



Sen. Robert F. Martwick

**Filed: 5/16/2023**

10300HB2352sam003

LRB103 27717 RPS 62053 a

1 AMENDMENT TO HOUSE BILL 2352

2 AMENDMENT NO. \_\_\_\_\_. Amend House Bill 2352, AS AMENDED,  
3 by replacing everything after the enacting clause with the  
4 following:

5 "Section 5. The Illinois Pension Code is amended by  
6 changing Sections 1-160, 9-169, 9-179.1, 9-184, 9-185, 9-195,  
7 and 9-199 and by adding Sections 9-169.1, 9-169.2, and 9-240  
8 as follows:

9 (40 ILCS 5/1-160)

10 (Text of Section from P.A. 102-719)

11 Sec. 1-160. Provisions applicable to new hires.

12 (a) The provisions of this Section apply to a person who,  
13 on or after January 1, 2011, first becomes a member or a  
14 participant under any reciprocal retirement system or pension  
15 fund established under this Code, other than a retirement  
16 system or pension fund established under Article 2, 3, 4, 5, 6,

1 7, 15, or 18 of this Code, notwithstanding any other provision  
2 of this Code to the contrary, but do not apply to any  
3 self-managed plan established under this Code or to any  
4 participant of the retirement plan established under Section  
5 22-101; except that this Section applies to a person who  
6 elected to establish alternative credits by electing in  
7 writing after January 1, 2011, but before August 8, 2011,  
8 under Section 7-145.1 of this Code. Notwithstanding anything  
9 to the contrary in this Section, for purposes of this Section,  
10 a person who is a Tier 1 regular employee as defined in Section  
11 7-109.4 of this Code or who participated in a retirement  
12 system under Article 15 prior to January 1, 2011 shall be  
13 deemed a person who first became a member or participant prior  
14 to January 1, 2011 under any retirement system or pension fund  
15 subject to this Section. The changes made to this Section by  
16 Public Act 98-596 are a clarification of existing law and are  
17 intended to be retroactive to January 1, 2011 (the effective  
18 date of Public Act 96-889), notwithstanding the provisions of  
19 Section 1-103.1 of this Code.

20 This Section does not apply to a person who first becomes a  
21 noncovered employee under Article 14 on or after the  
22 implementation date of the plan created under Section 1-161  
23 for that Article, unless that person elects under subsection  
24 (b) of Section 1-161 to instead receive the benefits provided  
25 under this Section and the applicable provisions of that  
26 Article.

1           This Section does not apply to a person who first becomes a  
2 member or participant under Article 16 on or after the  
3 implementation date of the plan created under Section 1-161  
4 for that Article, unless that person elects under subsection  
5 (b) of Section 1-161 to instead receive the benefits provided  
6 under this Section and the applicable provisions of that  
7 Article.

8           This Section does not apply to a person who elects under  
9 subsection (c-5) of Section 1-161 to receive the benefits  
10 under Section 1-161.

11           This Section does not apply to a person who first becomes a  
12 member or participant of an affected pension fund on or after 6  
13 months after the resolution or ordinance date, as defined in  
14 Section 1-162, unless that person elects under subsection (c)  
15 of Section 1-162 to receive the benefits provided under this  
16 Section and the applicable provisions of the Article under  
17 which he or she is a member or participant.

18           (b) "Final average salary" means, except as otherwise  
19 provided in this subsection, the average monthly (or annual)  
20 salary obtained by dividing the total salary or earnings  
21 calculated under the Article applicable to the member or  
22 participant during the 96 consecutive months (or 8 consecutive  
23 years) of service within the last 120 months (or 10 years) of  
24 service in which the total salary or earnings calculated under  
25 the applicable Article was the highest by the number of months  
26 (or years) of service in that period. For the purposes of a

1 person who first becomes a member or participant of any  
2 retirement system or pension fund to which this Section  
3 applies on or after January 1, 2011, in this Code, "final  
4 average salary" shall be substituted for the following:

5 (1) (Blank).

6 (2) In Articles 8, 9, 10, 11, and 12, "highest average  
7 annual salary for any 4 consecutive years within the last  
8 10 years of service immediately preceding the date of  
9 withdrawal".

10 (3) In Article 13, "average final salary".

11 (4) In Article 14, "final average compensation".

12 (5) In Article 17, "average salary".

13 (6) In Section 22-207, "wages or salary received by  
14 him at the date of retirement or discharge".

