

1 AN ACT in relation to pensions.

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 5-129.1, 5-132, 5-167.2, 5-167.4, 5-168,
6 6-111, 6-128, 6-128.2, 6-128.4, 6-142, 6-143, 6-151.1, 6-160,
7 6-164, 6-165, 6-210.1, 6-211, 6-222, 8-137, 8-150.1, 8-167,
8 8-172, 8-174, 8-174.1, 8-192, 11-134.1, 11-145.1, 11-163,
9 11-167, 11-170.1, 11-178, 11-181, 12-133, and 12-149 and adding
10 Sections 6-124.1, 6-141.2, 6-210.2, 6-210.3, 8-138.4, 8-138.5,
11 8-172.1, 11-133.3, 11-133.4, 12-133.6, and 12-133.7 as
12 follows:

13 (40 ILCS 5/5-129.1)

14 Sec. 5-129.1. Withdrawal at mandatory retirement age -
15 amount of annuity.

16 (a) In lieu of any annuity provided in the other provisions
17 of this Article, a policeman who is required to withdraw from
18 service on or after January 1, 2000 due to attainment of
19 mandatory retirement age and has at least 10 but less than 20
20 years of service credit may elect to receive an annuity equal
21 to 30% of average salary for the first 10 years of service plus
22 2% of average salary for each completed year of service or
23 fraction thereof in excess of 10, but not to exceed a maximum
24 of 48% of average salary.

25 (b) For the purpose of this Section, "average salary" means
26 the average of the highest 4 consecutive years of salary within
27 the last 10 years of service, or such shorter period as may be
28 used to calculate a minimum retirement annuity under Section
29 5-132.

30 (c) For the purpose of qualifying for the annual increases
31 provided in Section 5-167.1, a policeman whose retirement
32 annuity is calculated under this Section shall be deemed to

1 qualify for a minimum annuity.

2 (d) A policeman with less than 20 years of service credit
3 who was required to withdraw from service on or after January
4 1, 2000 but before June 28, 2002 due to attainment of mandatory
5 retirement age is also entitled to have his or her retirement
6 annuity calculated in accordance with this Section. If payment
7 of the annuity has already begun, the annuity shall be
8 recalculated. The resulting increase, if any, shall accrue from
9 the starting date of the annuity; the amount of the increase
10 relating to the period before the annuity is recalculated shall
11 be paid to the annuitant in a lump sum, without interest.

12 (Source: P.A. 92-599, eff. 6-28-02.)

13 (40 ILCS 5/5-132) (from Ch. 108 1/2, par. 5-132)

14 Sec. 5-132. Minimum annuity. Any policeman who withdraws on
15 or after July 8, 1957, or any policeman transferred to the
16 police service of the city under the Exchange of Functions Act
17 of 1957 who withdraws on or after July 17, 1959, after
18 completing at least 20 years of service, for whom the annuity
19 otherwise provided in this Article is less than that stated in
20 this Section has a right to receive annuity as follows:

21 (a) If he is age 55 or more on withdrawal, his annuity
22 after such withdrawal, shall be equal to 2% of the average
23 salary for 4 consecutive years of highest salaries within the
24 last 10 years of service before withdrawal, for each year of
25 service, together with 1/6 of 1% of such average salary for
26 each complete month of service of each fractional year, but not
27 in excess of 75% of the average annual salary.

28 (b) If he is age 50 or more but less than age 55 on
29 withdrawal, his annuity shall be equal to 2% of the average
30 salary for the 4 highest consecutive years of the last 10 years
31 of service for each year of service, together with 1/16 of 1%
32 of such average salary for each month of each fractional year
33 of service, reduced by 1/2 of 1% for each month that he is less
34 than age 55.

35 (c) If he is less than age 50 on withdrawal, he may, upon

1 attainment of age 50 or over, become entitled to the annuity
2 provided in this Section or, he may, upon application before
3 age 50, receive a refund of the deductions from salary, plus
4 interest at 1 1/2% per annum if he is entitled to refund under
5 Section 5-163.

6 (d) In lieu of the annuity provided in the foregoing
7 provisions of this Section 5-132 any policeman who withdraws
8 from the service after December 31, 1973, after having attained
9 age 53 in the service with 23 or more years of service credit
10 shall be entitled to an annuity computed as follows if such
11 annuity is greater than that provided in the foregoing
12 paragraphs of this Section 5-132: An annuity equal to 50% of
13 the average salary for the 4 highest consecutive years of the
14 last 10 years of service plus additional annuity equal to 2% of
15 such average salary for each completed year of service or
16 fraction thereof rendered after his attainment of age 53 and
17 the completion of 23 years of service.

18 Any policeman who has completed 23 years of service prior
19 to his attainment of age 53 in the service and continues in the
20 service until his attainment of age 53 shall have added to his
21 annuity, computed as provided in the immediately preceding
22 paragraph, an additional annuity equal to 1% of such average
23 salary for each completed year of service or fraction thereof
24 in excess of 23 years up to age 53.

25 (e) In lieu of the annuity provided in the foregoing
26 provisions of this Section any policeman who withdraws from the
27 service either (i) after December 31, 1983 with at least 22
28 years of service credit and having attained age 52 in the
29 service, or (ii) after December 31, 1984 with at least 21 years
30 of service credit and having attained age 51 in the service, or
31 (iii) after December 31, 1985 with at least 20 years of service
32 credit and having attained age 50 in the service, or (iv) after
33 December 31, 1990, with at least 20 years of service credit
34 regardless of age, shall be entitled to an annuity to begin not
35 earlier than upon attainment of age 50 if under such age at
36 withdrawal, computed as follows: an annuity equal to 50% of the

1 average salary for the 4 highest consecutive years of the last
2 10 years of service, plus additional annuity equal to 2% of
3 such average salary for each completed year of service or
4 fraction thereof rendered after his completion of the minimum
5 number of years of service required for him to be eligible
6 under this subsection (e). In lieu of any annuity provided in
7 the foregoing provisions of this Section, any policeman who
8 withdraws from the service after December 31, 2003, with at
9 least 20 years of service credit regardless of age, shall be
10 entitled to an annuity to begin not earlier than upon
11 attainment of age 50, if under that age at withdrawal, equal to
12 2.5% of the average salary for the 4 highest consecutive years
13 of the last 10 years of service for each completed year of
14 service or fraction thereof. However, the annuity provided
15 under this subsection (e) may not exceed 75% of such average
16 salary.

17 (f) A policeman withdrawing after September 1, 1969, may,
18 in addition, be entitled to the benefits provided by Section
19 5-167.1 of this Article if he so qualifies under that Section.

20 If, on withdrawal, total service is less than 20 years, the
21 policeman shall not be entitled to an annuity under this
22 Section but may receive an annuity under the other provisions
23 of this Article or, if entitled thereto under Section 5--163, a
24 refund of the deductions from salary, including, in the case of
25 policemen transferred to the police service of the city under
26 the Exchange of Functions Act of 1957, the additional
27 contribution paid on salary received from August 1, 1957, to
28 July 17, 1959, as provided in the Park Policemen's Annuity Act,
29 together with interest at 1 1/2% per annum.

30 Moneys voluntarily contributed under the Policemen's
31 Annuity and Benefit Fund Act of the Illinois Municipal Code, or
32 the Park Policemen's Annuity Act, shall be refunded to the
33 contributing policemen who were in service on January 1, 1954,
34 or in the case of policemen transferred to the police service
35 of the city under the Exchange of Functions Act of 1957, who
36 were in service on July 17, 1959.

1 The age and service annuity formula in this Section shall
2 not apply to any policeman who, having retired before July 8,
3 1957, or before July 17, 1959, in the case of a policeman
4 transferred under the provisions of the Exchange of Functions
5 Act of 1957, re-enters the police service after such dates,
6 whichever are applicable.

7 (Source: P.A. 86-1488.)

8 (40 ILCS 5/5-167.2) (from Ch. 108 1/2, par. 5-167.2)

9 Sec. 5-167.2. Retirement before September 1, 1967. A
10 retired policeman, qualifying for minimum annuity or who
11 retired from service with 20 or more years of service, before
12 September 1, 1967, shall, in January of the year following the
13 year he attains the age of 65, or in January of the year 1970,
14 if then more than 65 years of age, have his then fixed and
15 payable monthly annuity increased by an amount equal to 2% of
16 the original grant of annuity, for each year the policeman was
17 in receipt of annuity payments after the year in which he
18 attains, or did attain the age of 63. An additional 2% increase
19 in such then fixed and payable original granted annuity shall
20 accrue in each January thereafter. Beginning January 1, 1986,
21 the rate of such increase shall be 3% instead of 2%.

22 The provisions of the preceding paragraph of this Section
23 apply only to a retired policeman eligible for such increases
24 in his annuity who contributes to the Fund a sum equal to \$5
25 for each full year of credited service upon which his annuity
26 was computed. All such sums contributed shall be placed in a
27 Supplementary Payment Reserve and shall be used for the
28 purposes of such Fund account.

29 Beginning with the monthly annuity payment due in July,
30 1982, the fixed and granted monthly annuity payment for any
31 policeman who retired from the service, before September 1,
32 1976, at age 50 or over with 20 or more years of service and
33 entitled to an annuity on January 1, 1974, shall be not less
34 than \$400. It is the intent of the General Assembly that the
35 change made in this Section by this amendatory Act of 1982

1 shall apply retroactively to July 1, 1982.

2 Beginning with the monthly annuity payment due on January
3 1, 1986, the fixed and granted monthly annuity payment for any
4 policeman who retired from the service before January 1, 1986,
5 at age 50 or over with 20 or more years of service, or any
6 policeman who retired from service due to termination of
7 disability and who is entitled to an annuity on January 1,
8 1986, shall be not less than \$475.

9 Beginning with the monthly annuity payment due on January
10 1, 1992, the fixed and granted monthly annuity payment for any
11 policeman who retired from the service before January 1, 1992,
12 at age 50 or over with 20 or more years of service, and for any
13 policeman who retired from service due to termination of
14 disability and who is entitled to an annuity on January 1,
15 1992, shall be not less than \$650.

16 Beginning with the monthly annuity payment due on January
17 1, 1993, the fixed and granted monthly annuity payment for any
18 policeman who retired from the service before January 1, 1993,
19 at age 50 or over with 20 or more years of service, and for any
20 policeman who retired from service due to termination of
21 disability and who is entitled to an annuity on January 1,
22 1993, shall be not less than \$750.

23 Beginning with the monthly annuity payment due on January
24 1, 1994, the fixed and granted monthly annuity payment for any
25 policeman who retired from the service before January 1, 1994,
26 at age 50 or over with 20 or more years of service, and for any
27 policeman who retired from service due to termination of
28 disability and who is entitled to an annuity on January 1,
29 1994, shall be not less than \$850.

30 Beginning with the monthly annuity payment due on January
31 1, 2004, the fixed and granted monthly annuity payment for any
32 policeman who retired from the service before January 1, 2004,
33 at age 50 or over with 20 or more years of service, and for any
34 policeman who retired from service due to termination of
35 disability and who is entitled to an annuity on January 1,
36 2004, shall be not less than \$950.

1 Beginning with the monthly annuity payment due on January
2 1, 2005, the fixed and granted monthly annuity payment for any
3 policeman who retired from the service before January 1, 2005,
4 at age 50 or over with 20 or more years of service, and for any
5 policeman who retired from service due to termination of
6 disability and who is entitled to an annuity on January 1,
7 2005, shall be not less than \$1,050.

8 The difference in amount between the original fixed and
9 granted monthly annuity of any such policeman on the date of
10 his retirement from the service and the monthly annuity
11 provided for in the immediately preceding paragraph shall be
12 paid as a supplement in the manner set forth in the immediately
13 following paragraph.

14 To defray the annual cost of the increases indicated in the
15 preceding part of this Section, the annual interest income
16 accruing from investments held by this Fund, exclusive of gains
17 or losses on sales or exchanges of assets during the year, over
18 and above 4% a year shall be used to the extent necessary and
19 available to finance the cost of such increases for the
20 following year and such amount shall be transferred as of the
21 end of each year beginning with the year 1969 to a Fund account
22 designated as the Supplementary Payment Reserve from the
23 Interest and Investment Reserve set forth in Section 5-207.

24 In the event the funds in the Supplementary Payment Reserve
25 in any year arising from: (1) the interest income accruing in
26 the preceding year above 4% a year and (2) the contributions by
27 retired persons are insufficient to make the total payments to
28 all persons entitled to the annuity specified in this Section
29 and (3) any interest earnings over 4% a year beginning with the
30 year 1969 which were not previously used to finance such
31 increases and which were transferred to the Prior Service
32 Annuity Reserve, may be used to the extent necessary and
33 available to provide sufficient funds to finance such increases
34 for the current year and such sums shall be transferred from
35 the Prior Service Annuity Reserve. In the event the total money
36 available in the Supplementary Payment Reserve from such

1 sources are insufficient to make the total payments to all
2 persons entitled to such increases for the year, a
3 proportionate amount computed as the ratio of the money
4 available to the total of the total payments specified for that
5 year shall be paid to each person for that year.

6 The Fund shall be obligated for the payment of the
7 increases in annuity as provided for in this Section only to
8 the extent that the assets for such purpose are available.

9 (Source: P.A. 91-357, eff. 7-29-99.)

10 (40 ILCS 5/5-167.4) (from Ch. 108 1/2, par. 5-167.4)

11 Sec. 5-167.4. Widow annuitant minimum annuity.

12 (a) Notwithstanding any other provision of this Article,
13 beginning January 1, 1996, the minimum amount of widow's
14 annuity payable to any person who is entitled to receive a
15 widow's annuity under this Article is \$700 per month, without
16 regard to whether the deceased policeman is in service on or
17 after the effective date of this amendatory Act of 1995.

18 Notwithstanding any other provision of this Article,
19 beginning January 1, 1999, the minimum amount of widow's
20 annuity payable to any person who is entitled to receive a
21 widow's annuity under this Article is \$800 per month, without
22 regard to whether the deceased policeman is in service on or
23 after the effective date of this amendatory Act of 1998.

24 Notwithstanding any other provision of this Article,
25 beginning January 1, 2004, the minimum amount of widow's
26 annuity payable to any person who is entitled to receive a
27 widow's annuity under this Article is \$900 per month, without
28 regard to whether the deceased policeman is in service on or
29 after the effective date of this amendatory Act of the 93rd
30 General Assembly.

31 Notwithstanding any other provision of this Article,
32 beginning January 1, 2005, the minimum amount of widow's
33 annuity payable to any person who is entitled to receive a
34 widow's annuity under this Article is \$1,000 per month, without
35 regard to whether the deceased policeman is in service on or

1 after the effective date of this amendatory Act of the 93rd
2 General Assembly.

3 (b) Effective January 1, 1994, the minimum amount of
4 widow's annuity shall be \$700 per month for the following
5 classes of widows, without regard to whether the deceased
6 policeman is in service on or after the effective date of this
7 amendatory Act of 1993: (1) the widow of a policeman who dies
8 in service with at least 10 years of service credit, or who
9 dies in service after June 30, 1981; and (2) the widow of a
10 policeman who withdraws from service with 20 or more years of
11 service credit and does not withdraw a refund, provided that
12 the widow is married to the policeman before he withdraws from
13 service.

14 (c) The city, in addition to the contributions otherwise
15 made by it under the other provisions of this Article, shall
16 make such contributions as are necessary for the minimum
17 widow's annuities provided under this Section in the manner
18 prescribed in Section 5-175.

19 (Source: P.A. 89-12, eff. 4-20-95; 90-766, eff. 8-14-98.)

20 (40 ILCS 5/5-168) (from Ch. 108 1/2, par. 5-168)

21 Sec. 5-168. Financing.

22 (a) Except as expressly provided in this Section, the city
23 shall levy a tax annually upon all taxable property therein for
24 the purpose of providing revenue for the fund.

25 The tax shall be at a rate that will produce a sum which,
26 when added to the amounts deducted from the policemen's
27 salaries and the amounts deposited in accordance with
28 subsection (g), is sufficient for the purposes of the fund.

29 For the years 1968 and 1969, the city council shall levy a
30 tax annually at a rate on the dollar of the assessed valuation
31 of all taxable property that will produce, when extended, not
32 to exceed \$9,700,000. Beginning with the year 1970 and each
33 year thereafter the city council shall levy a tax annually at a
34 rate on the dollar of the assessed valuation of all taxable
35 property that will produce when extended an amount not to

1 exceed the total amount of contributions by the policemen to
2 the Fund made in the calendar year 2 years before the year for
3 which the applicable annual tax is levied, multiplied by 1.40
4 for the tax levy year 1970; by 1.50 for the year 1971; by 1.65
5 for 1972; by 1.85 for 1973; by 1.90 for 1974; by 1.97 for 1975
6 through 1981; by 2.00 for 1982 and for each year thereafter.

7 (b) The tax shall be levied and collected in like manner
8 with the general taxes of the city, and is in addition to all
9 other taxes which the city is now or may hereafter be
10 authorized to levy upon all taxable property therein, and is
11 exclusive of and in addition to the amount of tax the city is
12 now or may hereafter be authorized to levy for general purposes
13 under any law which may limit the amount of tax which the city
14 may levy for general purposes. The county clerk of the county
15 in which the city is located, in reducing tax levies under
16 Section 8-3-1 of the Illinois Municipal Code, shall not
17 consider the tax herein authorized as a part of the general tax
18 levy for city purposes, and shall not include the tax in any
19 limitation of the percent of the assessed valuation upon which
20 taxes are required to be extended for the city.

21 (c) On or before January 10 of each year, the board shall
22 notify the city council of the requirement that the tax herein
23 authorized be levied by the city council for that current year.
24 The board shall compute the amounts necessary for the purposes
25 of this fund to be credited to the reserves established and
26 maintained within the fund; shall make an annual determination
27 of the amount of the required city contributions; and shall
28 certify the results thereof to the city council.

29 As soon as any revenue derived from the tax is collected it
30 shall be paid to the city treasurer of the city and shall be
31 held by him for the benefit of the fund in accordance with this
32 Article.

33 (d) If the funds available are insufficient during any year
34 to meet the requirements of this Article, the city may issue
35 tax anticipation warrants against the tax levy for the current
36 fiscal year.

1 (e) The various sums, including interest, to be contributed
2 by the city, shall be taken from the revenue derived from such
3 tax or otherwise as expressly provided in this Section. Any
4 moneys of the city derived from any source other than the tax
5 herein authorized shall not be used for any purpose of the fund
6 nor the cost of administration thereof, unless applied to make
7 the deposit expressly authorized in this Section or the
8 additional city contributions required under subsection (h).

9 (f) If it is not possible or practicable for the city to
10 make its contributions at the time that salary deductions are
11 made, the city shall make such contributions as soon as
12 possible thereafter, with interest thereon to the time it is
13 made.

