiplied by the number of  
14 years of creditable service earned by the member before July  
15 1, 1998 or 20, whichever is less. This contribution shall be  
16 reduced by 1.0% of that salary rate for every 3 full years of  
17 creditable service earned by the member after June 30, 1998.  
18 The contribution shall be further reduced at the rate of 25%  
19 of the contribution (as reduced for service after June 30,  
20 1998) for each year of the member's total creditable service  
21 in excess of 34 years. The contribution shall not in any  
22 event exceed 20% of that salary rate.

23 The member shall pay to the Fund the amount of the  
24 contribution as calculated at the time of application under  
25 this Section. The amount of the contribution determined  
26 under this subsection shall be recalculated at the time of  
27 retirement, and if the Fund determines that the amount paid  
28 by the member exceeds the recalculated amount, the Fund shall  
29 refund the difference to the member with regular interest  
30 from the date of payment to the date of refund.

31 The contribution required by this subsection shall be  
32 paid in one of the following ways or in a combination of the  
33 following ways that does not extend over more than 5 years:

34 (i) in a lump sum on or before the date of

1 retirement;

2 (ii) in substantially equal installments over a  
3 period of time not to exceed 5 years, as a deduction from  
4 salary in accordance with Section 17-130.2;

5 (iii) ~~if--the--member--becomes--an--annuitant--before~~  
6 ~~June---30,---2003,~~ in substantially equal monthly  
7 installments over a 24-month period, by a deduction from  
8 the annuitant's monthly benefit.

9 (c) If the member fails to make the full contribution  
10 under this Section in a timely fashion, the payments made  
11 under this Section shall be refunded to the member, without  
12 interest. If the member dies before making the full  
13 contribution, the payments made under this Section shall be  
14 refunded to the member's designated beneficiary.

15 (d) For purposes of this Section and subsection (b) of  
16 Section 17-116, optional creditable service established by a  
17 member shall be deemed to have been earned at the time of the  
18 employment or other qualifying event upon which the service  
19 is based, rather than at the time the credit was established  
20 in this Fund.

21 (e) The contributions required under this Section are  
22 the responsibility of the teacher and not the teacher's  
23 employer. However, an employer of teachers may say, after  
24 the effective date of this amendatory Act of 1998,  
25 specifically agree, through collective bargaining or  
26 otherwise, to make the contributions required by this Section  
27 on behalf of those teachers.

28 (Source: P.A. 91-17, eff. 6-4-99; 92-416, eff. 8-17-01;  
29 revised 10-4-01.)

30 (40 ILCS 5/17-121) (from Ch. 108 1/2, par. 17-121)  
31 Sec. 17-121. Survivor's ~~and--Children's~~ pensions -  
32 Eligibility.

33 (a) A surviving spouse of a teacher shall be entitled to

1 a survivor's pension only if the surviving spouse he was  
2 married to the teacher contributor for at least one year  
3 1-1/2--years immediately prior to the teacher's his death or  
4 retirement, ~~whichever first occurs, and also on the date of~~  
5 ~~the last termination of his service.~~

6 The changes made to this subsection (a) by this  
7 amendatory Act of the 92nd General Assembly apply (i) only to  
8 the surviving spouse of a person who dies on or after the  
9 effective date of this amendatory Act, and only if the amount  
10 of any refund of contributions for survivor's pension is  
11 repaid with interest in accordance with subsection (f), and  
12 (ii) notwithstanding Section 17-157 and without regard to  
13 whether the deceased person was in service on or after the  
14 effective date of this amendatory Act.

15 (b) If the surviving spouse is under age 50 and there  
16 are no eligible minor children born to or legally adopted by  
17 the contributor and his or her surviving spouse, payment of  
18 the survivor's pension shall begin when the surviving spouse  
19 attains age 50.

20 (c) Beginning January 1, 2003, the remarriage of a  
21 surviving spouse at any age does not terminate his or her  
22 survivor's pension.

23 A surviving spouse whose survivor's pension (or  
24 expectation of a survivor's pension upon attainment of age  
25 50) was terminated before January 1, 2003 due to remarriage  
26 and who applies for reinstatement of that pension and repays  
27 the amount of any refund of contributions for survivor's  
28 pension with interest in accordance subsection (f) shall be  
29 entitled to have the survivor's pension (or expectation of a  
30 survivor's pension upon attainment of age 50) reinstated.  
31 The reinstated pension shall begin to accrue on the first day  
32 of the month following the month in which the application and  
33 repayment, if any, are received by the Fund, but in no event  
34 sooner than January 1, 2003 and, if subsection (b) applies,

1 no sooner than upon attainment of age 50. The reinstated  
2 pension shall include any one-time or annual increases in the  
3 survivor's pension received prior to the date of termination,  
4 but not any increases that would otherwise have accrued from  
5 the date of termination to the date of reinstatement.