15 A member of the Teachers' Retirement System of the State  
16 of Illinois who retires on or after June 1, 2021 and for whom  
17 the 2020-2021 school year is used in the calculation of the  
18 member's final average salary shall use the higher of the  
19 following for the purpose of determining the member's final  
20 average salary:

21 (A) the amount otherwise calculated under the first  
22 paragraph of this subsection; or

23 (B) an amount calculated by the Teachers' Retirement  
24 System of the State of Illinois using the average of the  
25 monthly (or annual) salary obtained by dividing the total  
26 salary or earnings calculated under Article 16 applicable

1 to the member or participant during the 96 months (or 8  
2 years) of service within the last 120 months (or 10 years)  
3 of service in which the total salary or earnings  
4 calculated under the Article was the highest by the number  
5 of months (or years) of service in that period.

6 (b-5) Beginning on January 1, 2011, for all purposes under  
7 this Code (including without limitation the calculation of  
8 benefits and employee contributions), the annual earnings,  
9 salary, or wages (based on the plan year) of a member or  
10 participant to whom this Section applies shall not exceed  
11 \$106,800; however, that amount shall annually thereafter be  
12 increased by the lesser of (i) 3% of that amount, including all  
13 previous adjustments, or (ii) one-half the annual unadjusted  
14 percentage increase (but not less than zero) in the consumer  
15 price index-u for the 12 months ending with the September  
16 preceding each November 1, including all previous adjustments.

17 For the purposes of this Section, "consumer price index-u"  
18 means the index published by the Bureau of Labor Statistics of  
19 the United States Department of Labor that measures the  
20 average change in prices of goods and services purchased by  
21 all urban consumers, United States city average, all items,  
22 1982-84 = 100. The new amount resulting from each annual  
23 adjustment shall be determined by the Public Pension Division  
24 of the Department of Insurance and made available to the  
25 boards of the retirement systems and pension funds by November  
26 1 of each year.

1       (b-10) Beginning on January 1, 2024, for all purposes  
2 under this Code (including, without limitation, the  
3 calculation of benefits and employee contributions), the  
4 annual earnings, salary, or wages (based on the plan year) of a  
5 member or participant under Article 9 to whom this Section  
6 applies shall include an annual earnings, salary, or wage cap  
7 that tracks the Social Security wage base. Maximum annual  
8 earnings, wages, or salary shall be the annual contribution  
9 and benefit base established for the applicable year by the  
10 Commissioner of the Social Security Administration under the  
11 federal Social Security Act.

12       However, in no event shall the annual earnings, salary, or  
13 wages for the purposes of this Article and Article 9 exceed any  
14 limitation imposed on annual earnings, salary, or wages under  
15 Section 1-117. Under no circumstances shall the maximum amount  
16 of annual earnings, salary, or wages be greater than the  
17 amount set forth in this subsection (b-10) as a result of  
18 reciprocal service or any provisions regarding reciprocal  
19 services, nor shall the Fund under Article 9 be required to pay  
20 any refund as a result of the application of this maximum  
21 annual earnings, salary, and wage cap.

22       Nothing in this subsection (b-10) shall cause or otherwise  
23 result in any retroactive adjustment of any employee  
24 contributions. Nothing in this subsection (b-10) shall cause  
25 or otherwise result in any retroactive adjustment of  
26 disability or other payments made between January 1, 2011 and

1 January 1, 2024.

2 (c) A member or participant is entitled to a retirement  
3 annuity upon written application if he or she has attained age  
4 67 (age 65, with respect to service under Article 12 that is  
5 subject to this Section, for a member or participant under  
6 Article 12 who first becomes a member or participant under  
7 Article 12 on or after January 1, 2022 or who makes the  
8 election under item (i) of subsection (d-15) of this Section)  
9 and has at least 10 years of service credit and is otherwise  
10 eligible under the requirements of the applicable Article.

11 A member or participant who has attained age 62 (age 60,  
12 with respect to service under Article 12 that is subject to  
13 this Section, for a member or participant under Article 12 who  
14 first becomes a member or participant under Article 12 on or  
15 after January 1, 2022 or who makes the election under item (i)  
16 of subsection (d-15) of this Section) and has at least 10 years  
17 of service credit and is otherwise eligible under the  
18 requirements of the applicable Article may elect to receive  
19 the lower retirement annuity provided in subsection (d) of  
20 this Section.

