

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.