6 This subsection (c) applies notwithstanding Section  
7 17-157 and without regard to whether the deceased teacher was  
8 in service on or after the effective date of this amendatory  
9 Act of the 92nd General Assembly.

10 (d) Except as provided in subsection (c), remarriage of  
11 the surviving spouse prior to September 1, 1983 while in  
12 receipt of a survivor's pension shall permanently terminate  
13 payment thereof, regardless of any subsequent change in  
14 marital status; however, beginning September 1, 1983,  
15 remarriage of a surviving spouse after attainment of age 55  
16 shall not terminate the survivor's pension.

17 A surviving spouse whose pension was terminated on or  
18 after September 1, 1983 due to remarriage after attainment of  
19 age 55, and who applies for reinstatement of that pension  
20 before January 1, 1990, shall be entitled to have the pension  
21 reinstated effective January 1, 1990.

22 (e) A surviving spouse of a member or annuitant under  
23 this Fund who is also a dependent beneficiary under the  
24 provisions of Section 16-140 is eligible for a reciprocal  
25 survivor's pension, provided that any refund of survivor's  
26 pension contributions is repaid to the Fund and application  
27 is made within 30 days after the effective date of this  
28 amendatory Act of the 92nd General Assembly.

29 (f) If a refund of contributions for survivor's pension  
30 has been paid, a person choosing to establish or reestablish  
31 the right to receive a survivor's pension pursuant to the  
32 changes made to this Section by this amendatory Act of the  
33 92nd General Assembly must first repay to the Fund the amount  
34 of the refund of contributions for survivor's pension,

1 together with interest thereon at the rate of 5% per year,  
2 compounded annually, from the date of the refund to the date  
3 of repayment.

4 (Source: P.A. 92-416, eff. 8-17-01.)

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

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

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

29 (2) For time spent on a leave of absence granted by  
30 the employer ~~sabbatical-or-sick-leaves-commencing--on--or~~  
31 ~~after--September-17-19617-and-for-time-spent-on-maternity~~  
32 ~~or-paternity-leaves~~, for which no salaries are paid,  
33 teachers desiring credit therefor shall pay the required

1 contributions at the rates in effect during such periods  
2 as though they were in teaching service. If an Employer  
3 pays salary for vacations which occur during a teacher's  
4 sick leave or maternity or paternity leave without  
5 salary, vacation pay for which the teacher would have  
6 qualified while in active service shall be considered  
7 part of the teacher's total salary for pension purposes.  
8 No more than 36 12 months of ~~sick-leave-or--maternity--or~~  
9 ~~paternity~~ leave credit may be allowed any person during  
10 the entire term of service. Sabbatical leave credit  
11 shall be limited to the time the person on leave without  
12 salary under an Employer's rules is allowed to engage in  
13 an activity for which he receives salary or compensation.

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

19 (4) For service with teacher or labor organizations  
20 authorized by special leaves of absence, for which no  
21 payroll deductions are made by an Employer, teachers  
22 desiring service credit therefor shall contribute to the  
23 Fund upon the basis of the actual salary received from  
24 such organizations at the percentage rates in effect  
25 during such periods for certified positions with such  
26 Employer. To the extent the actual salary exceeds the  
27 regular salary, which shall be defined as the salary  
28 rate, as calculated by the Board, in effect for the  
29 teacher's regular position in teaching service on  
30 September 1, 1983 or on the effective date of the leave  
31 with the organization, whichever is later, the  
32 organization shall pay to the Fund the employer's normal  
33 cost as set by the Board on the increment.

34 (5) For time spent in the military service,



1 teachers entitled to and desiring credit therefor shall  
2 contribute the amount required for each year of service  
3 or fraction thereof at the rates in force (a) at the date  
4 of appointment, or (b) on return to teaching service as a  
5 regularly certified teacher, as the case may be; provided  
6 such rates shall not be less than \$450 per year of  
7 service. These conditions shall apply unless an Employer  
8 elects to and does pay into the Fund the amount which  
9 would have been due from such person had he been employed  
10 as a teacher during such time. In the case of credit for  
11 military service not during the pension period, the  
12 teacher must also pay to the Fund an amount determined by  
13 the Board to be equal to the employer's normal cost of  
14 the benefits accrued from such service, plus interest  
15 thereon at 5% per year, compounded annually, from the  
16 date of appointment to the date of payment.