21 (c-5) A person who first becomes a member or a participant  
22 subject to this Section on or after July 6, 2017 (the effective  
23 date of Public Act 100-23), notwithstanding any other  
24 provision of this Code to the contrary, is entitled to a  
25 retirement annuity under Article 8 or Article 11 upon written  
26 application if he or she has attained age 65 and has at least

1 10 years of service credit and is otherwise eligible under the  
2 requirements of Article 8 or Article 11 of this Code,  
3 whichever is applicable.

4 (d) The retirement annuity of a member or participant who  
5 is retiring after attaining age 62 (age 60, with respect to  
6 service under Article 12 that is subject to this Section, for a  
7 member or participant under Article 12 who first becomes a  
8 member or participant under Article 12 on or after January 1,  
9 2022 or who makes the election under item (i) of subsection  
10 (d-15) of this Section) with at least 10 years of service  
11 credit shall be reduced by one-half of 1% for each full month  
12 that the member's age is under age 67 (age 65, with respect to  
13 service under Article 12 that is subject to this Section, for a  
14 member or participant under Article 12 who first becomes a  
15 member or participant under Article 12 on or after January 1,  
16 2022 or who makes the election under item (i) of subsection  
17 (d-15) of this Section).

18 (d-5) The retirement annuity payable under Article 8 or  
19 Article 11 to an eligible person subject to subsection (c-5)  
20 of this Section who is retiring at age 60 with at least 10  
21 years of service credit shall be reduced by one-half of 1% for  
22 each full month that the member's age is under age 65.

23 (d-10) Each person who first became a member or  
24 participant under Article 8 or Article 11 of this Code on or  
25 after January 1, 2011 and prior to July 6, 2017 (the effective  
26 date of Public Act 100-23) shall make an irrevocable election



1 either:

2 (i) to be eligible for the reduced retirement age  
3 provided in subsections (c-5) and (d-5) of this Section,  
4 the eligibility for which is conditioned upon the member  
5 or participant agreeing to the increases in employee  
6 contributions for age and service annuities provided in  
7 subsection (a-5) of Section 8-174 of this Code (for  
8 service under Article 8) or subsection (a-5) of Section  
9 11-170 of this Code (for service under Article 11); or

10 (ii) to not agree to item (i) of this subsection  
11 (d-10), in which case the member or participant shall  
12 continue to be subject to the retirement age provisions in  
13 subsections (c) and (d) of this Section and the employee  
14 contributions for age and service annuity as provided in  
15 subsection (a) of Section 8-174 of this Code (for service  
16 under Article 8) or subsection (a) of Section 11-170 of  
17 this Code (for service under Article 11).

18 The election provided for in this subsection shall be made  
19 between October 1, 2017 and November 15, 2017. A person  
20 subject to this subsection who makes the required election  
21 shall remain bound by that election. A person subject to this  
22 subsection who fails for any reason to make the required  
23 election within the time specified in this subsection shall be  
24 deemed to have made the election under item (ii).

25 (d-15) Each person who first becomes a member or  
26 participant under Article 12 on or after January 1, 2011 and

1 prior to January 1, 2022 shall make an irrevocable election  
2 either:

3 (i) to be eligible for the reduced retirement age  
4 specified in subsections (c) and (d) of this Section, the  
5 eligibility for which is conditioned upon the member or  
6 participant agreeing to the increase in employee  
7 contributions for service annuities specified in  
8 subsection (b) of Section 12-150; or

9 (ii) to not agree to item (i) of this subsection  
10 (d-15), in which case the member or participant shall not  
11 be eligible for the reduced retirement age specified in  
12 subsections (c) and (d) of this Section and shall not be  
13 subject to the increase in employee contributions for  
14 service annuities specified in subsection (b) of Section  
15 12-150.

16 The election provided for in this subsection shall be made  
17 between January 1, 2022 and April 1, 2022. A person subject to  
18 this subsection who makes the required election shall remain  
19 bound by that election. A person subject to this subsection  
20 who fails for any reason to make the required election within  
21 the time specified in this subsection shall be deemed to have  
22 made the election under item (ii).