14 (g) In lieu of levying all or a portion of the tax required
15 under this Section in any year, the city may deposit with the
16 city treasurer no later than March 1 of that year for the
17 benefit of the fund, to be held in accordance with this
18 Article, an amount that, together with the taxes levied under
19 this Section for that year, is not less than the amount of the
20 city contributions for that year as certified by the board to
21 the city council. The deposit may be derived from any source
22 legally available for that purpose, including, but not limited
23 to, the proceeds of city borrowings. The making of a deposit
24 shall satisfy fully the requirements of this Section for that
25 year to the extent of the amounts so deposited. Amounts
26 deposited under this subsection may be used by the fund for any
27 of the purposes for which the proceeds of the tax levied under
28 this Section may be used, including the payment of any amount
29 that is otherwise required by this Article to be paid from the
30 proceeds of that tax.

31 (h) In addition to the contributions required under the
32 other provisions of this Article, by November 1 of the
33 following specified years, the city shall deposit with the city
34 treasurer for the benefit of the fund, to be held and used in
35 accordance with this Article, the following specified amounts:
36 \$6,300,000 in 1999; \$5,880,000 in 2000; \$5,460,000 in 2001;

1 \$5,040,000 in 2002; and \$4,620,000 in 2003; ~~\$4,200,000 in 2004;~~
2 ~~\$3,780,000 in 2005; \$3,360,000 in 2006; \$2,940,000 in 2007;~~
3 ~~\$2,520,000 in 2008; \$2,100,000 in 2009; \$1,680,000 in 2010;~~
4 ~~\$1,260,000 in 2011; \$840,000 in 2012; and \$420,000 in 2013.~~

5 The additional city contributions required under this
6 subsection are intended to decrease the unfunded liability of
7 the fund and shall not decrease the amount of the city
8 contributions required under the other provisions of this
9 Article. The additional city contributions made under this
10 subsection may be used by the fund for any of its lawful
11 purposes.

12 (Source: P.A. 89-12, eff. 4-20-95; 90-766, eff. 8-14-98.)

13 (40 ILCS 5/6-111) (from Ch. 108 1/2, par. 6-111)

14 Sec. 6-111. Salary. "Salary": Subject to Section 6-211, the
15 annual salary of a fireman, as follows:

16 (a) For age and service annuity, minimum annuity, and
17 disability benefits, the actual amount of the annual salary,
18 except as otherwise provided in this Article.

19 (b) For prior service annuity, widow's annuity, widow's
20 prior service annuity and child's annuity to and including
21 August 31, 1957, the amount of the annual salary up to a
22 maximum of \$3,000.

23 (c) Except as otherwise provided in Section 6-141.1, for
24 widow's annuity, beginning September 1, 1957, the amount of
25 annual salary up to a maximum of \$6,000.

26 (d) "Salary" means the actual amount of the annual salary
27 attached to the permanent career service rank held by the
28 fireman, except as provided in subsection (e).

29 (e) In the case of a fireman who holds an exempt position
30 above career service rank:

31 (1) For the purpose of computing employee and city
32 contributions, "salary" means the actual salary attached
33 to the exempt rank position held by the fireman.

34 (2) For the purpose of computing benefits: "salary"
35 means the actual salary attached to the exempt rank

1 position held by the fireman, if (i) the contributions
2 specified in Section 6-211 have been made, (ii) the fireman
3 has held one or more exempt positions for at least 5
4 consecutive years and has held the rank of battalion chief
5 or field officer for at least 5 years during the exempt
6 period, and (iii) the fireman was born before 1955;
7 otherwise, "salary" means the salary attached to the
8 permanent career service rank held by the fireman, as
9 provided in subsection (d).

10 (f) Beginning on the effective date of this amendatory Act
11 of the 93rd General Assembly, and for any prior periods for
12 which contributions have been paid under subsection (g) of this
13 Section, all salary payments made to any active or former
14 fireman who holds or previously held the permanent assigned
15 position or classified career service rank, grade, or position
16 of ambulance commander shall be included as salary for all
17 purposes under this Article.

18 (g) Any active or former fireman who held the permanent
19 assigned position or classified career service rank, grade, or
20 position of ambulance commander may elect to have the full
21 amount of the salary attached to that permanent assigned
22 position or classified career service rank, grade, or position
23 included in the calculation of his or her salary for any period
24 during which the fireman held the permanent assigned position
25 or classified career service rank, grade, or position of
26 ambulance commander by applying in writing and making all
27 employee and employer contributions, without interest, related
28 to the actual salary payments corresponding to the permanent
29 assigned position or classified career service rank, grade, or
30 position of ambulance commander for all periods beginning on or
31 after January 1, 1995. All applicable contributions must be
32 paid in full to the Fund before January 1, 2006 before the
33 payment of any benefit under this subsection (g) will be made.

34 Any former fireman or widow of a fireman who (i) held the
35 permanent assigned position or classified career service rank,
36 grade, or position of ambulance commander, (ii) is in receipt

1 of annuity on the effective date of this amendatory Act of the
2 93rd General Assembly, and (iii) pays to the Fund contributions
3 under this subsection (g) for salary payments at the permanent
4 assigned position or classified career service rank, grade, or
5 position of ambulance commander shall have his or her annuity
6 recalculated to reflect the ambulance commander salary and the
7 resulting increase shall become payable on the next annuity
8 payment date following the date the contribution is received by
9 the Fund.

10 In the case of an active or former fireman who (i) dies
11 before January 1, 2006 without making an election under this
12 subsection and (ii) was eligible to make an election under this
13 subsection at the time of death (or would have been eligible
14 had the death occurred after the effective date of this
15 amendatory Act), any surviving spouse, child, or parent of the
16 fireman who is eligible to receive a benefit under this Article
17 based on the fireman's salary may make that election and pay
18 the required contributions on behalf of the deceased fireman.
19 If the death occurs within the 30 days immediately preceding
20 January 1, 2006, the deadline for application and payment is
21 extended to January 31, 2006.

22 Any portion of the compensation received for service as an
23 ambulance commander for which the corresponding contributions
24 have not been paid shall not be included in the calculation of
25 salary.

26 (h) Beginning January 1, 1999, with respect to a fireman
27 who is licensed by the State as an Emergency Medical
28 Technician, references in this Article to the fireman's salary
29 or the salary attached to or appropriated for the permanent
30 assigned position or classified career service rank, grade, or
31 position of the fireman shall be deemed to include any
32 additional compensation payable to the fireman by virtue of
33 being licensed as an Emergency Medical Technician, as provided
34 under a collective bargaining agreement with the city.

35 (i) Beginning on the effective date of this amendatory Act
36 of the 93rd General Assembly (and for any period prior to that

1 date for which contributions have been paid under subsection
2 (j) of this Section), the salary of a fireman, as calculated
3 for any purpose under this Article, shall include any duty
4 availability pay received by the fireman (i) pursuant to a
5 collective bargaining agreement or (ii) pursuant to an
6 appropriation ordinance in an amount equivalent to the amount
7 of duty availability pay received by other firemen pursuant to
8 a collective bargaining agreement, and references in this
9 Article to the salary attached to or appropriated for the
10 permanent assigned position or classified career service rank,
11 grade, or position of the fireman shall be deemed to include
12 that duty availability pay.

13 (j) An active or former fireman who received duty
14 availability pay at any time after December 31, 1994 and before
15 the effective date of this amendatory Act of the 93rd General
16 Assembly and who either (1) retired during that period or (2)
17 had attained age 46 and at least 16 years of service by the
18 effective date of this amendatory Act may elect to have that
19 duty availability pay included in the calculation of his or her
20 salary for any portion of that period for which the pay was
21 received, by applying in writing and paying to the Fund, before
22 January 1, 2006, the corresponding employee contribution,
23 without interest.

24 In the case of an applicant who is receiving an annuity at
25 the time the application and contribution are received by the
26 Fund, the annuity shall be recalculated and the resulting
27 increase shall become payable on the next annuity payment date
28 following the date the contribution is received by the Fund.

29 In the case of an active or former fireman who (i) dies
30 before January 1, 2006 without making an election under this
31 subsection and (ii) was eligible to make an election under this
32 subsection at the time of death (or would have been eligible
33 had the death occurred after the effective date of this
34 amendatory Act), any surviving spouse, child, or parent of the
35 fireman who is eligible to receive a benefit under this Article
36 based on the fireman's salary may make that election and pay

1 the required contribution on behalf of the deceased fireman. If
2 the death occurs within the 30 days immediately preceding
3 January 1, 2006, the deadline for application and payment is
4 extended to January 31, 2006.

5 Any duty availability pay for which the corresponding
6 employee contribution has not been paid shall not be included
7 in the calculation of salary.

8 (k) The changes to this Section made by this amendatory Act
9 of the 93rd General Assembly are not limited to firemen in
10 service on or after the effective date of this amendatory Act.

11 (Source: P.A. 83-1362.)

12 (40 ILCS 5/6-124.1 new)

13 Sec. 6-124.1. Withdrawal at compulsory retirement age -
14 amount of annuity.

15 (a) In lieu of any annuity provided in the other provisions
16 of this Article, a fireman who is required to withdraw from
17 service due to attainment of compulsory retirement age and has
18 at least 10 but less than 20 years of service credit may elect
19 to receive an annuity equal to 30% of average salary for the
20 first 10 years of service plus 2% of average salary for each
21 completed year of service or remaining fraction thereof in
22 excess of 10, but not to exceed a maximum of 50% of average
23 salary.

24 (b) For the purpose of this Section, "average salary" means
25 the average of the fireman's highest 4 consecutive years of
26 salary within the last 10 years of service.

27 (c) For the purpose of qualifying for the annual increases
28 provided in Section 6-164, a fireman whose retirement annuity
29 is calculated under this Section shall be deemed to qualify for
30 a minimum annuity.

31 (40 ILCS 5/6-128) (from Ch. 108 1/2, par. 6-128)

32 Sec. 6-128. (a) A future entrant who withdraws on or after
33 July 21, 1959, after completing at least 23 years of service,
34 and for whom the annuity otherwise provided in this Article is

1 less than that stated in this Section, has a right to receive
2 annuity as follows:

3 If he is age 53 or more on withdrawal, his annuity after
4 withdrawal, shall be equal to 50% of his average salary
5 ~~determined by striking an average of 4 consecutive highest~~
6 ~~years of salary within the last 10 years of service immediately~~
7 ~~preceding the date of withdrawal.~~

8 An employee who reaches compulsory retirement age and who
9 has less than 23 years of service shall be entitled to a
10 minimum annuity equal to an amount determined by the product of
11 (1) his years of service and (2) 2% of his average salary ~~for~~
12 ~~the 4 consecutive highest years of salary within the last 10~~
13 ~~years of service immediately prior to his reaching compulsory~~
14 ~~retirement age.~~

15 An employee who remains in service after qualifying for
16 annuity under this Section shall have added to this annuity an
17 additional 1% of average salary for each completed year of
18 service or fraction thereof rendered until July 21, 1959, and
19 an additional 1% for a total of 2% of average salary from July
20 21, 1959. Each future entrant who has completed 23 years of
21 service before reaching age 53 shall have added to this annuity
22 1% of average salary for each completed year of service or
23 fraction thereof in excess of 23 years up to age 53. ~~"Salary"~~
24 ~~as referred to in this paragraph shall be determined by~~
25 ~~striking an average of the 4 consecutive highest years of~~
26 ~~salary within the last 10 years of service immediately~~
27 ~~preceding withdrawal.~~

28 (b) In lieu of the annuity provided in the foregoing
29 provisions of this Section any future entrant who withdraws
30 from the service either (i) after December 31, 1983 with at
31 least 22 years of service credit and having attained age 52 in
32 the service, or (ii) after December 31, 1984 with at least 21
33 years of service credit and having attained age 51 in the
34 service, or (iii) after December 31, 1985 with at least 20
35 years of service credit and having attained age 50 in the
36 service, or (iv) after December 31, 1990 with at least 20 years

1 of service regardless of age, may elect to receive an annuity,
2 to begin not earlier than upon attainment of age 50 if under
3 that age at withdrawal, computed as follows: an annuity equal
4 to 50% of ~~the~~ average salary ~~for the 4 highest consecutive~~
5 ~~years of the last 10 years of service~~, plus additional annuity
6 equal to 2% of ~~such~~ average salary for each completed year of
7 service or fraction thereof rendered after his completion of
8 the minimum number of years of service required for him to be
9 eligible under this subsection (b). However, the annuity
10 provided under this subsection (b) may not exceed 75% of ~~such~~
11 average salary.

12 (c) In lieu of the annuity provided in any other provision
13 of this Section, a future entrant who withdraws from service
14 after the effective date of this amendatory Act of the 93rd
15 General Assembly with at least 20 years of service may elect to
16 receive an annuity, to begin no earlier than upon attainment of
17 age 50 if under that age at withdrawal, equal to 50% of average
18 salary plus 2.5% of average salary for each completed year of
19 service or fraction thereof over 20, but not to exceed 75% of
20 average salary.

21 (d) For the purpose of this Section, "average salary" means
22 the average of the highest 4 consecutive years of salary within
23 the last 10 years of service.

24 (Source: P.A. 86-1488.)

25 (40 ILCS 5/6-128.2) (from Ch. 108 1/2, par. 6-128.2)

26 Sec. 6-128.2. Minimum retirement annuities.

27 (a) Beginning with the monthly payment due in January,
28 1988, the monthly annuity payment for any person who is
29 entitled to receive a retirement annuity under this Article in
30 January, 1990 and has retired from service at age 50 or over
31 with 20 or more years of service, and for any person who
32 retires from service on or after January 24, 1990 at age 50 or
33 over with 20 or more years of service, shall not be less than
34 \$475 per month. The \$475 minimum annuity is exclusive of any
35 automatic annual increases provided by Sections 6-164 and

1 6-164.1, but not exclusive of previous raises in the minimum
2 annuity as provided by any Section of this Article.

3 Beginning January 1, 1992, the minimum retirement annuity
4 payable to any person who has retired from service at age 50 or
5 over with 20 or more years of service and is entitled to
6 receive a retirement annuity under this Article on that date,
7 or who retires from service at age 50 or over with 20 or more
8 years of service after that date, shall be \$650 per month.

9 Beginning January 1, 1993, the minimum retirement annuity
10 payable to any person who has retired from service at age 50 or
11 over with 20 or more years of service and is entitled to
12 receive a retirement annuity under this Article on that date,
13 or who retires from service at age 50 or over with 20 or more
14 years of service after that date, shall be \$750 per month.

15 Beginning January 1, 1994, the minimum retirement annuity
16 payable to any person who has retired from service at age 50 or
17 over with 20 or more years of service and is entitled to
18 receive a retirement annuity under this Article on that date,
19 or who retires from service at age 50 or over with 20 or more
20 years of service after that date, shall be \$850 per month.

21 Beginning January 1, 2004, the minimum retirement annuity
22 payable to any person who has retired from service at age 50 or
23 over with 20 or more years of service and is entitled to
24 receive a retirement annuity under this Article on that date,
25 or who retires from service at age 50 or over with 20 or more
26 years of service after that date, shall be \$950 per month.

27 Beginning January 1, 2005, the minimum retirement annuity
28 payable to any person who has retired from service at age 50 or
29 over with 20 or more years of service and is entitled to
30 receive a retirement annuity under this Article on that date,
31 or who retires from service at age 50 or over with 20 or more
32 years of service after that date, shall be \$1,050 per month.

33 The minimum annuities established by this subsection (a) do
34 include previous raises in the minimum annuity as provided by
35 any Section of this Article, but do not include any sums which
36 have been added or will be added to annuity payments by the

1 automatic annual increases provided by Sections 6-164 and
2 6-164.1. Such annual increases shall be paid in addition to the
3 minimum amounts specified in this subsection.

4 (b) Notwithstanding any other provision of this Article,
5 beginning January 1, 1990, the minimum retirement annuity
6 payable to any person who is entitled to receive a retirement
7 annuity under this Article on that date shall be \$475 per
8 month.

9 (c) The changes made to this Section by this amendatory Act
10 of the 93rd General Assembly shall apply to all persons
11 receiving a retirement annuity under this Article, without
12 regard to whether the retirement of the fireman occurred prior
13 to the effective date of this amendatory Act ~~of 1993~~.

14 (Source: P.A. 86-273; 86-1027; 86-1028; 86-1475; 87-849;
15 87-1265.)

16 (40 ILCS 5/6-128.4) (from Ch. 108 1/2, par. 6-128.4)
17 Sec. 6-128.4. Minimum widow's annuities.

18 (a) Notwithstanding any other provision of this Article,
19 beginning January 1, 1996, the minimum amount of widow's
20 annuity payable to any person who is entitled to receive a
21 widow's annuity under this Article is \$700 per month, without
22 regard to whether the deceased fireman is in service on or
23 after the effective date of this amendatory Act of 1995.

24 (b) Notwithstanding Section 6-128.3, beginning January 1,
25 1994, the minimum widow's annuity under this Article shall be
26 \$700 per month for (1) all persons receiving widow's annuities
27 on that date who are survivors of employees who retired at age
28 50 or over with at least 20 years of service, and (2) persons
29 who become eligible for widow's annuities and are survivors of
30 employees who retired at age 50 or over with at least 20 years
31 of service.

32 (c) Notwithstanding Section 6-128.3, beginning January 1,
33 1999, the minimum widow's annuity under this Article shall be
34 \$800 per month for (1) all persons receiving widow's annuities
35 on that date who are survivors of employees who retired at age

1 50 or over with at least 20 years of service, and (2) persons
2 who become eligible for widow's annuities and are survivors of
3 employees who retired at age 50 or over with at least 20 years
4 of service.

5 (d) Notwithstanding Section 6-128.3, beginning January 1,
6 2004, the minimum widow's annuity under this Article shall be
7 \$900 per month for all persons receiving widow's annuities on
8 or after that date, without regard to whether the deceased
9 fireman is in service on or after the effective date of this
10 amendatory Act of the 93rd General Assembly.

11 (e) Notwithstanding Section 6-128.3, beginning January 1,
12 2005, the minimum widow's annuity under this Article shall be
13 \$1,000 per month for all persons receiving widow's annuities on
14 or after that date, without regard to whether the deceased
15 fireman is in service on or after the effective date of this
16 amendatory Act of the 93rd General Assembly.

17 (Source: P.A. 89-136, eff. 7-14-95; 90-766, eff. 8-14-98.)

18 (40 ILCS 5/6-141.2 new)

19 Sec. 6-141.2. Minimum annuity for certain widows.
20 Notwithstanding the other provisions of this Article, the
21 widow's annuity payable to the widow of a fireman who dies on
22 or after July 1, 1997 while an active fireman with at least 10
23 years of creditable service shall be no less than 50% of the
24 retirement annuity that the deceased fireman would have been
25 eligible to receive if he had attained age 50 and 20 years of
26 service on the day before his death and retired on that day. In
27 the case of a widow's annuity that is payable on the effective
28 date of this amendatory Act of the 93rd General Assembly, the
29 increase provided by this Section, if any, shall begin to
30 accrue on the first annuity payment date following that
31 effective date.