17 The changes to this Section made by Public Act  
18 87-795 shall apply not only to persons who on or after  
19 its effective date are in service under the Fund, but  
20 also to persons whose status as a teacher terminated  
21 prior to that date, whether or not the person is an  
22 annuitant on that date. In the case of an annuitant who  
23 applies for credit allowable under this Section for a  
24 period of military service that did not immediately  
25 follow employment, and who has made the required  
26 contributions for such credit, the annuity shall be  
27 recalculated to include the additional service credit,  
28 with the increase taking effect on the date the Fund  
29 received written notification of the annuitant's intent  
30 to purchase the credit, if payment of all the required  
31 contributions is made within 60 days of such notice, or  
32 else on the first annuity payment date following the date  
33 of payment of the required contributions. In calculating  
34 the automatic annual increase for an annuity that has

1       been recalculated under this Section, the increase  
2       attributable to the additional service allowable under  
3       this amendatory Act of 1991 shall be included in the  
4       calculation of automatic annual increases accruing after  
5       the effective date of the recalculation.

6               The total credit for military service shall not  
7       exceed 5 years, except that any teacher who on July 1,  
8       1963, had validated credit for more than 5 years of  
9       military service shall be entitled to the total amount of  
10       such credit.

11              (6) A maximum of 244 unused sick days credited to  
12       his account by an Employer on the date of termination of  
13       employment. Members, upon verification of unused sick  
14       days, may add this service time to total creditable  
15       service.

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

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

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

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

14          (Source: P.A. 90-32, eff. 6-27-97; 90-566, eff. 1-2-98.)

15          (40 ILCS 5/17-149) (from Ch. 108 1/2, par. 17-149)

16          Sec. 17-149. Cancellation of pensions.

17          (a) If any person receiving a ~~service--er~~ disability  
 18          retirement pension from the Fund is re-employed as a teacher  
 19          by an Employer, the pension shall be cancelled on the date  
 20          the re-employment begins, or on the first day of a payroll  
 21          period for which service credit was validated, whichever is  
 22          earlier.

23          (b) If any person receiving a service retirement pension  
 24          from the Fund is re-employed as a teacher on a permanent or  
 25          annual basis by an Employer, the pension shall be cancelled  
 26          on the date the re-employment begins, or on the first day of  
 27          a payroll period for which service credit was validated,  
 28          whichever is earlier. However, the pension shall not be  
 29          cancelled in the case of a service retirement pensioner who  
 30          is temporarily re-employed on a temporary and non-annual  
 31          basis for not more than 150 days during any school year or on  
 32          an hourly basis, 7-provided-the--pensioner--does--not--receive  
 33          salary-in-any-school-year-of-an-amount-more-than-that-payable

1 to--a-substitute-teacher-for-150-days'-employment.--A-service  
 2 retirement-pensioner-who-is-temporarily-re-employed--for--not  
 3 more--than--150--days--during-any-school-year-or-on-an-hourly  
 4 basis-shall-be-entitled,-at-the-end-of-the-school-year,-to--a  
 5 refund--of--any--contributions--made--to-the-Fund-during-that  
 6 school-year.

7 If-the-pensioner-does-receive-salary-from-an-Employer--in  
 8 any--school--year--for--more--than--150-days'-employment,-the  
 9 pensioner-shall-be-deemed-to-have-retained-to-service-on--the  
 10 first--day--of--employment--as--a--pensioner-substitute.--The  
 11 pensioner-shall--reimburse--the--Fund--for--pension--payments  
 12 received--after--the--return--to-service-and-shall-pay-to-the  
 13 Fund-the-participant's-contributions--prescribed--in--Section  
 14 17-130-of-this-Article.

15 (c) If the date of re-employment on a permanent or  
 16 annual basis occurs within 5 school months after the date of  
 17 previous retirement, exclusive of any vacation period, the  
 18 member shall be deemed to have been out of service only  
 19 temporarily and not permanently retired. Such person shall  
 20 be entitled to pension payments for the time he could have  
 21 been employed as a teacher and received salary, but shall not  
 22 be entitled to pension for or during the summer vacation  
 23 prior to his return to service.

24 When the member again retires on pension, the time of  
 25 service and the money contributed by him during re-employment  
 26 shall be added to the time and money previously credited.  
 27 Such person must acquire 3 consecutive years of additional  
 28 contributing service before he may retire again on a pension  
 29 at a rate and under conditions other than those in force or  
 30 attained at the time of his previous retirement.

31 (d) Notwithstanding Sections 1-103.1 and 17-157, the  
 32 changes to this Section made by Public this--amendatory Act  
 33 90-32 of---1997--shall apply without regard to whether  
 34 termination of service occurred before the effective date of

1 that this--amendatory Act and shall apply retroactively to  
2 August 23, 1989.

3 Notwithstanding Sections 1-103.1 and 17-157, the changes  
4 to this Section and Section 17-106 made by this amendatory  
5 Act of the 92nd General Assembly apply without regard to  
6 whether termination of service occurred before the effective  
7 date of this amendatory Act.

8 (Source: P.A. 92-416, eff. 8-17-01.)

9 Section 90. The State Mandates Act is amended by adding  
10 Section 8.26 as follows:

11 (30 ILCS 805/8.26 new)

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

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