23 (e) Any retirement annuity or supplemental annuity shall  
24 be subject to annual increases on the January 1 occurring  
25 either on or after the attainment of age 67 (age 65, with  
26 respect to service under Article 12 that is subject to this

1 Section, for a member or participant under Article 12 who  
2 first becomes a member or participant under Article 12 on or  
3 after January 1, 2022 or who makes the election under item (i)  
4 of subsection (d-15); and beginning on July 6, 2017 (the  
5 effective date of Public Act 100-23), age 65 with respect to  
6 service under Article 8 or Article 11 for eligible persons  
7 who: (i) are subject to subsection (c-5) of this Section; or  
8 (ii) made the election under item (i) of subsection (d-10) of  
9 this Section) or the first anniversary of the annuity start  
10 date, whichever is later. Each annual increase shall be  
11 calculated at 3% or one-half the annual unadjusted percentage  
12 increase (but not less than zero) in the consumer price  
13 index-u for the 12 months ending with the September preceding  
14 each November 1, whichever is less, of the originally granted  
15 retirement annuity. If the annual unadjusted percentage change  
16 in the consumer price index-u for the 12 months ending with the  
17 September preceding each November 1 is zero or there is a  
18 decrease, then the annuity shall not be increased.

19 For the purposes of Section 1-103.1 of this Code, the  
20 changes made to this Section by Public Act 102-263 are  
21 applicable without regard to whether the employee was in  
22 active service on or after August 6, 2021 (the effective date  
23 of Public Act 102-263).

24 For the purposes of Section 1-103.1 of this Code, the  
25 changes made to this Section by Public Act 100-23 are  
26 applicable without regard to whether the employee was in

1 active service on or after July 6, 2017 (the effective date of  
2 Public Act 100-23).

3 (f) The initial survivor's or widow's annuity of an  
4 otherwise eligible survivor or widow of a retired member or  
5 participant who first became a member or participant on or  
6 after January 1, 2011 shall be in the amount of 66 2/3% of the  
7 retired member's or participant's retirement annuity at the  
8 date of death. In the case of the death of a member or  
9 participant who has not retired and who first became a member  
10 or participant on or after January 1, 2011, eligibility for a  
11 survivor's or widow's annuity shall be determined by the  
12 applicable Article of this Code. The initial benefit shall be  
13 66 2/3% of the earned annuity without a reduction due to age. A  
14 child's annuity of an otherwise eligible child shall be in the  
15 amount prescribed under each Article if applicable. Any  
16 survivor's or widow's annuity shall be increased (1) on each  
17 January 1 occurring on or after the commencement of the  
18 annuity if the deceased member died while receiving a  
19 retirement annuity or (2) in other cases, on each January 1  
20 occurring after the first anniversary of the commencement of  
21 the annuity. Each annual increase shall be calculated at 3% or  
22 one-half the annual unadjusted percentage increase (but not  
23 less than zero) in the consumer price index-u for the 12 months  
24 ending with the September preceding each November 1, whichever  
25 is less, of the originally granted survivor's annuity. If the  
26 annual unadjusted percentage change in the consumer price

1 index-u for the 12 months ending with the September preceding  
2 each November 1 is zero or there is a decrease, then the  
3 annuity shall not be increased.

4 (g) The benefits in Section 14-110 apply if the person is a  
5 fire fighter in the fire protection service of a department, a  
6 security employee of the Department of Corrections or the  
7 Department of Juvenile Justice, or a security employee of the  
8 Department of Innovation and Technology, as those terms are  
9 defined in subsection (b) and subsection (c) of Section  
10 14-110. A person who meets the requirements of this Section is  
11 entitled to an annuity calculated under the provisions of  
12 Section 14-110, in lieu of the regular or minimum retirement  
13 annuity, only if the person has withdrawn from service with  
14 not less than 20 years of eligible creditable service and has  
15 attained age 60, regardless of whether the attainment of age  
16 60 occurs while the person is still in service.

17 (g-5) The benefits in Section 14-110 apply if the person  
18 is a State policeman, investigator for the Secretary of State,  
19 conservation police officer, investigator for the Department  
20 of Revenue or the Illinois Gaming Board, investigator for the  
21 Office of the Attorney General, Commerce Commission police  
22 officer, or arson investigator, as those terms are defined in  
23 subsection (b) and subsection (c) of Section 14-110. A person  
24 who meets the requirements of this Section is entitled to an  
25 annuity calculated under the provisions of Section 14-110, in  
26 lieu of the regular or minimum retirement annuity, only if the

1 person has withdrawn from service with not less than 20 years  
2 of eligible creditable service and has attained age 55,  
3 regardless of whether the attainment of age 55 occurs while  
4 the person is still in service.