32 (40 ILCS 5/6-142) (from Ch. 108 1/2, par. 6-142)

33 Sec. 6-142. Wives and widows not entitled to annuities.

34 (A) Except as provided in subsection (B), the following

1 wives or widows have no right to annuity from the fund:

2 (a) A wife or widow married subsequent to the effective
3 date of a fireman who dies in service if she was not married to
4 him before he attained age 63;

5 (b) A wife or widow of a fireman who withdraws, whether or
6 not he enters upon annuity, and dies while out of service, if
7 the marriage occurred after the effective date and she was not
8 his wife while he was in service and before he attained age 63;

9 (c) A wife or widow of a fireman who (1) has served 10 or
10 more years, (2) dies out of service after he has withdrawn from
11 service, and (3) has withdrawn or applied for refund of the
12 sums to his credit for annuity to which he had a right to
13 refund;

14 (d) A wife or widow of a fireman who dies out of service
15 after he has withdrawn before age 63, and who has not served at
16 least 10 years;

17 (e) A wife whose marriage was dissolved or widow of a
18 fireman whose judgment of dissolution of marriage from her
19 fireman husband is annulled, vacated or set aside by
20 proceedings in court subsequent to the death of the fireman,
21 unless (1) such proceedings are filed within 5 years after the
22 date of the dissolution of marriage and within one year after
23 the death of the fireman and (2) the board is made a party to
24 the proceedings;

25 (f) A wife or widow who married the fireman while he was in
26 receipt of disability benefit or disability pension from this
27 fund, unless he returned to the service subsequent to the
28 marriage and remained therein for a period or periods
29 aggregating one year, or died while in service.

30 (B) Beginning on the effective date of this amendatory Act
31 of the 93rd General Assembly, the limitation on marriage after
32 withdrawal under subdivision (A)(b) and the limitation on
33 marriage during disability under subdivision (A)(f) no longer
34 apply to a widow who was married to the deceased fireman before
35 the fireman begins to receive a retirement annuity and for at
36 least one year immediately preceding the date of death,

1 regardless of whether the deceased fireman is in service on or
2 after the effective date of this amendatory Act of the 93rd
3 General Assembly; except that this subsection (B) does not
4 apply to the widow of a fireman who received a refund of
5 contributions for widow's annuity under Section 6-160, unless
6 the refund is repaid to the Fund, with interest at the rate of
7 4% per year, compounded annually, from the date of the refund
8 to the date of repayment. If the widow of a fireman who died
9 before the effective date of this amendatory Act becomes
10 eligible for a widow's annuity because of this amendatory Act,
11 the annuity shall begin to accrue on the date of application
12 for the annuity, but in no event sooner than the effective date
13 of this amendatory Act.

14 (Source: P.A. 81-230.)

15 (40 ILCS 5/6-143) (from Ch. 108 1/2, par. 6-143)

16 Sec. 6-143. Widow's remarriage.

17 (a) Beginning on the effective date of this amendatory Act
18 of the 93rd General Assembly, a widow's annuity shall no longer
19 be subject to termination or suspension under this Section due
20 to remarriage. Any widow's annuity that was previously
21 terminated or suspended under this Section by reason of
22 remarriage shall, upon application, be resumed as of the date
23 of the application, but in no event sooner than the effective
24 date of this amendatory Act. The resumption shall not be
25 retroactive. This subsection (a) applies regardless of whether
26 or not the deceased fireman was in service on or after the
27 effective date of this amendatory Act.

28 (b) This subsection (b) does not apply on or after the
29 effective date of this amendatory Act of the 93rd General
30 Assembly.

31 Any annuity granted to a widow who remarries on or after
32 December 31, 1989 shall be suspended when she remarries, unless
33 (i) she remarries after attaining the age of 60 regardless of
34 whether or not the deceased fireman was in service on or after
35 the effective date of this amendatory Act of 1995 or (ii) she

1 has been granted a Section 6-140 annuity as the widow of a
2 fireman killed in performance of duty. An annuity suspended
3 under this Section shall, upon application, be resumed if the
4 subsequent marriage ends by dissolution of marriage,
5 declaration of invalidity of marriage, or the death of the
6 husband; this resumption shall not be retroactive.

7 If a widow remarries after attaining age 60 or after she
8 has been granted an annuity under Section 6-140 and the
9 remarriage takes place after December 31, 1989, regardless of
10 whether or not the deceased fireman was in service on or after
11 the effective date of this amendatory Act of 1995, the widow's
12 annuity shall continue without interruption.

13 Any widow's annuity that was previously terminated by
14 reason of remarriage prior to December 31, 1989 or suspended
15 shall, upon application, be resumed, as of the date of the
16 application, if the subsequent marriage ended by dissolution of
17 marriage, declaration of invalidity of marriage, or the death
18 of the husband, regardless of whether or not the deceased
19 fireman was in service on the effective date of this amendatory
20 Act of 1995; this resumption shall not be retroactive.

21 When a widow dies, if she has not received, in the form of
22 an annuity, an amount equal to the accumulated employee
23 contributions for widow's annuity, the difference between such
24 accumulated contributions and the sum received by her, along
25 with any part of the accumulated contributions for age and
26 service annuity remaining in the fund at her death, shall be
27 refunded to the fireman's children, in equal parts to each;
28 except that if a child is less than age 18, the part of any such
29 amount that is required to pay an annuity to the child shall be
30 transferred to the child's annuity reserve. If no children or
31 descendants thereof survive the fireman, the refund shall be
32 paid to the estate of the fireman. In making refunds under this
33 Section, no interest shall be considered upon either the total
34 of annuity payments made or the amounts subject to refund.

35 (Source: P.A. 89-136, eff. 7-14-95.)

1 (40 ILCS 5/6-151.1) (from Ch. 108 1/2, par. 6-151.1)

2 Sec. 6-151.1. The General Assembly finds and declares that
3 service in the Fire Department requires that firemen, in times
4 of stress and danger, must perform unusual tasks; that by
5 reason of their occupation, firemen are subject to exposure to
6 great heat and to extreme cold in certain seasons while in
7 performance of their duties; that by reason of their employment
8 firemen are required to work in the midst of and are subject to
9 heavy smoke fumes, and carcinogenic, poisonous, toxic or
10 chemical gases from fires; and that in the course of their
11 rescue and paramedic duties firemen are exposed to disabling
12 infectious diseases, including AIDS, hepatitis C, and stroke.
13 The General Assembly further finds and declares that all the
14 aforementioned conditions exist and arise out of or in the
15 course of such employment.

16 Any active fireman who has completed 7 ~~ten~~ or more years of
17 service and is unable to perform his duties in the Fire
18 Department by reason of heart disease, tuberculosis, ~~or~~ any
19 disease of the lungs or respiratory tract, AIDS, hepatitis C,
20 or stroke resulting ~~solely~~ from his service as a fireman, shall
21 be entitled to receive an occupational disease disability
22 benefit during any period of such disability for which he does
23 not have a right to receive salary.

24 Any active fireman who has completed 7 ~~ten~~ or more years of
25 service and is unable to perform his duties in the fire
26 department by reason of a disabling cancer, which develops or
27 manifests itself during a period while the fireman is in the
28 service of the department, shall be entitled to receive an
29 occupational disease disability benefit during any period of
30 such disability for which he does not have a right to receive
31 salary. In order to receive this occupational disease
32 disability benefit, the type of cancer involved must be a type
33 which may be caused by exposure to heat, radiation or a known
34 carcinogen as defined by the International Agency for Research
35 on Cancer.

36 Any fireman who shall enter the service after the effective

1 date of this amendatory Act shall be examined by one or more
2 practicing physicians appointed by the Board, and if that said
3 examination discloses impairment of the heart, lungs, or
4 respiratory tract, or the existence of AIDS, hepatitis C,
5 stroke, or any cancer, then the such fireman shall not be
6 entitled to receive an occupational disease disability benefit
7 unless and until a subsequent examination reveals no such
8 impairment, AIDS, hepatitis C, stroke, or cancer.

9 The occupational disease disability benefit shall be 65% of
10 the fireman's salary at the time of his removal from the
11 Department payroll. However, beginning January 1, 1994, no
12 occupational disease disability benefit that has been payable
13 under this Section for at least 10 years shall be less than 50%
14 of the current salary attached from time to time to the rank
15 and grade held by the fireman at the time of his removal from
16 the Department payroll, regardless of whether that removal
17 occurred before the effective date of this amendatory Act of
18 1993.

19 Such fireman also shall have a right to receive child's
20 disability benefit of \$30 per month on account of each
21 unmarried child who is less than 18 years of age or
22 handicapped, dependent upon the fireman for support, and either
23 the issue of the fireman or legally adopted by him. The total
24 amount of child's disability benefit payable to the fireman,
25 when added to his occupational disease disability benefit,
26 shall not exceed 75% of the amount of salary which he was
27 receiving at the time of the grant of occupational disease
28 disability benefit.

29 The first payment of occupational disease disability
30 benefit or child's disability benefit shall be made not later
31 than one month after the benefit is granted. Each subsequent
32 payment shall be made not later than one month after the date
33 of the latest payment.

34 Occupational disease disability benefit shall be payable
35 during the period of the disability until the fireman reaches
36 the age of compulsory retirement. Child's disability benefit

1 shall be paid to such a fireman during the period of disability
2 until such child or children attain age 18 or marry, whichever
3 event occurs first; except that attainment of age 18 by a child
4 who is so physically or mentally handicapped as to be dependent
5 upon the fireman for support, shall not render the child
6 ineligible for child's disability benefit. The fireman
7 thereafter shall receive such annuity or annuities as are
8 provided for him in accordance with other provisions of this
9 Article.

10 (Source: P.A. 88-528.)

11 (40 ILCS 5/6-160) (from Ch. 108 1/2, par. 6-160)

12 Sec. 6-160. Refund - Widow's annuity contributions. When a
13 fireman attains age 63 in service and is not then married, or
14 when an unmarried fireman withdraws before age 63 and enters
15 upon annuity, his contributions for widow's annuity shall then
16 be refunded to him, upon request. A refund under this Section
17 may be repaid as provided in Section 6-142(B).

18 (Source: P.A. 81-1536.)

19 (40 ILCS 5/6-164) (from Ch. 108 1/2, par. 6-164)

20 Sec. 6-164. Automatic annual increase; retirement after
21 September 1, 1959.

22 (a) A fireman qualifying for a minimum annuity who retires
23 from service after September 1, 1959 shall, upon either the
24 first of the month following the first anniversary of his date
25 of retirement if he is age 60 (age 55 if born before January 1,
26 1955 ~~1945~~) or over on that anniversary date, or upon the first
27 of the month following his attainment of age 60 (age 55 if born
28 before January 1, 1955 ~~1945~~) if that occurs after the first
29 anniversary of his retirement date, have his then fixed and
30 payable monthly annuity increased by 1 1/2%, and such first
31 fixed annuity as granted at retirement increased by an
32 additional 1 1/2% in January of each year thereafter up to a
33 maximum increase of 30%. Beginning July 1, 1982 for firemen
34 born before January 1, 1930, and beginning January 1, 1990 for

1 firemen born after December 31, 1929 and before January 1,
2 1940, and beginning January 1, 1996 for firemen born after
3 December 31, 1939 but before January 1, 1945, and beginning
4 January 1, 2004, for firemen born after December 31, 1944 but
5 before January 1, 1955, such increases shall be 3% and such
6 firemen shall not be subject to the 30% maximum increase.

7 Any fireman born before January 1, 1945 who qualifies for a
8 minimum annuity and retires after September 1, 1967 but has not
9 received the initial increase under this subsection before
10 January 1, 1996 is entitled to receive the initial increase
11 under this subsection on (1) January 1, 1996, (2) the first
12 anniversary of the date of retirement, or (3) attainment of age
13 55, whichever occurs last. The changes to this Section made by
14 this amendatory Act of 1995 apply beginning January 1, 1996 and
15 apply without regard to whether the fireman or annuitant
16 terminated service before the effective date of this amendatory
17 Act of 1995.

18 Any fireman born before January 1, 1955 who qualifies for a
19 minimum annuity and retires after September 1, 1967 but has not
20 received the initial increase under this subsection before
21 January 1, 2004 is entitled to receive the initial increase
22 under this subsection on (1) January 1, 2004, (2) the first
23 anniversary of the date of retirement, or (3) attainment of age
24 55, whichever occurs last. The changes to this Section made by
25 this amendatory Act of the 93rd General Assembly apply without
26 regard to whether the fireman or annuitant terminated service
27 before the effective date of this amendatory Act.

28 (b) Subsection (a) of this Section is not applicable to an
29 employee receiving a term annuity.

30 (c) To help defray the cost of such increases in annuity,
31 there shall be deducted, beginning September 1, 1959, from each
32 payment of salary to a fireman, 1/8 of 1% of each such salary
33 payment and an additional 1/8 of 1% beginning on September 1,
34 1961, and September 1, 1963, respectively, concurrently with
35 and in addition to the salary deductions otherwise made for
36 annuity purposes.

1 Each such additional 1/8 of 1% deduction from salary which
2 shall, on September 1, 1963, result in a total increase of 3/8
3 of 1% of salary, shall be credited to the Automatic Increase
4 Reserve, to be used, together with city contributions as
5 provided in this Article, to defray the cost of the 1 1/2%
6 annuity increments herein specified. Any balance in such
7 reserve as of the beginning of each calendar year shall be
8 credited with interest at the rate of 3% per annum.

9 The salary deductions provided in this Section are not
10 subject to refund, except to the fireman himself, in any case
11 in which a fireman withdraws prior to qualification for minimum
12 annuity and applies for refund, or applies for annuity, and
13 also where a term annuity becomes payable. In such cases, the
14 total of such salary deductions shall be refunded to the
15 fireman, without interest, and charged to the aforementioned
16 reserve.

17 (Source: P.A. 89-136, eff. 7-14-95.)

18 (40 ILCS 5/6-165) (from Ch. 108 1/2, par. 6-165)

19 Sec. 6-165. Financing; tax.

20 (a) Except as expressly provided in this Section, each city
21 shall levy a tax annually upon all taxable property therein for
22 the purpose of providing revenue for the fund. For the years
23 prior to the year 1960, the tax rate shall be as provided for
24 in the "Firemen's Annuity and Benefit Fund of the Illinois
25 Municipal Code". The tax, from and after January 1, 1968 to and
26 including the year 1971, shall not exceed .0863% of the value,
27 as equalized or assessed by the Department of Revenue, of all
28 taxable property in the city. Beginning with the year 1972 and
29 each year thereafter the city shall levy a tax annually at a
30 rate on the dollar of the value, as equalized or assessed by
31 the Department of Revenue of all taxable property within such
32 city that will produce, when extended, not to exceed an amount
33 equal to the total amount of contributions by the employees to
34 the fund made in the calendar year 2 years prior to the year
35 for which the annual applicable tax is levied, multiplied by

1 2.23 through the calendar year 1981, and by 2.26 for the year
2 1982 and for each year thereafter.

3 To provide revenue for the ordinary death benefit
4 established by Section 6-150 of this Article, in addition to
5 the contributions by the firemen for this purpose, the city
6 council shall for the year 1962 and each year thereafter
7 annually levy a tax, which shall be in addition to and
8 exclusive of the taxes authorized to be levied under the
9 foregoing provisions of this Section, upon all taxable property
10 in the city, as equalized or assessed by the Department of
11 Revenue, at such rate per cent of the value of such property as
12 shall be sufficient to produce for each year the sum of
13 \$142,000.

14 The amounts produced by the taxes levied annually, together
15 with the deposit expressly authorized in this Section, shall be
16 sufficient, when added to the amounts deducted from the
17 salaries of firemen and applied to the fund, to provide for the
18 purposes of the fund.

19 (b) The taxes shall be levied and collected in like manner
20 with the general taxes of the city, and shall be in addition to
21 all other taxes which the city may levy upon all taxable
22 property therein and shall be exclusive of and in addition to
23 the amount of tax the city may levy for general purposes under
24 Section 8-3-1 of the Illinois Municipal Code, approved May 29,
25 1961, as amended, or under any other law or laws which may
26 limit the amount of tax which the city may levy for general
27 purposes.

28 (c) The amounts of the taxes to be levied in each year
29 shall be certified to the city council by the board.

30 (d) As soon as any revenue derived from such taxes is
31 collected, it shall be paid to the city treasurer and held for
32 the benefit of the fund, and all such revenue shall be paid
33 into the fund in accordance with the provisions of this
34 Article.

35 (e) If the funds available are insufficient during any year
36 to meet the requirements of this Article, the city may issue

1 tax anticipation warrants, against the tax levies herein
2 authorized for the current fiscal year.

3 (f) The various sums, hereinafter stated, including
4 interest, to be contributed by the city, shall be taken from
5 the revenue derived from the taxes or otherwise as expressly
6 provided in this Section. Except for defraying the cost of
7 administration of the fund during the calendar year in which a
8 city first attains a population of 500,000 and comes under the
9 provisions of this Article and the first calendar year
10 thereafter, any money of the city derived from any source other
11 than these taxes or the sale of tax anticipation warrants shall
12 not be used to provide revenue for the fund, nor to pay any
13 part of the cost of administration thereof, unless applied to
14 make the deposit expressly authorized in this Section or the
15 additional city contributions required under subsection (h).

16 (g) In lieu of levying all or a portion of the tax required
17 under this Section in any year, the city may deposit with the
18 city treasurer no later than March 1 of that year for the
19 benefit of the fund, to be held in accordance with this
20 Article, an amount that, together with the taxes levied under
21 this Section for that year, is not less than the amount of the
22 city contributions for that year as certified by the board to
23 the city council. The deposit may be derived from any source
24 legally available for that purpose, including, but not limited
25 to, the proceeds of city borrowings. The making of a deposit
26 shall satisfy fully the requirements of this Section for that
27 year to the extent of the amounts so deposited. Amounts
28 deposited under this subsection may be used by the fund for any
29 of the purposes for which the proceeds of the taxes levied
30 under this Section may be used, including the payment of any
31 amount that is otherwise required by this Article to be paid
32 from the proceeds of those taxes.

33 (h) In addition to the contributions required under the
34 other provisions of this Article, by November 1 of the
35 following specified years, the city shall deposit with the city
36 treasurer for the benefit of the fund, to be held and used in

1 accordance with this Article, the following specified amounts:
2 \$6,300,000 in 1999; \$5,880,000 in 2000; \$5,460,000 in 2001;
3 \$5,040,000 in 2002; and \$4,620,000 in 2003; ~~\$4,200,000 in 2004;~~
4 ~~\$3,780,000 in 2005; \$3,360,000 in 2006; \$2,940,000 in 2007;~~
5 ~~\$2,520,000 in 2008; \$2,100,000 in 2009; \$1,680,000 in 2010;~~
6 ~~\$1,260,000 in 2011; \$840,000 in 2012; and \$420,000 in 2013.~~

7 The additional city contributions required under this
8 subsection are intended to decrease the unfunded liability of
9 the fund and shall not decrease the amount of the city
10 contributions required under the other provisions of this
11 Article. The additional city contributions made under this
12 subsection may be used by the fund for any of its lawful
13 purposes.

