



Rep. Robert Martwick

**Filed: 4/18/2018**

10000HB5137ham001

LRB100 20023 RPS 36890 a

1 AMENDMENT TO HOUSE BILL 5137

2 AMENDMENT NO. \_\_\_\_\_. Amend House Bill 5137 by replacing  
3 everything after the enacting clause with the following:

4 "Section 5. The Illinois Pension Code is amended by  
5 changing Sections 15-198 and 16-203 and by adding Sections  
6 15-202 and 16-204 as follows:

7 (40 ILCS 5/15-198)

8 Sec. 15-198. Application and expiration of new benefit  
9 increases.

10 (a) As used in this Section, "new benefit increase" means  
11 an increase in the amount of any benefit provided under this  
12 Article, or an expansion of the conditions of eligibility for  
13 any benefit under this Article, that results from an amendment  
14 to this Code that takes effect after the effective date of this  
15 amendatory Act of the 94th General Assembly. "New benefit  
16 increase", however, does not include any benefit increase

1 resulting from the changes made to Article 1 or this Article by  
2 Public Act 100-23 or this amendatory Act of the 100th General  
3 Assembly ~~this amendatory Act of the 100th General Assembly.~~

4 (b) Notwithstanding any other provision of this Code or any  
5 subsequent amendment to this Code, every new benefit increase  
6 is subject to this Section and shall be deemed to be granted  
7 only in conformance with and contingent upon compliance with  
8 the provisions of this Section.

9 (c) The Public Act enacting a new benefit increase must  
10 identify and provide for payment to the System of additional  
11 funding at least sufficient to fund the resulting annual  
12 increase in cost to the System as it accrues.

13 Every new benefit increase is contingent upon the General  
14 Assembly providing the additional funding required under this  
15 subsection. The Commission on Government Forecasting and  
16 Accountability shall analyze whether adequate additional  
17 funding has been provided for the new benefit increase and  
18 shall report its analysis to the Public Pension Division of the  
19 Department of Insurance. A new benefit increase created by a  
20 Public Act that does not include the additional funding  
21 required under this subsection is null and void. If the Public  
22 Pension Division determines that the additional funding  
23 provided for a new benefit increase under this subsection is or  
24 has become inadequate, it may so certify to the Governor and  
25 the State Comptroller and, in the absence of corrective action  
26 by the General Assembly, the new benefit increase shall expire

1 at the end of the fiscal year in which the certification is  
2 made.

3 (d) Every new benefit increase shall expire 5 years after  
4 its effective date or on such earlier date as may be specified  
5 in the language enacting the new benefit increase or provided  
6 under subsection (c). This does not prevent the General  
7 Assembly from extending or re-creating a new benefit increase  
8 by law.

9 (e) Except as otherwise provided in the language creating  
10 the new benefit increase, a new benefit increase that expires  
11 under this Section continues to apply to persons who applied  
12 and qualified for the affected benefit while the new benefit  
13 increase was in effect and to the affected beneficiaries and  
14 alternate payees of such persons, but does not apply to any  
15 other person, including without limitation a person who  
16 continues in service after the expiration date and did not  
17 apply and qualify for the affected benefit while the new  
18 benefit increase was in effect.

19 (Source: P.A. 100-23, eff. 7-6-17.)

20 (40 ILCS 5/15-202 new)

21 Sec. 15-202. Optional defined contribution benefit. As  
22 soon as practicable after the effective date of this amendatory  
23 Act of the 100th General Assembly, the System shall offer a  
24 defined contribution benefit to active members of the System.  
25 The defined contribution benefit shall be an optional benefit

1 to any member who chooses to participate. The defined  
2 contribution benefit shall collect optional employee and  
3 optional employer contributions into an account and shall offer  
4 investment options to the participant. The benefit under this  
5 Section shall be operated in full compliance with any  
6 applicable State and federal laws, and the System shall utilize  
7 generally accepted practices in creating and maintaining the  
8 benefit for the best interest of the participants. The System  
9 may use funds from the employee and employer contributions to  
10 defray any and all costs of creating and maintaining the  
11 benefit. The System shall produce an annual report on the  
12 participation in the benefit and shall make the report public.

