

1 AN ACT concerning public employee benefits.

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 16-132 and 16-203 as follows:

6 (40 ILCS 5/16-132) (from Ch. 108 1/2, par. 16-132)

7 (Text of Section WITHOUT the changes made by P.A. 98-599,
8 which has been held unconstitutional)

9 Sec. 16-132. Retirement annuity eligibility. A member who
10 has at least 20 years of creditable service is entitled to a
11 retirement annuity upon or after attainment of age 55. A
12 member who has at least 10 but less than 20 years of creditable
13 service is entitled to a retirement annuity upon or after
14 attainment of age 60. A member who has at least 5 but less than
15 10 years of creditable service is entitled to a retirement
16 annuity upon or after attainment of age 62. A member who (i)
17 has earned during the period immediately preceding the last
18 day of service at least one year of contributing creditable
19 service as an employee of a department as defined in Section
20 14-103.04, (ii) has earned at least 5 years of contributing
21 creditable service as an employee of a department as defined
22 in Section 14-103.04, and (iii) retires on or after January 1,
23 2001 is entitled to a retirement annuity upon or after

1 attainment of an age which, when added to the number of years
2 of his or her total creditable service, equals at least 85.
3 Portions of years shall be counted as decimal equivalents.

4 A member who is eligible to receive a retirement annuity
5 of at least 74.6% of final average salary and will attain age
6 55 on or before December 31 during the year which commences on
7 July 1 shall be deemed to attain age 55 on the preceding June
8 1.

9 A member meeting the above eligibility conditions is
10 entitled to a retirement annuity upon written application to
11 the board setting forth the date the member wishes the
12 retirement annuity to commence. However, the effective date of
13 the retirement annuity shall be no earlier than the day
14 following the last day of creditable service, regardless of
15 the date of official termination of employment; except that
16 the effective date of a retirement annuity may be after the
17 date of official termination of employment as long as such
18 employment is for (1) less than 10 days in length and (2) less
19 than \$2,000 in compensation.

20 To be eligible for a retirement annuity, a member shall
21 not be employed as a teacher in the schools included under this
22 System or under Article 17, except (i) as provided in Section
23 16-118 or 16-150.1, (ii) if the member is disabled (in which
24 event, eligibility for salary must cease), or (iii) if the
25 System is required by federal law to commence payment due to
26 the member's age; the changes to this sentence made by this

1 amendatory Act of the 93rd General Assembly apply without
2 regard to whether the member terminated employment before or
3 after its effective date.

4 (Source: P.A. 93-320, eff. 7-23-03.)

5 (40 ILCS 5/16-203)

6 Sec. 16-203. Application and expiration of new benefit
7 increases.

8 (a) As used in this Section, "new benefit increase" means
9 an increase in the amount of any benefit provided under this
10 Article, or an expansion of the conditions of eligibility for
11 any benefit under this Article, that results from an amendment
12 to this Code that takes effect after June 1, 2005 (the
13 effective date of Public Act 94-4). "New benefit increase",
14 however, does not include any benefit increase resulting from
15 the changes made to Article 1 or this Article by Public Act
16 95-910, Public Act 100-23, Public Act 100-587, Public Act
17 100-743, Public Act 100-769, Public Act 101-10, ~~or~~ Public Act
18 101-49, Public Act 102-16, or this amendatory Act of the 102nd
19 General Assembly ~~this amendatory Act of the 102nd General~~
20 ~~Assembly.~~

21 (b) Notwithstanding any other provision of this Code or
22 any subsequent amendment to this Code, every new benefit
23 increase is subject to this Section and shall be deemed to be
24 granted only in conformance with and contingent upon
25 compliance with the provisions of this Section.

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

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

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

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

11 (Source: P.A. 101-10, eff. 6-5-19; 101-49, eff. 7-12-19;
12 101-81, eff. 7-12-19; 102-16, eff. 6-17-21; 102-558, eff.
13 8-20-21; revised 10-15-21.)

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