14 (Source: P.A. 89-136, eff. 7-14-95; 90-766, eff. 8-14-98.)

15 (40 ILCS 5/6-210.1) (from Ch. 108 1/2, par. 6-210.1)

16 Sec. 6-210.1. Credit for former employment with the fire
17 department.

18 (a) Any fireman who (1) accumulated service credit in the
19 Article 8 fund for service as an employee of the Chicago Fire
20 Department and (2) has terminated that Article 8 service credit
21 and received a refund of contributions therefor, may establish
22 service credit in this Fund for all or any part of that period
23 of service under the Article 8 fund by making written
24 application to the Board by January 1, 2000 and paying to this
25 Fund (i) employee contributions based upon the actual salary
26 received and the rates in effect for members of this Fund at
27 the time of such service, plus (ii) interest thereon calculated
28 as follows:

29 (1) For applications received by the Board before July
30 14, ~~the effective date of this amendatory Act of~~ 1995,
31 interest shall be calculated on the amount of employee
32 contributions determined under item (i) above, at the rate
33 of 4% per annum, compounded annually, from the date of
34 termination of such service to the date of payment.

35 (2) For applications received by the Board on or after

1 ~~July 14, the effective date of this amendatory Act of 1995,~~
2 interest shall be calculated on the amount of employee
3 contributions determined under item (i) above, at the rate
4 of 4% per annum, compounded annually, from the first date
5 of the period for which credit is being established under
6 this subsection (a) to the date of payment.

7 (b) A fireman who, at any time during the period 1970
8 through 1983, was an employee of the Chicago Fire Department
9 but did not participate in any pension fund subject to this
10 Code with respect to that employment may establish service
11 credit in this Fund for all or any part of that employment by
12 making written application to the Board by January 1, 2005 ~~2000~~
13 and paying to this Fund (i) employee contributions based upon
14 the actual salary received and the rates in effect for members
15 of this Fund at the time of that employment, plus (ii) interest
16 thereon calculated at the rate of 4% per annum, compounded
17 annually, from the first date of the employment for which
18 credit is being established under this subsection (b) to the
19 date of payment.

20 (c) A fireman may pay the contributions required for
21 service credit under this Section established on or after July
22 14, the effective date of this amendatory Act of 1995 in the
23 form of payroll deductions, in accordance with such procedures
24 and limitations as may be established by Board rule and any
25 applicable rules or ordinances of the employer.

26 (d) Employer contributions shall be transferred as
27 provided in Sections 6-210.2 and 8-172.1. The employer shall
28 not be responsible for making any additional employer
29 contributions for any credit established under this Section.

30 (Source: P.A. 89-136, eff. 7-14-95.)

31 (40 ILCS 5/6-210.2 new)

32 Sec. 6-210.2. City contributions for paramedics.
33 Municipality credits computed and credited under Article 8 for
34 all firemen who (1) accumulated service credit in the Article 8
35 fund for service as a paramedic, (2) have terminated that

1 Article 8 service credit and received a refund of
2 contributions, and (3) are participants in this Article 6 fund
3 on the effective date of this amendatory Act of the 93rd
4 General Assembly shall be transferred by the Article 8 fund to
5 this Fund, together with interest at the rate of 11% per annum,
6 compounded annually, to the date of the transfer, as provided
7 in Section 8-172.1 of this Code. These city contributions shall
8 be credited to the individual fireman only if he or she pays
9 for prior service as a paramedic in full to this Fund.

10 (40 ILCS 5/6-210.3 new)

11 Sec. 6-210.3. Payments and rollovers.

12 (a) The Board may adopt rules prescribing the manner of
13 repaying refunds and purchasing any other credits permitted
14 under this Article. The rules may prescribe the manner of
15 calculating interest when payments or repayments are made in
16 installments.

17 (b) Rollover contributions from other retirement plans
18 qualified under the Internal Revenue Code of 1986 may be used
19 to purchase any optional credit or repay any refund permitted
20 under this Article.

21 (40 ILCS 5/6-211) (from Ch. 108 1/2, par. 6-211)

22 Sec. 6-211. Permanent and temporary positions; exempt
23 positions above career service rank.

24 (a) Except as specified in subsection (b), no annuity,
25 pension or other benefit shall be paid to a fireman or widow,
26 under this Article, based upon any salary paid by virtue of a
27 temporary appointment, and all contributions, annuities and
28 benefits shall be related to the salary which attaches to the
29 permanent position of the fireman.

30 Any fireman temporarily serving in a position or rank other
31 than that to which he has received permanent appointment shall
32 be considered, while so serving, as though he were in his
33 permanent position or rank, except that no increase in any
34 pension, annuity or other benefit hereunder shall accrue to him

1 by virtue of any service performed by him subsequent to
2 attaining the compulsory retirement age provided by law or
3 ordinance.

4 This Section does ~~shall~~ not apply to any person certified
5 to the fire department by the civil service commission of the
6 city, during the period of probationary service.

7 A fireman who holds a position at the will of the Fire
8 Commissioner or other appointing authority, whether or not such
9 position is an "exempt" position, shall be deemed to hold a
10 temporary position, ~~and such employee's contributions and~~
11 ~~benefits shall be based upon the employee's permanent career~~
12 ~~service salary. The provisions of this paragraph shall be~~
13 ~~retroactive to January 1, 1976.~~

14 (b) Beginning on the effective date of this amendatory Act
15 of the 93rd General Assembly, for service in an exempt position
16 above career service rank, employee contributions shall be
17 based on the actual full salary attached to the exempt rank
18 position held by the fireman.

19 For service in an exempt position above career service
20 rank, benefit computations under this Article shall be based on
21 the actual full salary attached to the exempt rank position
22 held by the fireman if and only if:

23 (1) employee contributions have been paid on the actual
24 full salary attached to the exempt rank position held by
25 the fireman for all service on or after January 1, 1994 in
26 an exempt position above career service rank;

27 (2) the fireman has held one or more exempt positions
28 for at least 5 consecutive years (or, in the case of a
29 fireman who retired due to attainment of compulsory
30 retirement age before December 1, 2003, held one or more
31 exempt positions for a consecutive period of at least 3
32 years and 9 months and made the payment required under
33 subsection (c) for a period of at least 5 years) and has
34 held the rank of battalion chief or field officer for at
35 least 5 years (at least 3 years and 9 months in the case of
36 a fireman who retired due to attainment of compulsory

1 retirement age before December 1, 2003) during the exempt
2 period; and

3 (3) the fireman was born before 1955.

4 (c) For service prior to the effective date of this
5 amendatory Act of the 93rd General Assembly in an exempt
6 position above career service rank for which contributions have
7 been paid only on the salary attached to the fireman's
8 permanent career service rank, a fireman may make the
9 contributions required under subsection (b) by paying to the
10 Fund before the later of the date of retirement or 6 months
11 after the effective date of this amendatory Act, but in no
12 event later than July 1, 2005, an amount equal to the
13 difference between the employee contributions actually made
14 for that service and the employee contributions that would have
15 been made based on the actual full salary attached to the
16 exempt rank position held by the fireman on or after January 1,
17 1994, plus interest thereon at the rate of 4% per year,
18 compounded annually, from the date of the service to the date
19 of payment (or to the date of retirement if retirement is
20 before the effective date of this amendatory Act). In the case
21 of a fireman who retired in an exempt rank position after
22 January 1, 1994 and before January 1, 1999 and in the case of a
23 fireman who retired due to attaining compulsory retirement age
24 before December 1, 2003, the payment under this subsection (c)
25 shall be for a period of at least 5 years.

26 If a fireman dies while eligible to make the contributions
27 required under subsection (b) but before the contributions are
28 paid, the fireman's widow may elect to make the contributions.

29 (d) Subsection (e) of Section 6-111 and the changes made to
30 this Section by this amendatory Act of the 93rd General
31 Assembly apply to a fireman who retires (or becomes disabled)
32 on or after January 1, 1994. In the case of a benefit payable
33 on the effective date of this amendatory Act, the resulting
34 increase in benefit shall begin to accrue with the first
35 benefit payment period commencing after the required
36 contributions are paid.

1 (e) If a fireman or his survivors do not qualify to have
2 benefits computed on the full amount of salary received for
3 service in an exempt position as provided in subsection (b),
4 benefits shall be computed on the basis of the salary attached
5 to the permanent career service rank, and a refund of any
6 employee contributions paid on the difference between the
7 actual salary and the salary attached to the permanent career
8 service rank shall be payable to the fireman upon termination
9 of service, or to the fireman's widow or estate upon the
10 fireman's death.

11 (f) The tax levy computed under Section 6-165 shall be
12 based on employee contributions, including the payments of
13 employee contributions under subsections (a), (b), and (c) of
14 this Section 6-211.

15 (g) The city shall pay to the Fund on an annual basis, in
16 addition to the usual city contributions, an amount at least
17 equal to the sum of (1) the increase in normal cost resulting
18 from subsection (e) of Section 6-111 and the changes made to
19 this Section by this amendatory Act of the 93rd General
20 Assembly, plus (2) amortization (over a period of 30 years from
21 the effective date of this amendatory Act) of the initial
22 unfunded liability resulting from subsection (e) of Section
23 6-111 and the changes made to this Section by this amendatory
24 Act of the 93rd General Assembly. The payment required under
25 this subsection shall be no less than \$400,000 per year.
26 Payment shall begin with the first calendar year commencing
27 after the effective date of this amendatory Act and shall be in
28 addition to the tax levy otherwise calculated under Section
29 6-165. The city may increase that tax levy by the amount of the
30 payment required under this subsection, or it may utilize any
31 funds appropriated for this purpose.

32 (Source: P.A. 83-16.)

33 (40 ILCS 5/6-222) (from Ch. 108 1/2, par. 6-222)

34 Sec. 6-222. Administrative review.

35 (a) The provisions of the Administrative Review Law, and

1 all amendments and modifications thereof and the rules adopted
2 pursuant thereto shall apply to and govern all proceedings for
3 the judicial review of final administrative decisions of the
4 retirement board hereunder. The term "administrative decision"
5 is as defined in Section 3-101 of the Code of Civil Procedure.

6 (b) If any fireman whose application for either a duty
7 disability benefit under Section 6-151 or for an occupational
8 disease disability benefit under Section 6-151.1 has been
9 denied by the Retirement Board brings an action for
10 administrative review challenging the denial of disability
11 benefits and the fireman prevails in the action in
12 administrative review, then the prevailing fireman shall be
13 entitled to recover from the Fund court costs and litigation
14 expenses, including reasonable attorney's fees, as part of the
15 costs of the action.

16 (Source: P.A. 82-783.)

17 (40 ILCS 5/8-137) (from Ch. 108 1/2, par. 8-137)

18 Sec. 8-137. Automatic increase in annuity.

19 (a) An employee who retired or retires from service after
20 December 31, 1959 and before January 1, 1987, having attained
21 age 60 or more, shall, in January of the year after the year in
22 which the first anniversary of retirement occurs, have the
23 amount of his then fixed and payable monthly annuity increased
24 by 1 1/2%, and such first fixed annuity as granted at
25 retirement increased by a further 1 1/2% in January of each
26 year thereafter. Beginning with January of the year 1972, such
27 increases shall be at the rate of 2% in lieu of the aforesaid
28 specified 1 1/2%, and beginning with January of the year 1984
29 such increases shall be at the rate of 3%. Beginning in January
30 of 1999, such increases shall be at the rate of 3% of the
31 currently payable monthly annuity, including any increases
32 previously granted under this Article. An employee who retires
33 on annuity after December 31, 1959 and before January 1, 1987,
34 but before age 60, shall receive such increases beginning in
35 January of the year after the year in which he attains age 60.

1 An employee who retires from service on or after January 1,
2 1987 shall, upon the first annuity payment date following the
3 first anniversary of the date of retirement, or upon the first
4 annuity payment date following attainment of age 60, whichever
5 occurs later, have his then fixed and payable monthly annuity
6 increased by 3%, and such annuity shall be increased by an
7 additional 3% of the original fixed annuity on the same date
8 each year thereafter. Beginning in January of 1999, such
9 increases shall be at the rate of 3% of the currently payable
10 monthly annuity, including any increases previously granted
11 under this Article.

12 (a-5) Notwithstanding the provisions of subsection (a),
13 upon the first annuity payment date following (1) the third
14 anniversary of retirement, (2) the attainment of age 53, or (3)
15 January 1, 2002, ~~the date 60 days after the effective date of~~
16 ~~this amendatory Act of the 92nd General Assembly,~~ whichever
17 occurs latest, the monthly annuity of an employee who retires
18 on annuity prior to the attainment of age 60 and ~~who~~ has not
19 received an increase under subsection (a) shall be increased by
20 3%, and the ~~such~~ annuity shall be increased by an additional 3%
21 of the current payable monthly annuity, including any ~~such~~
22 increases previously granted under this Article, on the same
23 date each year thereafter. The increases provided under this
24 subsection are in lieu of the increases provided in subsection
25 (a).

26 (a-6) Notwithstanding the provisions of subsections (a)
27 and (a-5), for all calendar years following the year in which
28 this amendatory Act of the 93rd General Assembly takes effect,
29 an increase in annuity under this Section that would otherwise
30 take effect at any time during the year shall instead take
31 effect in January of that year.

32 (b) Subsections (a), ~~and~~ (a-5), and (a-6) are not
33 applicable to an employee retiring and receiving a term
34 annuity, as herein defined, nor to any otherwise qualified
35 employee who retires before he makes employee contributions (at
36 the 1/2 of 1% rate as provided in this Act) for this additional

1 annuity for not less than the equivalent of one full year. Such
2 employee, however, shall make arrangement to pay to the fund a
3 balance of such 1/2 of 1% contributions, based on his final
4 salary, as will bring such 1/2 of 1% contributions, computed
5 without interest, to the equivalent of or completion of one
6 year's contributions.

7 Beginning with January, 1960, each employee shall
8 contribute by means of salary deductions 1/2 of 1% of each
9 salary payment, concurrently with and in addition to the
10 employee contributions otherwise made for annuity purposes.

11 Each such additional contribution shall be credited to an
12 account in the prior service annuity reserve, to be used,
13 together with city contributions, to defray the cost of the
14 specified annuity increments. Any balance in such account at
15 the beginning of each calendar year shall be credited with
16 interest at the rate of 3% per annum.

17 Such additional employee contributions are not refundable,
18 except to an employee who withdraws and applies for refund
19 under this Article, and in cases where a term annuity becomes
20 payable. In such cases his contributions shall be refunded,
21 without interest, and charged to such account in the prior
22 service annuity reserve.

23 (Source: P.A. 92-599, eff. 6-28-02; 92-609, eff. 7-1-02;
24 revised 8-26-02.)

25 (40 ILCS 5/8-138.4 new)

26 Sec. 8-138.4. Early retirement incentive.

27 (a) To be eligible for the benefits provided in this
28 Section, an employee must:

29 (1) have been a contributor to the Fund who (i) on
30 October 15, 2003, was in active payroll status as an
31 employee; (ii) returns to active payroll status from an
32 approved leave of absence prior to December 15, 2003; (iii)
33 on October 15, 2003, is receiving ordinary or duty
34 disability benefits under Section 8-160 or 8-161; or (iv)
35 has been subjected to an involuntary termination or layoff

1 by the employer and restored to service by his or her
2 employer prior to January 31, 2004;

3 (2) have not previously retired under this Article;

4 (3) file with the Board on or before January 30, 2004,
5 a written election requesting the benefits provided in this
6 Section;

7 (4) withdraw from service on or after January 31, 2004
8 and on or before February 29, 2004 (or the date established
9 under subsection (a-5), if applicable); and

10 (5) by the date of withdrawal or by February 29, 2004,
11 whichever is earlier, have attained age 50 with at least 10
12 years of creditable service in this Fund, without including
13 any creditable service established under this Section, and
14 a total of at least 70 combined years of age and creditable
15 service, without including any creditable service
16 established under this Section, in one or more of the
17 participating systems under the Retirement Systems
18 Reciprocal Act.

19 A person is not eligible for the benefits provided in this
20 Section if the person (i) elects to receive the alternative
21 annuity for city officers under Section 8-243.2, or (ii) elects
22 to receive a retirement annuity calculated under the
23 alternative formula formerly set forth in Section 20-122.

24 (a-5) To ensure that the efficient operation of employers
25 under this Article is not jeopardized by the simultaneous
26 retirement of large numbers of critical personnel, each
27 employer may, for its critical employees, extend the February
28 29, 2004 deadline for terminating employment under this Article
29 established in subdivision (a) (4) of this Section to a date not
30 later than May 31, 2004 by so notifying the Fund by January 31,
31 2004.

32 (b) An eligible employee may establish up to 5 years of
33 creditable service under this Section, in increments of one
34 month, by making the contributions specified in subsection (d).
35 In addition, for each month of creditable service established
36 under this Section, a person's age at retirement shall be

1 deemed to be one month older than it actually is, except for
2 determination of eligibility for automatic annual increases
3 under Sections 8-137 and 8-137.1. Furthermore, an eligible
4 employee must establish at least the amount of age and
5 creditable service necessary to bring his or her age and total
6 creditable service, including service in this Fund, service
7 established under this Section, and service in any of the other
8 participating systems under the Retirement Systems Reciprocal
9 Act, to a minimum that will satisfy the requirements of Section
10 8-138.

11 The creditable service under this Section may be used for
12 all purposes under this Article and the Retirement Systems
13 Reciprocal Act, except for the computation of average annual
14 salary and the determination of salary, earnings, or
15 compensation under this or any other Article of this Code.

16 (c) An eligible employee shall be entitled to have his or
17 her retirement annuity calculated in accordance with the
18 formula provided in Section 8-138, except that the annuity
19 shall not be subject to reduction because of withdrawal or
20 commencement of the annuity before attainment of age 60.

21 (d) For each month of creditable service established under
22 this Section, the employee must pay to the Fund an employee
23 contribution, to be calculated by the Fund, equal to 4.25% of
24 the member's monthly salary rate on October 15, 2003. The
25 employee may elect to pay the entire contribution before the
26 retirement annuity commences, or to have it deducted from the
27 annuity over a period not longer than 24 months. If the retired
28 employee dies before the contribution has been paid in full,
29 the unpaid installments may be deducted from any annuity or
30 other benefit payable to the employee's survivors.

