**Section 1650.1120 Automatic Annual Increases**

a) The alternate payee will or will not receive a proportionate share of any automatic annual increase in the member's retirement benefit under Section 16-136.1 of the Act [40 ILCS 5/16-136.1], according to the designation in the QILDRO.

b) Except as provided in subsection (c) of this Section, the initial increase in the amount due the alternate payee under the QILDRO is payable with the next succeeding increase due the member after the effective date of the QILDRO.

c) In the event that the effective date of the QILDRO is in the same month that the member's benefit is increased, the alternate payee's initial increase is not payable until the next succeeding increase in the member's benefit.

d) The System will calculate the amount of any increase payable to the alternate payee under the QILDRO.

e) The amount of any increase payable to the alternate payee (other than any increase resulting from the member's initial automatic annual increase) is the percentage of increase due the member under Section 16-133.1 or Section 16-136.1 of the Act [40 ILCS 5/16-133.1, 16-136.1], multiplied by the alternate payee's monthly benefit as of the date of the increase.

f) The amount of any increase payable to the alternate payee resulting from the member's initial automatic annual increase is the percentage of increase due the member under Section 16-133.1 or Section 16-136.1 of the Act [40 ILCS 5/16-133.1, 16-136.1], multiplied by the alternate payee's monthly benefit as of the date of the increase, multiplied by the following fraction:

1) The numerator is the number of months elapsed between:

A) The later of the effective date of the QILDRO or the date of retirement, and

B) The date that the initial increase becomes payable; and

2) The denominator is the number of months elapsed between:

A) The date of retirement, and

B) The date that the initial increase becomes payable.

(Source: Amended at 27 Ill. Reg. 1668, effective January 17, 2003)