

AN ACT concerning public employee benefits.

**Be it enacted by the People of the State of Illinois,
represented in the General Assembly:**

Section 10. The Illinois Pension Code is amended by changing Section 7-137 and by adding Section 7-137.2 as follows:

(40 ILCS 5/7-137) (from Ch. 108 1/2, par. 7-137)

Sec. 7-137. Participating and covered employees.

(a) The persons described in this paragraph (a) shall be included within and be subject to this Article and eligible to benefits from this fund, beginning upon the dates hereinafter specified:

1. Except as to the employees specifically excluded under the provisions of this Article, all persons who are employees of any municipality (or instrumentality thereof) or participating instrumentality on the effective date of participation of the municipality or participating instrumentality beginning upon such effective date.

2. Except as to the employees specifically excluded under the provisions of this Article, all persons, who became employees of any participating municipality (or instrumentality thereof) or participating instrumentality after the effective date of participation of such

municipality or participating instrumentality, beginning upon the date such person becomes an employee.

3. All persons who file notice with the board as provided in paragraph (b) 2 and 3 of this Section, beginning upon the date of filing such notice.

(b) The following described persons shall not be considered participating employees eligible for benefits from this fund, but shall be included within and be subject to this Article (each of the descriptions is not exclusive but is cumulative):

1. Any person who occupies an office or is employed in a position normally requiring performance of duty during less than 600 hours a year for a municipality (including all instrumentalities thereof) or a participating instrumentality. If a school treasurer performs services for more than one school district, the total number of hours of service normally required for the several school districts shall be considered to determine whether he qualifies under this paragraph;

2. Except as provided in items 2.5 and 2.6, any ~~Any~~ person who holds elective office unless he has elected while in that office in a written notice on file with the board to become a participating employee;

2.5. Except as provided in item 2.6, any person who holds elective office as a member of a county board, unless:

(i) the person was first elected as a member of a

county board before the effective date of this amendatory Act of the 99th General Assembly;

(ii) the person has elected while in that office, in a written notice on file with the board, to become a participating employee;

(iii) the county board has filed the resolution required by subsection (a) of Section 7-137.2 of this Article; and

(iv) the person has submitted the required time sheets evidencing that the person has met the hourly standard as required by subsection (b) of Section 7-137.2 of this Article;

2.6. Any person who is an elected member of a county board and is first so elected on or after the effective date of this amendatory Act of the 99th General Assembly;

3. Any person working for a city hospital unless any such person, while in active employment, has elected in a written notice on file with the board to become a participating employee and notification thereof is received by the board;

4. Any person who becomes an employee after June 30, 1979 as a public service employment program participant under the federal Comprehensive Employment and Training Act and whose wages or fringe benefits are paid in whole or in part by funds provided under such Act;

5. Any person who is actively employed by a

municipality on its effective date of participation in the Fund if that municipality (i) has at least 35 employees on its effective date of participation; (ii) is located in a county with at least 2,000,000 inhabitants; and (iii) maintains an independent defined benefit pension plan for the benefit of its eligible employees, unless the person files with the board within 90 days after the municipality's effective date of participation an irrevocable election to participate.

(c) Any person electing to be a participating employee, pursuant to paragraph (b) of this Section may not change such election, except as provided in Section 7-137.1.

(d) Any employee who occupied the position of school nurse in any participating municipality on August 8, 1961 and continuously thereafter until the effective date of the exercise of the option authorized by this subparagraph, who on August 7, 1961 was a member of the Teachers' Retirement System of Illinois, by virtue of certification by the Department of Registration and Education as a public health nurse, may elect to terminate participation in this Fund in order to re-establish membership in such System. The election may be exercised by filing written notice thereof with the Board or with the Board of Trustees of said Teachers' Retirement System, not later than September 30, 1963, and shall be effective on the first day of the calendar month next following the month in which the notice was filed. If the written notice is filed with

such Teachers' Retirement System, that System shall immediately notify this Fund, but neither failure nor delay in notification shall affect the validity of the employee's election. If the option is exercised, the Fund shall notify such Teachers' Retirement System of such fact and transfer to that system the amounts contributed by the employee to this Fund, including interest at 3% per annum, but excluding contributions applicable to social security coverage during the period beginning August 8, 1961 to the effective date of the employee's election. Participation in this Fund as to any credits on or after August 8, 1961 and up to the effective date of the employee's election shall terminate on such effective date.

(e) Any participating municipality or participating instrumentality, other than a school district or special education joint agreement created under Section 10-22.31 of the School Code, may, by a resolution or ordinance duly adopted by its governing body, elect to exclude from participation and eligibility for benefits all persons who are employed after the effective date of such resolution or ordinance and who occupy an office or are employed in a position normally requiring performance of duty for less than 1000 hours per year for the participating municipality (including all instrumentalities thereof) or participating instrumentality except for persons employed in a position normally requiring performance of duty for 600 hours or more per year (i) by such participating

municipality or participating instrumentality prior to the effective date of the resolution or ordinance and (ii) by a participating municipality or participating instrumentality, which had not adopted such a resolution when the person was employed, and the function served by the employee's position is assumed by another participating municipality or participating instrumentality. Notwithstanding the foregoing, a participating municipality or participating instrumentality which is formed solely to succeed to the functions of a participating municipality or participating instrumentality shall be considered to have adopted any such resolution or ordinance which may have been applicable to the employees performing such functions. The election made by the resolution or ordinance shall take effect at the time specified in the resolution or ordinance, and once effective shall be irrevocable.

(Source: P.A. 96-1140, eff. 7-21-10; 97-328, eff. 8-12-11; 97-609, eff. 1-1-12.)

(40 ILCS 5/7-137.2 new)

Sec. 7-137.2. Participation by elected members of county boards.

(a) An elected member of a county board is not eligible to participate in the Fund with respect to that position unless the county board has adopted a resolution, after public debate and in a form acceptable to the Fund, certifying that persons

in the position of elected member of the county board are expected to work at least 600 hours annually (or 1000 hours annually in a county that has adopted a resolution pursuant to subsection (e) of Section 7-137 of this Code). The resolution must be adopted and filed with the Fund no more than 90 days after each general election in which a member of the county board is elected.

(b) An elected member of a county board that participates in the Fund with respect to that position shall monthly submit, to the county fiscal officer, time sheets documenting the time spent on official government business as an elected member of the county board. The time sheets shall be (1) submitted on paper or electronically, or both, and (2) maintained by the county board for 5 years. An elected member of a county board who fails to submit time sheets or fails to conduct official government business with respect to that position for either 600 hours or 1000 hours (whichever is applicable) annually shall not be permitted to continue participation in the Fund as an elected member of a county board. The Fund may request that the governing body certify that an elected member of a county board is permitted to continue participation with respect to that position.

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