5 (h) If a person who first becomes a member or a participant  
6 of a retirement system or pension fund subject to this Section  
7 on or after January 1, 2011 is receiving a retirement annuity  
8 or retirement pension under that system or fund and becomes a  
9 member or participant under any other system or fund created  
10 by this Code and is employed on a full-time basis, except for  
11 those members or participants exempted from the provisions of  
12 this Section under subsection (a) of this Section, then the  
13 person's retirement annuity or retirement pension under that  
14 system or fund shall be suspended during that employment. Upon  
15 termination of that employment, the person's retirement  
16 annuity or retirement pension payments shall resume and be  
17 recalculated if recalculation is provided for under the  
18 applicable Article of this Code.

19 If a person who first becomes a member of a retirement  
20 system or pension fund subject to this Section on or after  
21 January 1, 2012 and is receiving a retirement annuity or  
22 retirement pension under that system or fund and accepts on a  
23 contractual basis a position to provide services to a  
24 governmental entity from which he or she has retired, then  
25 that person's annuity or retirement pension earned as an  
26 active employee of the employer shall be suspended during that

1 contractual service. A person receiving an annuity or  
2 retirement pension under this Code shall notify the pension  
3 fund or retirement system from which he or she is receiving an  
4 annuity or retirement pension, as well as his or her  
5 contractual employer, of his or her retirement status before  
6 accepting contractual employment. A person who fails to submit  
7 such notification shall be guilty of a Class A misdemeanor and  
8 required to pay a fine of \$1,000. Upon termination of that  
9 contractual employment, the person's retirement annuity or  
10 retirement pension payments shall resume and, if appropriate,  
11 be recalculated under the applicable provisions of this Code.

12 (i) (Blank).

13 (j) In the case of a conflict between the provisions of  
14 this Section and any other provision of this Code, the  
15 provisions of this Section shall control.

16 (Source: P.A. 101-610, eff. 1-1-20; 102-16, eff. 6-17-21;  
17 102-210, eff. 1-1-22; 102-263, eff. 8-6-21; 102-719, eff.  
18 5-6-22.)

19 (Text of Section from P.A. 102-813)

20 Sec. 1-160. Provisions applicable to new hires.

21 (a) The provisions of this Section apply to a person who,  
22 on or after January 1, 2011, first becomes a member or a  
23 participant under any reciprocal retirement system or pension  
24 fund established under this Code, other than a retirement  
25 system or pension fund established under Article 2, 3, 4, 5, 6,

1 7, 15, or 18 of this Code, notwithstanding any other provision  
2 of this Code to the contrary, but do not apply to any  
3 self-managed plan established under this Code or to any  
4 participant of the retirement plan established under Section  
5 22-101; except that this Section applies to a person who  
6 elected to establish alternative credits by electing in  
7 writing after January 1, 2011, but before August 8, 2011,  
8 under Section 7-145.1 of this Code. Notwithstanding anything  
9 to the contrary in this Section, for purposes of this Section,  
10 a person who is a Tier 1 regular employee as defined in Section  
11 7-109.4 of this Code or who participated in a retirement  
12 system under Article 15 prior to January 1, 2011 shall be  
13 deemed a person who first became a member or participant prior  
14 to January 1, 2011 under any retirement system or pension fund  
15 subject to this Section. The changes made to this Section by  
16 Public Act 98-596 are a clarification of existing law and are  
17 intended to be retroactive to January 1, 2011 (the effective  
18 date of Public Act 96-889), notwithstanding the provisions of  
19 Section 1-103.1 of this Code.

20 This Section does not apply to a person who first becomes a  
21 noncovered employee under Article 14 on or after the  
22 implementation date of the plan created under Section 1-161  
23 for that Article, unless that person elects under subsection  
24 (b) of Section 1-161 to instead receive the benefits provided  
25 under this Section and the applicable provisions of that  
26 Article.



1           This Section does not apply to a person who first becomes a  
2 member or participant under Article 16 on or after the  
3 implementation date of the plan created under Section 1-161  
4 for that Article, unless that person elects under subsection  
5 (b) of Section 1-161 to instead receive the benefits provided  
6 under this Section and the applicable provisions of that  
7 Article.

8           This Section does not apply to a person who elects under  
9 subsection (c-5) of Section 1-161 to receive the benefits  
10 under Section 1-161.