31 All employee contributions paid under this Section shall
32 not be deemed contributions made by employees for annuity
33 purposes under Section 8-173, and shall be made and credited to
34 a special reserve, without interest. Employee contributions
35 paid under this Section may be refunded under the same terms
36 and conditions as are applicable to other employee

1 contributions for retirement annuity.

2 (e) Notwithstanding Section 8-165, an annuitant who
3 reenters service under this Article after receiving a
4 retirement annuity based on benefits provided under this
5 Section thereby forfeits the right to continue to receive those
6 benefits, and shall have his or her retirement annuity
7 recalculated at the appropriate time without the benefits
8 provided in this Section.

9 (f) No employer action in declaring an employee to be a
10 critical employee pursuant to subsection (a-5) shall be
11 construed as an impairment of any pension benefit or
12 entitlement. No early retirement option or resultant benefit
13 conferred under this Section shall, in any manner, vest for any
14 employee until the earlier date of the employer's decision to
15 release the employee from service or May 31, 2004.

16 (40 ILCS 5/8-138.5 new)

17 Sec. 8-138.5. Early retirement incentive for employees who
18 have earned maximum pension benefits.

19 (a) A person who is eligible for the benefits provided
20 under Section 8-138.4 and who, if he or she had retired on or
21 before February 29, 2004, would have been entitled to a pension
22 equal to 80% of his or her highest average annual salary for
23 any 4 consecutive years within the last 10 years of service
24 immediately preceding February 29, 2004 without receiving the
25 benefits provided in Section 8-138.4, may elect, by filing
26 written election with the Fund by January 30, 2004, to receive
27 a lump sum from the Fund equal to 100% of his or her salary on
28 February 29, 2004 or the date of withdrawal, whichever is
29 earlier. To be eligible to receive the benefit provided under
30 this Section, the person must withdraw from service on or after
31 January 31, 2004 and on or before February 29, 2004 (or the
32 date established under subsection (b), if applicable). If a
33 person elects to receive the benefit provided under this
34 Section, his or her retirement annuity otherwise payable under
35 Section 8-138 shall be reduced by an amount equal to the

1 actuarial equivalent of the lump sum.

2 (b) To ensure that the efficient operation of employers
3 under this Article is not jeopardized by the simultaneous
4 retirement of large numbers of critical personnel, each
5 employer may, for its critical employees, extend the February
6 29, 2004 deadline for terminating employment under this Article
7 established in subdivision (a) of this Section to a date not
8 later than May 31, 2004 by so notifying the Fund by January 31,
9 2004.

10 (40 ILCS 5/8-150.1) (from Ch. 108 1/2, par. 8-150.1)

11 Sec. 8-150.1. Minimum annuities for widows. The widow
12 (otherwise eligible for widow's annuity under other Sections of
13 this Article 8) of an employee hereinafter described, who
14 retires from service or dies while in the service subsequent to
15 the effective date of this amendatory provision, and for which
16 widow the amount of widow's annuity and widow's prior service
17 annuity combined, fixed or provided for such widow under other
18 provisions of this Article is less than the amount provided in
19 this Section, shall, from and after the date her otherwise
20 provided annuity would begin, in lieu of such otherwise
21 provided widow's and widow's prior service annuity, be entitled
22 to the following indicated amount of annuity:

23 (a) The widow of any employee who dies while in service on
24 or after the date on which he attains age 60 if the death
25 occurs before July 1, 1990, or on or after the date on which he
26 attains age 55 if the death occurs on or after July 1, 1990,
27 with at least 20 years of service, or on or after the date on
28 which he attains age 50 if the death occurs on or after the
29 effective date of this amendatory Act of 1997 with at least 30
30 years of service, shall be entitled to an annuity equal to
31 one-half of the amount of annuity which her deceased husband
32 would have been entitled to receive had he withdrawn from the
33 service on the day immediately preceding the date of his death,
34 conditional upon such widow having attained the age of 60 or
35 more years on such date if the death occurs before July 1,

1 1990, or age 55 or more if the death occurs on or after July 1,
2 1990, or age 50 or more if the death occurs on or after January
3 1, 1998 and the employee is age 50 or over with at least 30
4 years of service or age 55 or over with at least 25 years of
5 service. Except as provided in subsection (k), this widow's
6 annuity shall not, however, exceed the sum of \$500 a month if
7 the employee's death in service occurs before January 23, 1987.
8 The widow's annuity shall not be limited to a maximum dollar
9 amount if the employee's death in service occurs on or after
10 January 23, 1987.

11 If the employee dies in service before July 1, 1990, and if
12 such widow of such described employee shall not be 60 or more
13 years of age on such date of death, the amount provided in the
14 immediately preceding paragraph for a widow 60 or more years of
15 age, shall, in the case of such younger widow, be reduced by
16 0.25% for each month that her then attained age is less than 60
17 years if the employee was born before January 1, 1936 or dies
18 in service on or after January 1, 1988, or by 0.5% for each
19 month that her then attained age is less than 60 years if the
20 employee was born on or after July 1, 1936 and dies in service
21 before January 1, 1988.

22 If the employee dies in service on or after July 1, 1990,
23 and if the widow of the employee has not attained age 55 on or
24 before the employee's date of death, the amount otherwise
25 provided in this subsection (a) shall be reduced by 0.25% for
26 each month that her then attained age is less than 55 years;
27 except that if the employee dies in service on or after January
28 1, 1998 at age 50 or over with at least 30 years of service or
29 at age 55 or over with at least 25 years of service, there
30 shall be no reduction due to the widow's age if she has
31 attained age 50 on or before the employee's date of death, and
32 if the widow has not attained age 50 on or before the
33 employee's date of death the amount otherwise provided in this
34 subsection (a) shall be reduced by 0.25% for each month that
35 her then attained age is less than 50 years.

36 (b) The widow of any employee who dies subsequent to the

1 date of his retirement on annuity, and who so retired on or
2 after the date on which he attained the age of 60 or more years
3 if retirement occurs before July 1, 1990, or on or after the
4 date on which he attained age 55 if retirement occurs on or
5 after July 1, 1990, with at least 20 years of service, or on or
6 after the date on which he attained age 50 if the retirement
7 occurs on or after the effective date of this amendatory Act of
8 1997 with at least 30 years of service, shall be entitled to an
9 annuity equal to one-half of the amount of annuity which her
10 deceased husband received as of the date of his retirement on
11 annuity, conditional upon such widow having attained the age of
12 60 or more years on the date of her husband's retirement on
13 annuity if retirement occurs before July 1, 1990, or age 55 or
14 more if retirement occurs on or after July 1, 1990, or age 50
15 or more if the retirement on annuity occurs on or after January
16 1, 1998 and the employee is age 50 or over with at least 30
17 years of service or age 55 or over with at least 25 years of
18 service. Except as provided in subsection (k), this widow's
19 annuity shall not, however, exceed the sum of \$500 a month if
20 the employee's death occurs before January 23, 1987. The
21 widow's annuity shall not be limited to a maximum dollar amount
22 if the employee's death occurs on or after January 23, 1987,
23 regardless of the date of retirement; provided that, if
24 retirement was before January 23, 1987, the employee or
25 eligible spouse repays the excess spouse refund with interest
26 at the effective rate from the date of refund to the date of
27 repayment.

28 If the date of the employee's retirement on annuity is
29 before July 1, 1990, and if such widow of such described
30 employee shall not have attained such age of 60 or more years
31 on such date of her husband's retirement on annuity, the amount
32 provided in the immediately preceding paragraph for a widow 60
33 or more years of age on the date of her husband's retirement on
34 annuity, shall, in the case of such then younger widow, be
35 reduced by 0.25% for each month that her then attained age was
36 less than 60 years if the employee was born before January 1,

1 1936 or withdraws from service on or after January 1, 1988, or
2 by 0.5% for each month that her then attained age is less than
3 60 years if the employee was born on or after January 1, 1936
4 and withdraws from service before January 1, 1988.

5 If the date of the employee's retirement on annuity is on
6 or after July 1, 1990, and if the widow of the employee has not
7 attained age 55 by the date of the employee's retirement on
8 annuity, the amount otherwise provided in this subsection (b)
9 shall be reduced by 0.25% for each month that her then attained
10 age is less than 55 years; except that if the employee retires
11 on annuity on or after January 1, 1998 at age 50 or over with at
12 least 30 years of service or at age 55 or over with at least 25
13 years of service, there shall be no reduction due to the
14 widow's age if she has attained age 50 on or before the
15 employee's date of death, and if the widow has not attained age
16 50 on or before the employee's date of death the amount
17 otherwise provided in this subsection (b) shall be reduced by
18 0.25% for each month that her then attained age is less than 50
19 years.

20 (c) The foregoing provisions relating to minimum annuities
21 for widows shall not apply to the widow of any former municipal
22 employee receiving an annuity from the fund on August 9, 1965
23 or on the effective date of this amendatory provision, who
24 re-enters service as a municipal employee, unless such employee
25 renders at least 3 years of additional service after the date
26 of re-entry.

27 (d) In computing the amount of annuity which the husband
28 specified in the foregoing paragraphs (a) and (b) of this
29 Section would have been entitled to receive, or received, such
30 amount shall be the annuity to which such husband would have
31 been, or was entitled, before reduction in the amount of his
32 annuity for the purposes of the voluntary optional reversionary
33 annuity provided for in Section 8-139 of this Article, if such
34 option was elected.

35 (e) (Blank).

36 (f) (Blank).

1 (g) The amendatory provisions of this amendatory Act of
2 1985 relating to annuity discount because of age for widows of
3 employees born before January 1, 1936, shall apply only to
4 qualifying widows of employees withdrawing or dying in service
5 on or after July 18, 1985.

6 (h) Beginning on January 1, 1999, the minimum amount of
7 widow's annuity shall be \$800 per month for life for the
8 following classes of widows, without regard to the fact that
9 the death of the employee occurred prior to the effective date
10 of this amendatory Act of 1998:

11 (1) any widow annuitant alive and receiving a life
12 annuity on the effective date of this amendatory Act of
13 1998, except a reciprocal annuity;

14 (2) any widow annuitant alive and receiving a term
15 annuity on the effective date of this amendatory Act of
16 1998, except a reciprocal annuity;

17 (3) any widow annuitant alive and receiving a
18 reciprocal annuity on the effective date of this amendatory
19 Act of 1998, whose employee spouse's service in this fund
20 was at least 5 years;

21 (4) the widow of an employee with at least 10 years of
22 service in this fund who dies after retirement, if the
23 retirement occurred prior to the effective date of this
24 amendatory Act of 1998;

25 (5) the widow of an employee with at least 10 years of
26 service in this fund who dies after retirement, if
27 withdrawal occurs on or after the effective date of this
28 amendatory Act of 1998;

29 (6) the widow of an employee who dies in service with
30 at least 5 years of service in this fund, if the death in
31 service occurs on or after the effective date of this
32 amendatory Act of 1998.

33 The increases granted under items (1), (2), (3) and (4) of
34 this subsection (h) shall not be limited by any other Section
35 of this Act.

36 (i) The widow of an employee who retired or died in service

1 on or after January 1, 1985 and before July 1, 1990, at age 55
2 or older, and with at least 35 years of service credit, shall
3 be entitled to have her widow's annuity increased, effective
4 January 1, 1991, to an amount equal to 50% of the retirement
5 annuity that the deceased employee received on the date of
6 retirement, or would have been eligible to receive if he had
7 retired on the day preceding the date of his death in service,
8 provided that if the widow had not attained age 60 by the date
9 of the employee's retirement or death in service, the amount of
10 the annuity shall be reduced by 0.25% for each month that her
11 then attained age was less than age 60 if the employee's
12 retirement or death in service occurred on or after January 1,
13 1988, or by 0.5% for each month that her attained age is less
14 than age 60 if the employee's retirement or death in service
15 occurred prior to January 1, 1988. However, in cases where a
16 refund of excess contributions for widow's annuity has been
17 paid by the Fund, the increase in benefit provided by this
18 subsection (i) shall be contingent upon repayment of the refund
19 to the Fund with interest at the effective rate from the date
20 of refund to the date of payment.

21 (j) If a deceased employee is receiving a retirement
22 annuity at the time of death and that death occurs on or after
23 June 27, 1997, the widow may elect to receive, in lieu of any
24 other annuity provided under this Article, 50% of the deceased
25 employee's retirement annuity at the time of death reduced by
26 0.25% for each month that the widow's age on the date of death
27 is less than 55; except that if the employee dies on or after
28 January 1, 1998 and withdrew from service on or after June 27,
29 1997 at age 50 or over with at least 30 years of service or at
30 age 55 or over with at least 25 years of service, there shall
31 be no reduction due to the widow's age if she has attained age
32 50 on or before the employee's date of death, and if the widow
33 has not attained age 50 on or before the employee's date of
34 death the amount otherwise provided in this subsection (j)
35 shall be reduced by 0.25% for each month that her age on the
36 date of death is less than 50 years. However, in cases where a

1 refund of excess contributions for widow's annuity has been
2 paid by the Fund, the benefit provided by this subsection (j)
3 is contingent upon repayment of the refund to the Fund with
4 interest at the effective rate from the date of refund to the
5 date of payment.

6 (k) For widows of employees who died before January 23,
7 1987 after retirement on annuity or in service, the maximum
8 dollar amount limitation on widow's annuity shall cease to
9 apply, beginning with the first annuity payment after the
10 effective date of this amendatory Act of 1997; except that if a
11 refund of excess contributions for widow's annuity has been
12 paid by the Fund, the increase resulting from this subsection
13 (k) shall not begin before the refund has been repaid to the
14 Fund, together with interest at the effective rate from the
15 date of the refund to the date of repayment.

16 (l) In lieu of any other annuity provided in this Article,
17 an eligible spouse of an employee who dies in service on or
18 after January 1, 2002 (regardless of whether that death in
19 service occurs prior to ~~at least 60 days after~~ the effective
20 date of this amendatory Act of the 93rd ~~92nd~~ General Assembly)
21 with at least 10 years of service shall be entitled to an
22 annuity of 50% of the minimum formula annuity earned and
23 accrued to the credit of the employee at the date of death. For
24 the purposes of this subsection, the minimum formula annuity
25 earned and accrued to the credit of the employee is equal to
26 2.40% for each year of service of the highest average annual
27 salary for any 4 consecutive years within the last 10 years of
28 service immediately preceding the date of death, up to a
29 maximum of 80% of the highest average annual salary. This
30 annuity shall not be reduced due to the age of the employee or
31 spouse. In addition to any other eligibility requirements under
32 this Article, the spouse is eligible for this annuity only if
33 the marriage was in effect for 10 full years or more.

34 (Source: P.A. 92-599, eff. 6-28-02.)

35 (40 ILCS 5/8-167) (from Ch. 108 1/2, par. 8-167)

1 Sec. 8-167. Restoration of rights. An employee who has
2 withdrawn as a refund the amounts credited for annuity
3 purposes, and who (i) re-enters service of the employer and
4 serves for periods comprising at least 90 days ~~2 years~~ after
5 the date of the last refund paid to him or (ii) has completed
6 at least 2 years of service under a participating system (as
7 defined in the Retirement Systems Reciprocal Act) other than
8 this Fund after the date of the last refund, shall have his
9 annuity rights restored by compliance with the following
10 provisions:

11 (a) After that 90 day or ~~such~~ 2 year period, whichever
12 applies, he shall repay in full to the fund, while in service,
13 ~~in full~~ all refunds received, together with interest at the
14 effective rate from the dates of refund to the date of
15 repayment. ~~or~~

16 (b) If payment is not made in a single sum, the repayment
17 may be made in installments by deductions from salary or
18 otherwise in such manner and amounts and manner as the board,
19 by rule, may prescribe, with interest at the effective rate
20 accruing on unpaid balances. ~~or~~

21 (c) If the employee withdraws from service or dies in
22 service before full repayment is made, service credit shall be
23 restored in accordance with Section 8-230.3(b).

24 (d) If the employee repays the refund while participating
25 in a participating system (as defined in the Retirement Systems
26 Reciprocal Act) other than this Fund, the service credit
27 restored must be used for a proportional annuity calculated in
28 accordance with the Retirement Systems Reciprocal Act. If not
29 so used, the restored service credit shall be forfeited and the
30 amount of the repayment shall be refunded, without interest. ~~or~~
31 ~~such rights shall not be restored, but the amount, including~~
32 ~~interest, repaid by him, but without any further interest~~
33 ~~otherwise normally credited, shall be refunded to him or to his~~
34 ~~widow, or in the manner provided by the refund provisions of~~
35 ~~this Article if no widow survives.~~

36 This Section applies also to any person who received a

1 refund from any annuity and benefit fund or pension fund which
2 was merged into and superseded by the annuity and benefit fund
3 provided for in this Article on or after December 31, 1959.
4 Upon repayment such person shall receive credit for all annuity
5 purposes in the annuity and benefit fund provided for in this
6 Article for the period of service covered by the repayment ~~such~~
7 ~~refund~~.

8 The amount of refund repayment is considered as salary
9 deductions for age and service annuity and widow's annuity
10 purposes in the case of a male person. In the latter case the
11 amount of refund repayment is allocated in the applicable
12 proportion for age and service and widow's annuity purposes.
13 Such person shall also be credited with city contributions for
14 age and service annuity, and widow's annuity if a male
15 employee, in the amount which would have been credited and
16 accrued if such person had been a participant in and
17 contributor to the annuity and benefit fund provided for in
18 this Article during the period of such service on the basis of
19 his salary during such period.

20 (Source: P.A. 81-1536.)

21 (40 ILCS 5/8-172) (from Ch. 108 1/2, par. 8-172)

22 Sec. 8-172. Refunds - Transfer of city contributions.
23 Whenever any amount is refunded as provided in Sections 8-168
24 and 8-169, except in the case of a male employee who becomes a
25 widower while in service after he becomes age 65, the amounts
26 to the credit of the male employee from contributions by the
27 city⁷ shall be transferred to the prior service annuity
28 reserve. Thereafter, except as otherwise provided in Section
29 8-172.1, any such amounts shall become a credit to the city
30 and, with interest thereon at the effective rate, be used to
31 reduce the amount which the city would otherwise pay during a
32 succeeding year.

33 (Source: Laws 1963, p. 161.)

34 (40 ILCS 5/8-172.1 new)

1 Sec. 8-172.1. Transfer of city contributions for
2 paramedics.

3 (a) Municipality credits computed and credited under this
4 Article 8 for all persons who (1) accumulated service credit in
5 this Article 8 fund for service as a paramedic, (2) have
6 terminated that Article 8 service credit and received a refund
7 of contributions, and (3) are participants in the Article 6
8 fund on the effective date of this amendatory Act of the 93rd
9 General Assembly shall be transferred by this Article 8 fund to
10 the Article 6 fund together with interest at the rate of 11%
11 per annum, compounded annually, to the date of transfer. The
12 city shall not be responsible for making any additional
13 employer contributions to the Fund to replace the amounts
14 transferred under this Section.