13 (40 ILCS 5/16-203)

14 Sec. 16-203. Application and expiration of new benefit  
15 increases.

16 (a) As used in this Section, "new benefit increase" means  
17 an increase in the amount of any benefit provided under this  
18 Article, or an expansion of the conditions of eligibility for  
19 any benefit under this Article, that results from an amendment  
20 to this Code that takes effect after June 1, 2005 (the  
21 effective date of Public Act 94-4). "New benefit increase",  
22 however, does not include any benefit increase resulting from  
23 the changes made to Article 1 or this Article by Public Act  
24 95-910, Public Act 100-23, or this amendatory Act of the 100th  
25 General Assembly ~~or this amendatory Act of the 100th General~~

1 ~~Assembly.~~

2 (b) Notwithstanding any other provision of this Code or any  
3 subsequent amendment to this Code, every new benefit increase  
4 is subject to this Section and shall be deemed to be granted  
5 only in conformance with and contingent upon compliance with  
6 the provisions of this Section.

7 (c) The Public Act enacting a new benefit increase must  
8 identify and provide for payment to the System of additional  
9 funding at least sufficient to fund the resulting annual  
10 increase in cost to the System as it accrues.

11 Every new benefit increase is contingent upon the General  
12 Assembly providing the additional funding required under this  
13 subsection. The Commission on Government Forecasting and  
14 Accountability shall analyze whether adequate additional  
15 funding has been provided for the new benefit increase and  
16 shall report its analysis to the Public Pension Division of the  
17 Department of Insurance. A new benefit increase created by a  
18 Public Act that does not include the additional funding  
19 required under this subsection is null and void. If the Public  
20 Pension Division determines that the additional funding  
21 provided for a new benefit increase under this subsection is or  
22 has become inadequate, it may so certify to the Governor and  
23 the State Comptroller and, in the absence of corrective action  
24 by the General Assembly, the new benefit increase shall expire  
25 at the end of the fiscal year in which the certification is  
26 made.

1 (d) Every new benefit increase shall expire 5 years after  
2 its effective date or on such earlier date as may be specified  
3 in the language enacting the new benefit increase or provided  
4 under subsection (c). This does not prevent the General  
5 Assembly from extending or re-creating a new benefit increase  
6 by law.

7 (e) Except as otherwise provided in the language creating  
8 the new benefit increase, a new benefit increase that expires  
9 under this Section continues to apply to persons who applied  
10 and qualified for the affected benefit while the new benefit  
11 increase was in effect and to the affected beneficiaries and  
12 alternate payees of such persons, but does not apply to any  
13 other person, including without limitation a person who  
14 continues in service after the expiration date and did not  
15 apply and qualify for the affected benefit while the new  
16 benefit increase was in effect.

17 (Source: P.A. 100-23, eff. 7-6-17.)

18 (40 ILCS 5/16-204 new)

19 Sec. 16-204. Optional defined contribution benefit. As  
20 soon as practicable after the effective date of this amendatory  
21 Act of the 100th General Assembly, the System shall offer a  
22 defined contribution benefit to active members of the System.  
23 The defined contribution benefit shall be an optional benefit  
24 to any member who chooses to participate. The defined  
25 contribution benefit shall collect optional employee and

1 optional employer contributions into an account and shall offer  
2 investment options to the participant. The benefit under this  
3 Section shall be operated in full compliance with any  
4 applicable State and federal laws, and the System shall utilize  
5 generally accepted practices in creating and maintaining the  
6 benefit for the best interest of the participants. The System  
7 may use funds from the employee and employer contributions to  
8 defray any and all costs of creating and maintaining the  
9 benefit. The System shall produce an annual report on the  
10 participation in the benefit and shall make the report public.

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