11           This Section does not apply to a person who first becomes a  
12 member or participant of an affected pension fund on or after 6  
13 months after the resolution or ordinance date, as defined in  
14 Section 1-162, unless that person elects under subsection (c)  
15 of Section 1-162 to receive the benefits provided under this  
16 Section and the applicable provisions of the Article under  
17 which he or she is a member or participant.

18           (b) "Final average salary" means, except as otherwise  
19 provided in this subsection, the average monthly (or annual)  
20 salary obtained by dividing the total salary or earnings  
21 calculated under the Article applicable to the member or  
22 participant during the 96 consecutive months (or 8 consecutive  
23 years) of service within the last 120 months (or 10 years) of  
24 service in which the total salary or earnings calculated under  
25 the applicable Article was the highest by the number of months  
26 (or years) of service in that period. For the purposes of a

1 person who first becomes a member or participant of any  
2 retirement system or pension fund to which this Section  
3 applies on or after January 1, 2011, in this Code, "final  
4 average salary" shall be substituted for the following:

5 (1) (Blank).

6 (2) In Articles 8, 9, 10, 11, and 12, "highest average  
7 annual salary for any 4 consecutive years within the last  
8 10 years of service immediately preceding the date of  
9 withdrawal".

10 (3) In Article 13, "average final salary".

11 (4) In Article 14, "final average compensation".

12 (5) In Article 17, "average salary".

13 (6) In Section 22-207, "wages or salary received by  
14 him at the date of retirement or discharge".

15 A member of the Teachers' Retirement System of the State  
16 of Illinois who retires on or after June 1, 2021 and for whom  
17 the 2020-2021 school year is used in the calculation of the  
18 member's final average salary shall use the higher of the  
19 following for the purpose of determining the member's final  
20 average salary:

21 (A) the amount otherwise calculated under the first  
22 paragraph of this subsection; or

23 (B) an amount calculated by the Teachers' Retirement  
24 System of the State of Illinois using the average of the  
25 monthly (or annual) salary obtained by dividing the total  
26 salary or earnings calculated under Article 16 applicable

1 to the member or participant during the 96 months (or 8  
2 years) of service within the last 120 months (or 10 years)  
3 of service in which the total salary or earnings  
4 calculated under the Article was the highest by the number  
5 of months (or years) of service in that period.

6 (b-5) Beginning on January 1, 2011, for all purposes under  
7 this Code (including without limitation the calculation of  
8 benefits and employee contributions), the annual earnings,  
9 salary, or wages (based on the plan year) of a member or  
10 participant to whom this Section applies shall not exceed  
11 \$106,800; however, that amount shall annually thereafter be  
12 increased by the lesser of (i) 3% of that amount, including all  
13 previous adjustments, or (ii) one-half the annual unadjusted  
14 percentage increase (but not less than zero) in the consumer  
15 price index-u for the 12 months ending with the September  
16 preceding each November 1, including all previous adjustments.

17 For the purposes of this Section, "consumer price index-u"  
18 means the index published by the Bureau of Labor Statistics of  
19 the United States Department of Labor that measures the  
20 average change in prices of goods and services purchased by  
21 all urban consumers, United States city average, all items,  
22 1982-84 = 100. The new amount resulting from each annual  
23 adjustment shall be determined by the Public Pension Division  
24 of the Department of Insurance and made available to the  
25 boards of the retirement systems and pension funds by November  
26 1 of each year.

1       (b-10) Beginning on January 1, 2024, for all purposes  
2 under this Code (including, without limitation, the  
3 calculation of benefits and employee contributions), the  
4 annual earnings, salary, or wages (based on the plan year) of a  
5 member or participant under Article 9 to whom this Section  
6 applies shall include an annual earnings, salary, or wage cap  
7 that tracks the Social Security wage base. Maximum annual  
8 earnings, wages, or salary shall be the annual contribution  
9 and benefit base established for the applicable year by the  
10 Commissioner of the Social Security Administration under the  
11 federal Social Security Act.

12       However, in no event shall the annual earnings, salary, or  
13 wages for the purposes of this Article and Article 9 exceed any  
14 limitation imposed on annual earnings, salary, or wages under  
15 Section 1-117. Under no circumstances shall the maximum amount  
16 of annual earnings, salary, or wages be greater than the  
17 amount set forth in this subsection (b-10) as a result of  
18 reciprocal service or any provisions regarding reciprocal  
19 services, nor shall the Fund under Article 9 be required to pay  
20 any refund as a result of the application of this maximum  
21 annual earnings, salary, and wage cap.