15 (b) Municipality credits computed and credited under this
16 Article 8 for all persons who (1) accumulated service credit in
17 this Article 8 fund for service as a paramedic, (2) have
18 terminated that Article 8 service credit and received a refund
19 of contributions, and (3) are not participants in the Article 6
20 fund on the effective date of this amendatory Act of the 93rd
21 General Assembly shall be used as provided in Section 8-172.

22 (40 ILCS 5/8-174) (from Ch. 108 1/2, par. 8-174)

23 Sec. 8-174. Contributions for age and service annuities for
24 present employees and future entrants. (a) Beginning on the
25 effective date and prior to July 1, 1947, 3 1/4%; and beginning
26 on July 1, 1947 and prior to July 1, 1953, 5%; and beginning
27 July 1, 1953, and prior to January 1, 1972, 6%; and beginning
28 January 1, 1972, 6-1/2% of each payment of the salary of each
29 present employee and future entrant shall be contributed to the
30 fund as a deduction from salary for age and service annuity.

31 Such deductions beginning on the effective date and prior
32 to July 1, 1947 shall be made for a future entrant while he is
33 in the service until he attains age 65 and for a present
34 employee while he is in the service until the amount so
35 deducted from his salary with the amount deducted from his

1 salary or paid by him according to law to any municipal pension
2 fund in force on the effective date with interest on both such
3 amounts at 4% per annum equals the sum that would have been to
4 his credit from sums deducted from his salary if deductions at
5 the rate herein stated had been made during his entire service
6 until he attained age 65 with interest at 4% per annum for the
7 period subsequent to his attainment of age 65. Such deductions
8 beginning July 1, 1947 shall be made and continued for
9 employees while in the service.

10 (b) Concurrently with each employee contribution beginning
11 on the effective date and prior to July 1, 1947 the city shall
12 contribute 5 3/4%; and beginning on July 1, 1947 and prior to
13 July 1, 1953, 7%; and beginning July 1, 1953, 6% of each
14 payment of such salary until the employee attains age 65.
15 Notwithstanding any provision of this subsection (b) to the
16 contrary, the city shall not make a contribution for any credit
17 established by an employee under subsection (b) of Section
18 8-138.4.

19 (c) Each employee contribution made prior to the date the
20 age and service annuity for an employee is fixed and each
21 corresponding city contribution shall be credited to the
22 employee and allocated to the account of the employee for whose
23 benefit it is made.

24 (Source: P.A. 81-1536.)

25 (40 ILCS 5/8-174.1) (from Ch. 108 1/2, par. 8-174.1)

26 Sec. 8-174.1. Employer contributions on behalf of
27 employees.

28 (a) The employer may make and may incur an obligation to
29 make contributions on behalf of its employees in an amount not
30 to exceed the employee contributions required by Sections
31 8-137, 8-161, 8-174, 8-182 and 8-182.1 for all salary earned
32 after December 31, 1981. If such employee contributions are not
33 made or an obligation to make such contributions is not
34 incurred by the employer on behalf of its employees, the amount
35 that could have been contributed shall continue to be deducted

1 from salary. If employee contributions are made by the employer
2 on behalf of its employees, they shall be treated as employer
3 contributions in determining tax treatment under the United
4 States Internal Revenue Code; however, each city shall continue
5 to withhold Federal and State income taxes based upon these
6 contributions until the Internal Revenue Service or the Federal
7 courts rule that pursuant to Section 414(h) of the United
8 States Internal Revenue Code, these contributions shall not be
9 included as gross income of the employee until such time as
10 they are distributed or made available. The employer may make
11 these contributions on behalf of its employees by a reduction
12 in the cash salary of the employee or by an offset against a
13 future salary increase or by a combination of a reduction in
14 salary and offset against a future salary increase. The
15 employer shall pay these employee contributions from the same
16 source of funds used in paying salary to the employee or, if
17 the employer is a Board of Education, it may also or
18 alternatively pay such contributions in whole or in part from
19 the proceeds of the pension contribution liability tax
20 authorized by Section 34-60.1 of the School Code, as amended.
21 If such a tax is levied with respect to any fiscal year of a
22 Board of Education, that portion of the contributions to be
23 paid by the Board of Education on behalf of its employees for
24 that fiscal year from the proceeds of such a tax shall not be
25 due and payable into the Fund until the collection, in the
26 calendar year following the calendar year in which such levy
27 was made, of the actual tax bills extending the second
28 installment of real estate taxes for the Board of Education for
29 that calendar year, pursuant to Section 21-30 of the Property
30 Tax Code, and such Board of Education shall not be required to
31 pay those contributions to be paid from the proceeds of such a
32 tax into the Fund except as collected from the extension of the
33 actual tax bills. If employee contributions are made by the
34 employer on behalf of its employees, they shall be treated for
35 all purposes of this Article 8, including Section 8-173, in the
36 same manner and to the same extent as employee contributions

1 made by employees and deducted from salary; provided, however,
2 that contributions which are made by a Board of Education on
3 behalf of its employees shall not be treated as a pension or
4 retirement obligation of the Board of Education for purposes of
5 Section 12 of "An Act in relation to State revenue sharing with
6 local governmental entities", approved July 31, 1969, as
7 amended. For purposes of Section 8-173, contributions made by a
8 Board of Education on behalf of its employees shall be treated
9 as contributions made by or on behalf of employees to the Fund
10 for the fiscal year for which the Board of Education incurred
11 the obligation to make such contributions.

12 (b) Subject to the requirements of federal law and the
13 rules of the Board, the Fund may allow the employee to elect to
14 have the employer make on behalf of the employee the optional
15 contributions that the employee has elected to pay to the Fund,
16 and the contributions so made on the employee's behalf shall be
17 treated as employer contributions for the purpose of
18 determining federal tax treatment. The employer shall make
19 contributions on behalf of an employee by a reduction in the
20 cash salary of the employee and shall pay contributions from
21 the same source of funds that is used to pay earnings of the
22 employee. The election to have the contributions made on the
23 employee's behalf is irrevocable, and the optional
24 contributions may not thereafter be prepaid, by direct payment
25 or otherwise.

26 If the provision authorizing the optional contribution
27 requires payment by a stated date (rather than the date of
28 withdrawal or retirement), the requirement will be deemed to
29 have been satisfied if (i) on or before the stated date the
30 employee executes a valid irrevocable election to have the
31 contributions made on his or her behalf under this subsection,
32 and (ii) the contributions made on his or her behalf are in
33 fact paid to the Fund as provided in the election.

34 If employee contributions are made by the employer on the
35 employee's behalf under this subsection, they shall be treated
36 for all purposes of this Article 8, including Section 8-173, in

1 the same manner and to the same extent as optional employee
2 contributions made prior to the date made on the employee's
3 behalf.

4 (Source: P.A. 88-670, eff. 12-2-94.)

5 (40 ILCS 5/8-192) (from Ch. 108 1/2, par. 8-192)

6 Sec. 8-192. Board created. A board of 5 members shall
7 constitute a Board of Trustees authorized to carry out the
8 provisions of this Article. The board shall be known as the
9 Retirement Board of the Municipal Employees', Officers', and
10 Officials' Annuity and Benefit Fund of the city, or for the
11 sake of brevity may also be known and referred to as the
12 Retirement Board of the Municipal Employees' Annuity and
13 Benefit Fund of such city. The board shall consist of the city
14 comptroller, the city treasurer, and 3 members who shall be
15 employees, to be elected as follows:

16 Within 30 days after the effective date, the mayor of the
17 city shall arrange for and hold an election.

18 One employee shall be elected for a term ending on the
19 first day in the month of December of the first year next
20 following the effective date; one for a term ending December
21 1st of the following year; and one for a term ending on
22 December 1st of the second following year.

23 The city comptroller, with the approval of the board, may
24 appoint a designee from among employees of the city who are
25 versed in the affairs of the comptroller's office to act in the
26 absence of the comptroller on all matters pertaining to
27 administering the provisions of this Article.

28 The members of a Retirement Board of a municipal
29 employees', officers', and officials' annuity and benefit fund
30 holding office in a city at the time this Article becomes
31 effective, including elective and ex-officio members, shall
32 continue in office until the expiration of their terms and
33 until their respective successors are elected or appointed and
34 have qualified.

35 An employee member who takes advantage of the early

1 retirement incentives provided under this amendatory Act of the
2 93rd General Assembly may continue as a member until the end of
3 his or her term.

4 (Source: P.A. 85-964.)

5 (40 ILCS 5/11-133.3 new)

6 Sec. 11-133.3. Early retirement incentive.

7 (a) To be eligible for the benefits provided in this
8 Section, an employee must:

9 (1) have been a contributor to the Fund who (i) on
10 October 15, 2003, was in active payroll status as an
11 employee; (ii) returns to active payroll status from an
12 approved leave of absence prior to December 15, 2003; (iii)
13 on October 15, 2003, is receiving ordinary or duty
14 disability benefits under Section 11-155 or 11-156 or (iv)
15 has been subjected to an involuntary termination or layoff
16 by the employer and restored to service by his or her
17 employer prior to January 31, 2004;

18 (2) have not previously retired under this Article;

19 (3) file with the Board on or before January 30, 2004,
20 a written election requesting the benefits provided in this
21 Section;

22 (4) withdraw from service on or after January 31, 2004
23 and on or before February 29, 2004 (or the date established
24 under subsection (a-5), if applicable); and

25 (5) by the date of withdrawal or by January 31, 2004,
26 whichever is earlier, have attained age 50 with at least 10
27 years of creditable service in this Fund, without including
28 any creditable service established under this Section, and
29 a total of at least 70 combined years of age and creditable
30 service, without including any creditable service
31 established under this Section, in one or more of the
32 participating systems under the Retirement Systems
33 Reciprocal Act.

34 A person is not eligible for the benefits provided in this
35 Section if the person elects to receive a retirement annuity

1 calculated under the alternative formula formerly set forth in
2 Section 20-122.

3 (a-5) To ensure that the efficient operation of employers
4 under this Article is not jeopardized by the simultaneous
5 retirement of large numbers of critical personnel, each
6 employer may, for its critical employees, extend the February
7 29, 2004 deadline for terminating employment under this Article
8 established in subdivision (a) (4) of this Section to a date not
9 later than May 31, 2004 by so notifying the Fund by January 31,
10 2004.

11 (b) An eligible employee may establish up to 5 years of
12 creditable service under this Section, in increments of one
13 month, by making the contributions specified in subsection (d).
14 In addition, for each month of creditable service established
15 under this Section, a person's age at retirement shall be
16 deemed to be one month older than it actually is, except for
17 determination of eligibility for automatic annual increases
18 under Sections 11-134.1 and 11-134.3. Furthermore, an eligible
19 employee must establish at least the amount of age and
20 creditable service necessary to bring his or her age and total
21 creditable service, including service in this Fund, service
22 established under this Section, and service in any of the other
23 participating systems under the Retirement Systems Reciprocal
24 Act, to a minimum that will satisfy the requirements of Section
25 11-134.

26 The creditable service under this Section may be used for
27 all purposes under this Article and the Retirement Systems
28 Reciprocal Act, except for the computation of average annual
29 salary and the determination of salary, earnings, or
30 compensation under this or any other Article of this Code.

31 (c) An eligible employee shall be entitled to have his or
32 her retirement annuity calculated in accordance with the
33 formula provided in Section 11-134, except that the annuity
34 shall not be subject to reduction because of withdrawal or
35 commencement of the annuity before attainment of age 60.

36 (d) For each month of creditable service established under

1 this Section, the employee must pay to the Fund an employee
2 contribution, to be calculated by the Fund, equal to 4.25% of
3 the member's monthly salary rate on October 15, 2003. The
4 employee may elect to pay the entire contribution before the
5 retirement annuity commences, or to have it deducted from the
6 annuity over a period not longer than 24 months. If the retired
7 employee dies before the contribution has been paid in full,
8 the unpaid installments may be deducted from any annuity or
9 other benefit payable to the employee's survivors.

10 All employee contributions paid under this Section shall
11 not be deemed contributions made by employees for annuity
12 purposes under Section 11-169, and shall be made and credited
13 to a special reserve, without interest. Employee contributions
14 paid under this Section may be refunded under the same terms
15 and conditions as are applicable to other employee
16 contributions for retirement annuity.

17 (e) Notwithstanding Section 11-161, an annuitant who
18 reenters service under this Article after receiving a
19 retirement annuity based on benefits provided under this
20 Section thereby forfeits the right to continue to receive those
21 benefits, and shall have his or her retirement annuity
22 recalculated at the appropriate time without the benefits
23 provided in this Section.

24 (f) No employer action in declaring an employee to be a
25 critical employee pursuant to subsection (a-5) shall be
26 construed as an impairment of any pension benefit or
27 entitlement. No early retirement option or resultant benefit
28 conferred under this Section shall, in any manner, vest for any
29 employee until the earlier date of the employer's decision to
30 release the employee from service or May 31, 2004.

31 (40 ILCS 5/11-133.4 new)

32 Sec. 11-133.4. Early retirement incentive for employees
33 who have earned maximum pension benefits.

34 (a) A person who is eligible for the benefits provided
35 under Section 11-133.3 and who, if he or she had retired on or

1 before February 29, 2004, would have been entitled to a pension
2 equal to 80% of his or her highest average annual salary for
3 any 4 consecutive years within the last 10 years of service
4 immediately preceding February 29, 2004 without receiving the
5 benefits provided in Section 11-133.3, may elect, by filing a
6 written election with the Fund by January 30, 2004, to receive
7 a lump sum from the Fund equal to 100% of his or her salary on
8 February 29, 2004 or the date of withdrawal, whichever is
9 earlier. To be eligible to receive the benefit provided under
10 this Section, the person must withdraw from service on or after
11 January 31, 2004 and on or before February 29, 2004 (or the
12 date established under subsection (b), if applicable). If a
13 person elects to receive the benefit provided under this
14 Section, his or her retirement annuity otherwise payable under
15 Section 11-134 shall be reduced by an amount equal to the
16 actuarial equivalent of the lump sum.

17 (b) To ensure that the efficient operation of employers
18 under this Article is not jeopardized by the simultaneous
19 retirement of large numbers of critical personnel, each
20 employer may, for its critical employees, extend the February
21 29, 2004 deadline for terminating employment under this Article
22 established in subdivision (a) of this Section to a date not
23 later than May 31, 2004 by so notifying the Fund by January 31,
24 2004.

25 (40 ILCS 5/11-134.1) (from Ch. 108 1/2, par. 11-134.1)

26 Sec. 11-134.1. Automatic increase in annuity.

27 (a) An employee who retired or retires from service after
28 December 31, 1963, and before January 1, 1987, having attained
29 age 60 or more, shall, in the month of January of the year
30 following the year in which the first anniversary of retirement
31 occurs, have the amount of his then fixed and payable monthly
32 annuity increased by 1 1/2%, and such first fixed annuity as
33 granted at retirement increased by a further 1 1/2% in January
34 of each year thereafter. Beginning with January of the year
35 1972, such increases shall be at the rate of 2% in lieu of the

1 aforesaid specified 1 1/2%. Beginning January, 1984, such
2 increases shall be at the rate of 3%. Beginning in January of
3 1999, such increases shall be at the rate of 3% of the
4 currently payable monthly annuity, including any increases
5 previously granted under this Article. An employee who retires
6 on annuity after December 31, 1963 and before January 1, 1987,
7 but prior to age 60, shall receive such increases beginning
8 with January of the year immediately following the year in
9 which he attains the age of 60 years.

10 An employee who retires from service on or after January 1,
11 1987 shall, upon the first annuity payment date following the
12 first anniversary of the date of retirement, or upon the first
13 annuity payment date following attainment of age 60, whichever
14 occurs later, have his then fixed and payable monthly annuity
15 increased by 3%, and such annuity shall be increased by an
16 additional 3% of the original fixed annuity on the same date
17 each year thereafter. Beginning in January of 1999, such
18 increases shall be at the rate of 3% of the currently payable
19 monthly annuity, including any increases previously granted
20 under this Article.

21 (a-5) Notwithstanding the provisions of subsection (a),
22 upon the first annuity payment date following (1) the third
23 anniversary of retirement, (2) the attainment of age 53, or (3)
24 January 1, 2002, ~~the date 60 days after the effective date of~~
25 ~~this amendatory Act of the 92nd General Assembly,~~ whichever
26 occurs latest, the monthly annuity of an employee who retires
27 on annuity prior to the attainment of age 60 and ~~who~~ has not
28 received an increase under subsection (a) shall be increased by
29 3%, and the ~~such~~ annuity shall be increased by an additional 3%
30 of the current payable monthly annuity, including any ~~such~~
31 increases previously granted under this Article, on the same
32 date each year thereafter. The increases provided under this
33 subsection are in lieu of the increases provided in subsection
34 (a).

35 (a-6) Notwithstanding the provisions of subsections (a)
36 and (a-5), for all calendar years following the year in which

1 this amendatory Act of the 93rd General Assembly takes effect,
2 an increase in annuity under this Section that would otherwise
3 take effect at any time during the year shall instead take
4 effect in January of that year.

5 (b) Subsections (a), ~~and~~ (a-5), and (a-6) are not
6 applicable to an employee retiring and receiving a term
7 annuity, as defined in this Article, nor to any otherwise
8 qualified employee who retires before he shall have made
9 employee contributions (at the 1/2 of 1% rate as hereinafter
10 provided) for the purposes of this additional annuity for not
11 less than the equivalent of one full year. Such employee,
12 however, shall make arrangement to pay to the fund a balance of
13 such 1/2 of 1% contributions, based on his final salary, as
14 will bring such 1/2 of 1% contributions, computed without
15 interest, to the equivalent of or completion of one year's
16 contributions.

17 Beginning with the month of January, 1964, each employee
18 shall contribute by means of salary deductions 1/2 of 1% of
19 each salary payment, concurrently with and in addition to the
20 employee contributions otherwise made for annuity purposes.

21 Each such additional employee contribution shall be
22 credited to an account in the prior service annuity reserve, to
23 be used, together with city contributions, to defray the cost
24 of the specified annuity increments. Any balance as of the
25 beginning of each calendar year existing in such account shall
26 be credited with interest at the rate of 3% per annum.

27 Such employee contributions shall not be subject to refund,
28 except to an employee who resigns or is discharged and applies
29 for refund under this Article, and also in cases where a term
30 annuity becomes payable.

31 In such cases the employee contributions shall be refunded
32 him, without interest, and charged to the aforementioned
33 account in the prior service annuity reserve.

34 (Source: P.A. 92-599, eff. 6-28-02; 92-609, eff. 7-1-02;
35 revised 8-26-02.)

1 (40 ILCS 5/11-145.1) (from Ch. 108 1/2, par. 11-145.1)

2 Sec. 11-145.1. Minimum annuities for widows.

3 The widow otherwise eligible for widow's annuity under
4 other Sections of this Article 11, of an employee hereinafter
5 described, who retires from service or dies while in the
6 service subsequent to the effective date of this amendatory
7 provision, and for which widow the amount of widow's annuity
8 and widow's prior service annuity combined, fixed or provided
9 for such widow under other provisions of said Article 11 is
10 less than the amount hereinafter provided in this section,
11 shall, from and after the date her otherwise provided annuity
12 would begin, in lieu of such otherwise provided widow's and
13 widow's prior service annuity, be entitled to the following
14 indicated amount of annuity:

15 (a) The widow of any employee who dies while in service on
16 or after the date on which he attains age 60 if the death
17 occurs before July 1, 1990, or on or after the date on which he
18 attains age 55 if the death occurs on or after July 1, 1990,
19 with at least 20 years of service, or on or after the date on
20 which he attains age 50 if the death occurs on or after the
21 effective date of this amendatory Act of 1997 with at least 30
22 years of service, shall be entitled to an annuity equal to
23 one-half of the amount of annuity which her deceased husband
24 would have been entitled to receive had he withdrawn from the
25 service on the day immediately preceding the date of his death,
26 conditional upon such widow having attained age 60 on or before
27 such date if the death occurs before July 1, 1990, or age 55 if
28 the death occurs on or after July 1, 1990, or age 50 if the
29 death occurs on or after January 1, 1998 and the employee is
30 age 50 or over with at least 30 years of service or age 55 or
31 over with at least 25 years of service. Except as provided in
32 subsection (j), the widow's annuity shall not, however, exceed
33 the sum of \$500 a month if the employee's death in service
34 occurs before January 23, 1987. The widow's annuity shall not
35 be limited to a maximum dollar amount if the employee's death
36 in service occurs on or after January 23, 1987.

1 If the employee dies in service before July 1, 1990, and if
2 such widow of such described employee shall not be 60 or more
3 years of age on such date of death, the amount provided in the
4 immediately preceding paragraph for a widow 60 or more years of
5 age, shall, in the case of such younger widow, be reduced by
6 0.25% for each month that her then attained age is less than 60
7 years if the employee was born before January 1, 1936, or dies
8 in service on or after January 1, 1988, or 0.5% for each month
9 that her then attained age is less than 60 years if the
10 employee was born on or after January 1, 1936 and dies in
11 service before January 1, 1988.

12 If the employee dies in service on or after July 1, 1990,
13 and if the widow of the employee has not attained age 55 on or
14 before the employee's date of death, the amount otherwise
15 provided in this subsection (a) shall be reduced by 0.25% for
16 each month that her then attained age is less than 55 years;
17 except that if the employee dies in service on or after January
18 1, 1998 at age 50 or over with at least 30 years of service or
19 at age 55 or over with at least 25 years of service, there
20 shall be no reduction due to the widow's age if she has
21 attained age 50 on or before the employee's date of death, and
22 if the widow has not attained age 50 on or before the
23 employee's date of death the amount otherwise provided in this
24 subsection (a) shall be reduced by 0.25% for each month that
25 her then attained age is less than 50 years.

26 (b) The widow of any employee who dies subsequent to the
27 date of his retirement on annuity, and who so retired on or
28 after the date on which he attained age 60 if retirement occurs
29 before July 1, 1990, or on or after the date on which he
30 attained age 55 if retirement occurs on or after July 1, 1990,
31 with at least 20 years of service, or on or after the date on
32 which he attained age 50 if the retirement occurs on or after
33 the effective date of this amendatory Act of 1997 with at least
34 30 years of service, shall be entitled to an annuity equal to
35 one-half of the amount of annuity which her deceased husband
36 received as of the date of his retirement on annuity,

1 conditional upon such widow having attained age 60 on or before
2 the date of her husband's retirement on annuity if retirement
3 occurs before July 1, 1990, or age 55 if retirement occurs on
4 or after July 1, 1990, or age 50 if the retirement on annuity
5 occurs on or after January 1, 1998 and the employee is age 50
6 or over with at least 30 years of service or age 55 or over with
7 at least 25 years of service. Except as provided in subsection
8 (j), this widow's annuity shall not, however, exceed the sum of
9 \$500 a month if the employee's death occurs before January 23,
10 1987. The widow's annuity shall not be limited to a maximum
11 dollar amount if the employee's death occurs on or after
12 January 23, 1987, regardless of the date of retirement;
13 provided that, if retirement was before January 23, 1987, the
14 employee or eligible spouse repays the excess spouse refund
15 with interest at the effective rate from the date of refund to
16 the date of repayment.

17 If the date of the employee's retirement on annuity is
18 before July 1, 1990, and if such widow of such described
19 employee shall not have attained such age of 60 or more years
20 on such date of her husband's retirement on annuity, the amount
21 provided in the immediately preceding paragraph for a widow 60
22 or more years of age on the date of her husband's retirement on
23 annuity, shall, in the case of such then younger widow, be
24 reduced by 0.25% for each month that her then attained age was
25 less than 60 years if the employee was born before January 1,
26 1936, or withdraws from service on or after January 1, 1988, or
27 0.5% for each month that her then attained age was less than 60
28 years if the employee was born on or after January 1, 1936 and
29 withdraws from service before January 1, 1988.

30 If the date of the employee's retirement on annuity is on
31 or after July 1, 1990, and if the widow of the employee has not
32 attained age 55 by the date of the employee's retirement on
33 annuity, the amount otherwise provided in this subsection (b)
34 shall be reduced by 0.25% for each month that her then attained
35 age is less than 55 years; except that if the employee retires
36 on annuity on or after January 1, 1998 at age 50 or over with at

1 least 30 years of service or at age 55 or over with at least 25
2 years of service, there shall be no reduction due to the
3 widow's age if she has attained age 50 on or before the
4 employee's date of death, and if the widow has not attained age
5 50 on or before the employee's date of death the amount
6 otherwise provided in this subsection (b) shall be reduced by
7 0.25% for each month that her then attained age is less than 50
8 years.

9 (c) The foregoing provisions relating to minimum annuities
10 for widows shall not apply to the widow of any former employee
11 receiving an annuity from the fund on August 2, 1965 or on the
12 effective date of this amendatory provision, who re-enters
13 service as a former employee, unless such employee renders at
14 least 3 years of additional service after the date of re-entry.

15 (d) (Blank).

16 (e) (Blank).

17 (f) The amendments to this Section by this amendatory Act
18 of 1985, relating to changing the discount because of age from
19 1/2 of 1% to 0.25% per month for widows of employees born
20 before January 1, 1936, shall apply only to qualifying widows
21 whose husbands die while in the service on or after August 16,
22 1985 or withdraw and enter on annuity on or after August 16,
23 1985.

24 (g) Beginning on January 1, 1999, the minimum amount of
25 widow's annuity shall be \$800 per month for life for the
26 following classes of widows, without regard to the fact that
27 the death of the employee occurred prior to the effective date
28 of this amendatory Act of 1998:

29 (1) any widow annuitant alive and receiving a term
30 annuity on the effective date of this amendatory Act of
31 1998, except a reciprocal annuity;

32 (2) any widow annuitant alive and receiving a life
33 annuity on the effective date of this amendatory Act of
34 1998, except a reciprocal annuity;

35 (3) any widow annuitant alive and receiving a
36 reciprocal annuity on the effective date of this amendatory

1 Act of 1998, whose employee spouse's service in this fund
2 was at least 5 years;

3 (4) the widow of an employee with at least 10 years of
4 service in this fund who dies after retirement, if the
5 retirement occurred prior to the effective date of this
6 amendatory Act of 1998;

7 (5) the widow of an employee with at least 10 years of
8 service in this fund who dies after retirement, if
9 withdrawal occurs on or after the effective date of this
10 amendatory Act of 1998;

11 (6) the widow of an employee who dies in service with
12 at least 5 years of service in this fund, if the death in
13 service occurs on or after the effective date of this
14 amendatory Act of 1998.

15 The increases granted under items (1), (2), (3) and (4) of
16 this subsection (g) shall not be limited by any other Section
17 of this Act.

18 (h) The widow of an employee who retired or died in service
19 on or after January 1, 1985 and before July 1, 1990, at age 55
20 or older, and with at least 35 years of service credit, shall
21 be entitled to have her widow's annuity increased, effective
22 January 1, 1991, to an amount equal to 50% of the retirement
23 annuity that the deceased employee received on the date of
24 retirement, or would have been eligible to receive if he had
25 retired on the day preceding the date of his death in service,
26 provided that if the widow had not attained age 60 by the date
27 of the employee's retirement or death in service, the amount of
28 the annuity shall be reduced by 0.25% for each month that her
29 then attained age was less than age 60 if the employee's
30 retirement or death in service occurred on or after January 1,
31 1988, or by 0.5% for each month that her attained age is less
32 than age 60 if the employee's retirement or death in service
33 occurred prior to January 1, 1988. However, in cases where a
34 refund of excess contributions for widow's annuity has been
35 paid by the Fund, the increase in benefit provided by this
36 subsection (h) shall be contingent upon repayment of the refund

1 to the Fund with interest at the effective rate from the date
2 of refund to the date of payment.

3 (i) If a deceased employee is receiving a retirement
4 annuity at the time of death and that death occurs on or after
5 June 27, 1997, the widow may elect to receive, in lieu of any
6 other annuity provided under this Article, 50% of the deceased
7 employee's retirement annuity at the time of death reduced by
8 0.25% for each month that the widow's age on the date of death
9 is less than 55; except that if the employee dies on or after
10 January 1, 1998 and withdrew from service on or after June 27,
11 1997 at age 50 or over with at least 30 years of service or at
12 age 55 or over with at least 25 years of service, there shall
13 be no reduction due to the widow's age if she has attained age
14 50 on or before the employee's date of death, and if the widow
15 has not attained age 50 on or before the employee's date of
16 death the amount otherwise provided in this subsection (i)
17 shall be reduced by 0.25% for each month that her age on the
18 date of death is less than 50 years. However, in cases where a
19 refund of excess contributions for widow's annuity has been
20 paid by the Fund, the benefit provided by this subsection (i)
21 is contingent upon repayment of the refund to the Fund with
22 interest at the effective rate from the date of refund to the
23 date of payment.

24 (j) For widows of employees who died before January 23,
25 1987 after retirement on annuity or in service, the maximum
26 dollar amount limitation on widow's annuity shall cease to
27 apply, beginning with the first annuity payment after the
28 effective date of this amendatory Act of 1997; except that if a
29 refund of excess contributions for widow's annuity has been
30 paid by the Fund, the increase resulting from this subsection
31 (j) shall not begin before the refund has been repaid to the
32 Fund, together with interest at the effective rate from the
33 date of the refund to the date of repayment.

34 (k) In lieu of any other annuity provided in this Article,
35 an eligible spouse of an employee who dies in service on or
36 after January 1, 2002 (regardless of whether that death in

1 service occurs prior to ~~at least 60 days after~~ the effective
2 date of this amendatory Act of the 93rd ~~92nd~~ General Assembly)
3 with at least 10 years of service shall be entitled to an
4 annuity of 50% of the minimum formula annuity earned and
5 accrued to the credit of the employee at the date of death. For
6 the purposes of this subsection, the minimum formula annuity
7 earned and accrued to the credit of the employee is equal to
8 2.40% for each year of service of the highest average annual
9 salary for any 4 consecutive years within the last 10 years of
10 service immediately preceding the date of death, up to a
11 maximum of 80% of the highest average annual salary. This
12 annuity shall not be reduced due to the age of the employee or
13 spouse. In addition to any other eligibility requirements under
14 this Article, the spouse is eligible for this annuity only if
15 the marriage was in effect for 10 full years or more.

16 (Source: P.A. 92-599, eff. 6-28-02.)

17 (40 ILCS 5/11-163) (from Ch. 108 1/2, par. 11-163)

18 Sec. 11-163. Restoration of rights. An employee who has
19 withdrawn as a refund the amounts credited for annuity
20 purposes, and who (i) re-enters service of the employer and
21 serves for periods comprising at least 90 days ~~2 years~~ after
22 the date of the last refund paid to him or (ii) has completed
23 at least 2 years of service under a participating system (as
24 defined in the Retirement Systems Reciprocal Act) other than
25 this Fund after the date of the last refund, shall have his
26 annuity rights restored by making application to the board in
27 writing for the privilege of re-instating such rights and by
28 compliance with the following provisions:

29 (a) After that 90 day or 2 year period, whichever
30 applies, he shall repay in full to the Fund, while in
31 service, ~~in full~~ all refunds received, together with
32 interest at the effective rate from the application dates
33 of such refund or refunds to the date of repayment.†

34 (b) If payment is not made in a single sum, repayment
35 may be made in installments by deductions from salary or

1 otherwise, in such manner and amounts as the board, by
2 rule, may prescribe, with interest at the effective rate
3 accruing on the unpaid balance ~~employee may elect~~. The
4 employee shall be credited with interest at the effective
5 rate from the date of each installment until full repayment
6 is made.

7 (c) If the employee withdraws from service or dies in
8 service before full repayment is made, service credit shall
9 be restored in accordance with Section 11-221.2(b).

10 (d) If the employee withdraws from service or dies in
11 service ~~or~~ during the required 90 day or 2 year period, any
12 repayments made shall be refunded, without interest
13 thereon and in accordance with the refund provisions of
14 this Article.

15 (e) If the employee repays the refund while
16 participating in a participating system (as defined in the
17 Retirement Systems Reciprocal Act) other than this Fund,
18 the service credit restored must be used for a proportional
19 annuity calculated in accordance with the Retirement
20 Systems Reciprocal Act. If not so used, the restored
21 service credit shall be forfeited and the amount of the
22 repayment shall be refunded, without interest.

23 (Source: Laws 1963, p. 161.)

24 (40 ILCS 5/11-167) (from Ch. 108 1/2, par. 11-167)

25 Sec. 11-167. Refunds in lieu of annuity. In lieu of an
26 annuity, an employee who withdraws, and whose annuity would
27 amount to less than \$800 a month for life may elect to receive
28 a refund of the total sum accumulated to his credit from
29 employee contributions for annuity purposes.

30 The widow of any employee, eligible for annuity upon the
31 death of her husband, whose annuity would amount to less than
32 \$800 a month for life, may, in lieu of a widow's annuity, elect
33 to receive a refund of the accumulated contributions for
34 annuity purposes, based on the amounts contributed by her
35 deceased employee husband, but reduced by any amounts

1 theretofore paid to him in the form of an annuity or refund out
2 of such accumulated contributions.

3 Accumulated contributions shall mean the amounts including
4 interest credited thereon contributed by the employee for age
5 and service and widow's annuity to the date of his withdrawal
6 or death, whichever first occurs, and including the
7 accumulations from any amounts contributed for him as salary
8 deductions while receiving duty disability benefits; provided
9 that such amounts contributed by the city after December 31,
10 1983 while the employee is receiving duty disability benefits
11 and amounts credited to the employee for annuity purposes by
12 the fund after December 31, 2000 while the employee is
13 receiving ordinary disability benefits shall not be included.

14 The acceptance of such refund in lieu of widow's annuity,
15 on the part of a widow, shall not deprive a child or children
16 of the right to receive a child's annuity as provided for in
17 Sections 11-153 and 11-154 of this Article, and neither shall
18 the payment of a child's annuity in the case of such refund to
19 a widow reduce the amount herein set forth as refundable to
20 such widow electing a refund in lieu of widow's annuity.

21 (Source: P.A. 91-887, eff. 7-6-00; 92-599, eff. 6-28-02.)

22 (40 ILCS 5/11-170.1) (from Ch. 108 1/2, par. 11-170.1)

23 Sec. 11-170.1. Pickup of employee contributions.

24 (a) The employer may pick up the employee contributions
25 required by Sections 11-156, 11-170, 11-174 and 11-175.1 for
26 salary earned after December 31, 1981. If employee
27 contributions are not picked up, the amount that would have
28 been picked up under this amendatory Act of 1980 shall continue
29 to be deducted from salary. If contributions are picked up they
30 shall be treated as employer contributions in determining tax
31 treatment under the United States Internal Revenue Code;
32 however, the employer shall continue to withhold Federal and
33 state income taxes based upon these contributions until the
34 Internal Revenue Service or the Federal courts rule that
35 pursuant to Section 414(h) of the United States Internal

1 Revenue Code, these contributions shall not be included as
2 gross income of the employee until such time as they are
3 distributed or made available. The employer shall pay these
4 employee contributions from the same source of funds which is
5 used in paying salary to the employee. The employer may pick up
6 these contributions by a reduction in the cash salary of the
7 employee or by an offset against a future salary increase or by
8 a combination of a reduction in salary and offset against a
9 future salary increase. If employee contributions are picked up
10 they shall be treated for all purposes of this Article 11,
11 including Section 11-169, in the same manner and to the same
12 extent as employee contributions made prior to the date picked
13 up.

14 (b) Subject to the requirements of federal law and the
15 rules of the Board, the Fund may allow the employee to elect to
16 have the employer pick up the optional contributions that the
17 employee has elected to pay to the Fund, and the contributions
18 so picked up shall be treated as employer contributions for the
19 purpose of determining federal tax treatment. The employer
20 shall pick up the contributions by a reduction in the cash
21 salary of the employee and shall pay contributions from the
22 same source of funds that is used to pay earnings of the
23 employee. The election to have the contributions picked up is
24 irrevocable, and the optional contributions may not thereafter
25 be prepaid, by direct payment or otherwise.

26 If the provision authorizing the optional contribution
27 requires payment by a stated date (rather than the date of
28 withdrawal or retirement), the requirement will be deemed to
29 have been satisfied if (i) on or before the stated date the
30 employee executes a valid irrevocable election to have the
31 contributions picked up under this subsection, and (ii) the
32 picked-up contributions are in fact paid to the Fund as
33 provided in the election.

34 If employee contributions are picked up under this
35 subsection, they shall be treated for all purposes of this
36 Article 11, including Section 11-169, in the same manner and to

1 the same extent as optional employee contributions made prior
2 to the date picked up.

3 (Source: P.A. 81-1536.)

4 (40 ILCS 5/11-178) (from Ch. 108 1/2, par. 11-178)

5 Sec. 11-178. Contributions by city for prior service
6 annuities and other benefits.

7 The city shall make contributions to provide prior service
8 and widow's prior service annuities, and other annuities and
9 benefits, as follows:

10 1. To credit to the city contribution reserve such amounts
11 required from the city but not contributed by it for age and
12 service and prior service annuities, and widow's annuities and
13 widows' prior service annuities;

14 2. To meet such part of any minimum annuity as shall be in
15 excess of the age and service annuity and prior service
16 annuity, and to meet such part of any minimum widow's annuity
17 in excess of the amount of widow's annuity and widow's prior
18 service annuity;

19 3. To provide a sufficient balance in the investment and
20 interest reserve to permit a transfer from that reserve to
21 other reserves of the fund. Whenever the balance of the
22 investment and interest reserve is not sufficient to permit a
23 transfer from that reserve to any other reserve, the city shall
24 contribute sums sufficient to make possible such transfer;

25 4. An amount equal to the difference between (1) the sum
26 produced by the tax levy stated in Section 11--169 and (2) all
27 sums required for the purposes of this Article 11 in accordance
28 with the provisions of this Article 11 except those stated in
29 this Section, shall be applied for purposes of this Section.

30 Provided that if in any year such total sums together with
31 all other sums required during such year for the other purposes
32 of the fund, are in excess of the total amount contributed by
33 the city during such year, the sums required for purposes other
34 than those stated in this section shall first be provided for.
35 The balance shall then be applied for the purposes stated in

1 this section.

2 All such contributions shall be credited to the prior
3 service annuity reserve. When the balance of this reserve
4 equals its liabilities (including in addition to all other
5 liabilities, the present values of all annuities, present or
6 prospective, according to the applicable mortality tables and
7 rates of interest, but excluding any liabilities arising under
8 Sections 11-133.3 and 11-133.4), the city shall cease to
9 contribute the sum stated in this section.

10 If annexation of territory and the employment by the city
11 of any person employed as a city laborer in any such territory
12 at the time of annexation, after the city has ceased to
13 contribute as herein provided, results in additional
14 liabilities for prior service annuity and widow's prior service
15 annuity for any such employee, contributions by the city for
16 such purposes shall be resumed.

17 Notwithstanding any provision in this Section to the
18 contrary, the city shall not make a contribution for credit
19 established by an employee under subsection (b) of Section
20 11-133.3.

21 (Source: Laws 1965, p. 2292.)

22 (40 ILCS 5/11-181) (from Ch. 108 1/2, par. 11-181)

23 Sec. 11-181. Board created. A board of 8 members shall
24 constitute the board of trustees authorized to carry out the
25 provisions of this Article. The board shall be known as the
26 Retirement Board of the Laborers' and Retirement Board
27 Employees' Annuity and Benefit Fund of the city. The board
28 shall consist of 5 persons appointed and 2 employees and one
29 annuitant elected in the manner hereinafter prescribed.

30 The appointed members of the board shall be appointed as
31 follows:

32 One member shall be appointed by the comptroller of the
33 city, who may be himself or anyone chosen from among employees
34 of the city who are versed in the affairs of the comptroller's
35 office; one member shall be appointed by the City Treasurer of

1 the city, who may be himself or a person chosen from among
2 employees of the city who are versed in the affairs of the City
3 Treasurer's office; one member shall be an employee of the city
4 appointed by the president of the local labor organization
5 representing a majority of the employees participating in the
6 Fund; and 2 members shall be appointed by the civil service
7 commission or the Department of Personnel of the city from
8 among employees of the city who are versed in the affairs of
9 the civil service commission's office or the Department of
10 Personnel.

11 The member appointed by the comptroller shall hold office
12 for a term ending on December 1st of the first year following
13 the year of appointment. The member appointed by the City
14 Treasurer shall hold office for a term ending on December 1st
15 of the second year following the year of appointment. The
16 member appointed by the civil service commission shall hold
17 office for a term ending on the first day in the month of
18 December of the third year following the year of appointment.
19 The additional member appointed by the civil service commission
20 under this amendatory Act of 1998 shall hold office for an
21 initial term ending on December 1, 2000, and the member
22 appointed by the labor organization president shall hold office
23 for an initial term ending on December 1, 2001. Thereafter each
24 appointive member shall be appointed by the officer or body
25 that appointed his predecessor, for a term of 3 years.

26 The 2 employee members of the board shall be elected as
27 follows:

28 Within 30 days from and after the appointive members have
29 been appointed and have qualified, the appointive members shall
30 arrange for and hold an election.

31 One employee shall be elected for a term ending on December
32 1st of the first year next following the effective date; one
33 for a term ending on December 1st of the following year.

34 An employee member who takes advantage of the early
35 retirement incentives provided under this amendatory Act of the
36 93rd General Assembly may continue as a member until the end of

1 his or her term.

2 The initial annuitant member shall be appointed by the
3 other members of the board for an initial term ending on
4 December 1, 1999. The annuitant member elected in 1999 shall be
5 deemed to have been elected for a 3-year term ending on
6 December 1, 2002. Thereafter, the annuitant member shall be
7 elected for a 3-year term ending on December 1st of the third
8 year following the election.

9 (Source: P.A. 90-766, eff. 8-14-98; 91-887, eff. 7-6-00.)

10 (40 ILCS 5/12-133) (from Ch. 108 1/2, par. 12-133)

11 Sec. 12-133. Fixed benefit retirement annuity.

12 (a) Subject to the provisions of paragraph (b) of this
13 Section, the retirement annuity for any employee who withdraws
14 from service on or after January 1, 1983 and before January 1,
15 1990, at age 60 or over, having at least 4 years of service,
16 shall be 1.70% for each of the first 10 years of service; 2.00%
17 for each of the next 10 years of service; 2.40% for each year
18 of service in excess of 20 but not exceeding 30; and 2.80% for
19 each year of service in excess of 30, with a pro-rated amount
20 for service of less than a full year, based upon the highest
21 average annual salary for any 4 consecutive years within the
22 last 10 years of service immediately preceding the date of
23 withdrawal, provided that: (1) if retirement of the employee
24 occurs below age 60, such annuity shall be reduced 1/2 of 1%
25 for each month or fraction thereof that the employee's age is
26 less than 60, except that an employee retiring at age 55 or
27 over but less than age 60, having at least 35 years of service,
28 shall not be subject to the reduction in his retirement annuity
29 because of retirement below age 60; (2) the annuity shall not
30 exceed 75% of such average annual salary; (3) the actual salary
31 shall be considered in the computation of this annuity.

32 The retirement annuity for any employee who withdraws from
33 service on or after January 1, 1990 and prior to December 31,
34 2003 at age 50 or over with at least 10 years of service, or at
35 age 60 or over with at least 4 years of service, shall be 1.90%

1 for each of the first 10 years of service, 2.20% for each of
2 the next 10 years of service, 2.40% for each of the next 10
3 years of service, and 2.80% for each year of service in excess
4 of 30, with a pro-rated amount for service of less than a full
5 year, based upon the highest average annual salary for any 4
6 consecutive years within the last 10 years of service
7 immediately preceding the date of withdrawal, provided that:

8 (1) if retirement of the employee occurs below age 60,
9 such annuity shall be reduced 1/4 of 1% (1/2 of 1% in the
10 case of withdrawal from service before January 1, 1991) for
11 each month or fraction thereof that the employee's age is
12 less than 60, except that an employee retiring at age 50 or
13 over having at least 30 years of service shall not be
14 subject to the reduction in retirement annuity because of
15 retirement below age 60;

16 (2) the annuity shall not exceed 80% of such average
17 annual salary; and

18 (3) the actual salary shall be considered in the
19 computation of this annuity.

20 An employee who withdraws from service on or after December
21 31, 2003, at age 50 or over with at least 10 years of service or
22 at age 60 or over with at least 4 years of service, shall
23 receive, in lieu of any other retirement annuity provided for
24 in this Section, a retirement annuity calculated as follows:
25 for each year of service immediately preceding the date of
26 withdrawal, 2.40% of the highest average annual salary for any
27 4 consecutive years within the last 10 years of service
28 immediately preceding the date of withdrawal, with a prorated
29 amount for service of less than a full year, provided that:

30 (1) if retirement of the employee occurs below age 60,
31 such annuity shall be reduced 1/4 of 1% for each month or
32 fraction thereof that the employee's age is less than 60,
33 except that an employee retiring at age 50 or over having
34 at least 30 years of service shall not be subject to the
35 reduction in retirement annuity because of retirement
36 below age 60;

1 (2) the annuity shall not exceed 80% of such average
2 annual salary; and

3 (3) the actual salary shall be considered in the
4 computation of this annuity.

5 Notwithstanding any other formula, the annuity for
6 employees retiring on or after January 31, 2004 and on or
7 before February 29, 2004 with at least 30 years of service
8 shall be 80% of average annual salary for any 4 consecutive
9 years within the last 10 years of service immediately preceding
10 the date of withdrawal.

11 (b) In lieu of the retirement annuity provided as an
12 actuarial equivalent of the total accumulations from
13 contributions by the employee, contributions by the employer,
14 and prior service annuity plus regular interest, an employee in
15 service prior to July 1, 1971 shall be entitled to the largest
16 applicable retirement annuity provided in this Section if the
17 same is larger than the annuity provided in other Sections of
18 this Article.

19 (c) The following schedule shall govern the computation of
20 service for the fixed benefit annuities provided by this
21 Section: Service during 9 months or more during any fiscal year
22 shall constitute a year of service; 6 to 8 months, inclusive,
23 3/4 of a year; 3 to 5 months, inclusive, 1/2 year; less than 3
24 months, 1/4 of a year; 15 days or more in any month, a month of
25 service.

26 (d) The other provisions of this Section shall not apply in
27 the case of any former employee who is receiving a retirement
28 annuity from the fund and who re-enters service as an employee,
29 unless the employee renders from and after the date of
30 re-entry, at least 3 years of additional service.

31 (Source: P.A. 86-272; 86-1488; 87-794.)

32 (40 ILCS 5/12-133.6 new)

33 Section 12-133.6. Early retirement incentive.

34 (a) To be eligible for the benefits provided in this
35 Section, a person must:

1 (1) have been, on November 1, 2003, an employee (i)
2 contributing to the Fund in active payroll status in a
3 position of employment under this Article, (ii) returning
4 to active payroll status from an approved leave of absence
5 prior to December 1, 2003, (iii) receiving ordinary or duty
6 disability benefits under Section 12-140, 12-142, or
7 12-143 or (iv) or have been subjected to an involuntary
8 termination or layoff by the employer and restored to
9 service by his or her employer prior to January 31, 2004;

10 (2) have not previously retired under this Article;

11 (3) file with the Board before January 31, 2004 a
12 written election requesting the benefits provided in this
13 Section;

14 (4) withdraw from service on or after January 31, 2004
15 and on or before February 29, 2004 (or the date established
16 under subsection (a-5), if applicable); and

17 (5) have, by the date of withdrawal or by February 29,
18 2004, whichever is earlier, attained age 50 with at least
19 10 years of creditable service in one or more participating
20 systems under the Retirement Systems Reciprocal Act,
21 without including any creditable service established under
22 this Section.

23 (a-5) To ensure that the efficient operation of employers
24 under this Article is not jeopardized by the simultaneous
25 retirement of large numbers of critical personnel, each
26 employer may, for its critical employees, extend the February
27 29, 2004 deadline for terminating employment under this Article
28 established in subdivision (a) (4) of this Section to a date not
29 later than May 31, 2004 by so notifying the Fund by January 31,
30 2004.

31 (b) An eligible person may establish up to 5 years of
32 creditable service under this Section, in increments of one
33 month, by making the contributions specified in subsection (c).
34 In addition, for each month of creditable service established
35 under this Section, a person's age at retirement shall be
36 deemed to be one month older than it actually is, except for

1 purposes of determining age under item (5) of subsection (a).

2 The creditable service established under this Section may
3 be used for all purposes under this Article and the Retirement
4 Systems Reciprocal Act, except for the computation of highest
5 average annual salary under Section 12-133 or the determination
6 of salary under this or any other Article of this Code.

7 (c) For each month of creditable service established under
8 this Section, the person must pay to the Fund an employee
9 contribution to be determined by the Fund, equal to 4.50% of
10 the person's monthly salary rate on the date of withdrawal from
11 service. Subject to the requirements of subsection (d), the
12 person may elect to pay the required employee contribution
13 before the retirement annuity commences or through deductions
14 from the retirement annuity over a period not longer than 24
15 months.

16 If a person who retires dies before all payments of the
17 employee contribution have been made, the remaining payments
18 shall be deducted from any survivor or death benefits payable
19 to the employee's surviving spouse or beneficiary.

20 Notwithstanding any provision in this Article to the
21 contrary, all employee contributions paid under this Section
22 shall not be deemed employee contributions for the purpose of
23 determining the tax levy under Section 12-149. Notwithstanding
24 any provision in this Article to the contrary, the employer
25 shall not make a contribution for any credit established by an
26 employee under subsection (b) of this Section. Employee
27 contributions made under this Section may be refunded under the
28 same terms and conditions as other employee contributions under
29 this Article.

30 (d) A person who retires under the provisions of this
31 Section shall be entitled to have his or her retirement annuity
32 calculated under the provisions of Section 12-133, except that
33 the retirement annuity shall not be subject to reduction for
34 retirement under age 60.

35 (e) Notwithstanding Section 12-146 of this Article, an
36 annuitant who reenters service under this Article after

1 receiving a retirement annuity based on additional benefits
2 provided under this Section thereby forfeits the right to
3 continue to receive those benefits, and upon again retiring
4 shall have his or her retirement annuity recalculated at the
5 appropriate time without the additional benefits provided in
6 this Section.

7 (f) No employer action in declaring an employee to be a
8 critical employee pursuant to subsection (a-5) shall be
9 construed as an impairment of any pension benefit or
10 entitlement. No early retirement option or resultant benefit
11 conferred under this Section shall, in any manner, vest for any
12 employee until the earlier date of the employer's decision to
13 release the employee from service or May 31, 2004.

14 (40 ILCS 5/12-133.7 new)

15 Sec. 12-133.7. Early retirement incentive for employees
16 who have earned maximum pension benefits. A person who is
17 eligible for the benefits provided under Section 12-133.6 and
18 who, if he or she had retired on or before February 29, 2004,
19 would have been entitled to a pension equal to 80% of his or
20 her highest average salary for any 4 consecutive years within
21 the last 10 years of service immediately preceding February 29,
22 2004 without receiving the benefits provided in Section
23 12-133.6 may elect, by filing a written election with the Fund
24 by January 30, 2004, to receive a lump sum from the Fund on his
25 or her last day of employment equal to 100% of his or her
26 salary for the year ending on February 29, 2004 or the date of
27 withdrawal, whichever is earlier. To be eligible to receive the
28 benefit provided under this Section, the person must withdraw
29 from service on or after January 31, 2004 and on or before
30 February 29, 2004. If a person elects to receive the benefit
31 provided under this Section, his or her retirement annuity
32 otherwise payable under Section 12-133 shall be reduced by an
33 amount equal to the actuarial equivalent of the lump sum. If a
34 person elects to receive the benefit provided under this
35 Section, the resulting reduction in retirement annuity under

1 this Section shall not affect the amount of any widow's service
2 annuity or widow's prior service annuity under Section 12-135
3 or any optional reversionary annuity for a surviving spouse
4 under Section 12-136.1.

5 (40 ILCS 5/12-149) (from Ch. 108 1/2, par. 12-149)

6 Sec. 12-149. Financing. The board of park commissioners of
7 any such park district shall annually levy a tax (in addition
8 to the taxes now authorized by law) upon all taxable property
9 embraced in the district, at the rate which, when added to the
10 employee contributions under this Article and applied to the
11 fund created hereunder, shall be sufficient to provide for the
12 purposes of this Article in accordance with the provisions
13 thereof. Such tax shall be levied and collected with and in
14 like manner as the general taxes of such district, and shall
15 not in any event be included within any limitations of rate for
16 general park purposes as now or hereafter provided by law, but
17 shall be excluded therefrom and be in addition thereto. The
18 amount of such annual tax to and including the year 1977 shall
19 not exceed .0275% of the value, as equalized or assessed by the
20 Department of Revenue, of all taxable property embraced within
21 the park district, provided that for the year 1978, and for
22 each year thereafter, the amount of such annual tax shall be at
23 a rate on the dollar of assessed valuation of all taxable
24 property that will produce, when extended, for the year 1978
25 the following sum: 0.825 times the amount of employee
26 contributions during the fiscal year 1976; for the year 1979,
27 0.85 times the amount of employee contributions during the
28 fiscal year 1977; for the year 1980, 0.90 times the amount of
29 employee contributions during the fiscal year 1978; for the
30 year 1981, 0.95 times the amount of employee contributions
31 during the fiscal year 1979; for the year 1982, 1.00 times the
32 amount of employee contributions during the fiscal year 1980;
33 for the year 1983, 1.05 times the amount of contributions made
34 on behalf of employees during the fiscal year 1981; and for the
35 year 1984 and each year thereafter, an amount equal to 1.10

1 times the employee contributions during the fiscal year 2-years
2 prior to the year for which the applicable tax is levied. As
3 used in this Section, the term "employee contributions" means
4 contributions by employees for retirement annuity, spouse's
5 annuity, automatic increase in retirement annuity, and death
6 benefit.

7 In respect to park district employees, other than
8 policemen, who are transferred to the employment of a city by
9 virtue of the "Exchange of Functions Act of 1957", the
10 corporate authorities of the city shall annually levy a tax
11 upon all taxable property embraced in the city, as equalized or
12 assessed by the Department of Revenue, at such rate per cent of
13 the value of such property as shall be sufficient, when added
14 to the amounts deducted from the salary or wages of such
15 employees, to provide the benefits to which such employees,
16 their dependents and beneficiaries are entitled under the
17 provisions of this Article. The park district shall not levy a
18 tax hereunder in respect to such employees. The tax levied by
19 the city under authority of this Article shall be in addition
20 to and exclusive of all other taxes authorized by law to be
21 levied by the city for corporate, annuity fund or other
22 purposes.

23 All moneys accruing from the levy and collection of taxes,
24 pursuant to this section, shall be remitted to the board by the
25 employers as soon as they are received. Where a city has levied
26 a tax pursuant to this Section in respect to park district
27 employees transferred to the employment of a city, the
28 treasurer of such city or other authorized officer shall remit
29 the moneys accruing from the levy and collection of such tax as
30 soon as they are received. Such remittances shall be made upon
31 a pro rata share basis, whereby each employer shall pay to the
32 board such employer's proportionate percentage of each payment
33 of taxes received by it, according to the ratio which its tax
34 levy for this fund bears to the total tax levy of such
35 employer.

36 Should any board of park commissioners included under the

1 provisions of this Article be without authority to levy the tax
2 provided in this Section the corporation authorities (meaning
3 the supervisor, clerk and assessor) of the town or towns for
4 which such board shall be the board of park commissioners shall
5 levy such tax.

6 Employer contributions to the Fund may be reduced by
7 \$5,000,000 for calendar years 2004 and 2005.

8 (Source: P.A. 81-1536.)

9 Section 90. The State Mandates Act is amended by adding
10 Section 8.28 as follows:

11 (30 ILCS 805/8.28 new)

12 Sec. 8.28. Exempt mandate. Notwithstanding Sections 6 and 8
13 of this Act, no reimbursement by the State is required for the
14 implementation of any mandate created by this amendatory Act of
15 the 93rd General Assembly.

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