22       Nothing in this subsection (b-10) shall cause or otherwise  
23 result in any retroactive adjustment of any employee  
24 contributions. Nothing in this subsection (b-10) shall cause  
25 or otherwise result in any retroactive adjustment of  
26 disability or other payments made between January 1, 2011 and

1 January 1, 2024.

2 (c) A member or participant is entitled to a retirement  
3 annuity upon written application if he or she has attained age  
4 67 (age 65, with respect to service under Article 12 that is  
5 subject to this Section, for a member or participant under  
6 Article 12 who first becomes a member or participant under  
7 Article 12 on or after January 1, 2022 or who makes the  
8 election under item (i) of subsection (d-15) of this Section)  
9 and has at least 10 years of service credit and is otherwise  
10 eligible under the requirements of the applicable Article.

11 A member or participant who has attained age 62 (age 60,  
12 with respect to service under Article 12 that is subject to  
13 this Section, for a member or participant under Article 12 who  
14 first becomes a member or participant under Article 12 on or  
15 after January 1, 2022 or who makes the election under item (i)  
16 of subsection (d-15) of this Section) and has at least 10 years  
17 of service credit and is otherwise eligible under the  
18 requirements of the applicable Article may elect to receive  
19 the lower retirement annuity provided in subsection (d) of  
20 this Section.

21 (c-5) A person who first becomes a member or a participant  
22 subject to this Section on or after July 6, 2017 (the effective  
23 date of Public Act 100-23), notwithstanding any other  
24 provision of this Code to the contrary, is entitled to a  
25 retirement annuity under Article 8 or Article 11 upon written  
26 application if he or she has attained age 65 and has at least

1 10 years of service credit and is otherwise eligible under the  
2 requirements of Article 8 or Article 11 of this Code,  
3 whichever is applicable.

4 (d) The retirement annuity of a member or participant who  
5 is retiring after attaining age 62 (age 60, with respect to  
6 service under Article 12 that is subject to this Section, for a  
7 member or participant under Article 12 who first becomes a  
8 member or participant under Article 12 on or after January 1,  
9 2022 or who makes the election under item (i) of subsection  
10 (d-15) of this Section) with at least 10 years of service  
11 credit shall be reduced by one-half of 1% for each full month  
12 that the member's age is under age 67 (age 65, with respect to  
13 service under Article 12 that is subject to this Section, for a  
14 member or participant under Article 12 who first becomes a  
15 member or participant under Article 12 on or after January 1,  
16 2022 or who makes the election under item (i) of subsection  
17 (d-15) of this Section).

18 (d-5) The retirement annuity payable under Article 8 or  
19 Article 11 to an eligible person subject to subsection (c-5)  
20 of this Section who is retiring at age 60 with at least 10  
21 years of service credit shall be reduced by one-half of 1% for  
22 each full month that the member's age is under age 65.

23 (d-10) Each person who first became a member or  
24 participant under Article 8 or Article 11 of this Code on or  
25 after January 1, 2011 and prior to July 6, 2017 (the effective  
26 date of Public Act 100-23) shall make an irrevocable election

1 either:

2 (i) to be eligible for the reduced retirement age  
3 provided in subsections (c-5) and (d-5) of this Section,  
4 the eligibility for which is conditioned upon the member  
5 or participant agreeing to the increases in employee  
6 contributions for age and service annuities provided in  
7 subsection (a-5) of Section 8-174 of this Code (for  
8 service under Article 8) or subsection (a-5) of Section  
9 11-170 of this Code (for service under Article 11); or

10 (ii) to not agree to item (i) of this subsection  
11 (d-10), in which case the member or participant shall  
12 continue to be subject to the retirement age provisions in  
13 subsections (c) and (d) of this Section and the employee  
14 contributions for age and service annuity as provided in  
15 subsection (a) of Section 8-174 of this Code (for service  
16 under Article 8) or subsection (a) of Section 11-170 of  
17 this Code (for service under Article 11).

18 The election provided for in this subsection shall be made  
19 between October 1, 2017 and November 15, 2017. A person  
20 subject to this subsection who makes the required election  
21 shall remain bound by that election. A person subject to this  
22 subsection who fails for any reason to make the required  
23 election within the time specified in this subsection shall be  
24 deemed to have made the election under item (ii).

25 (d-15) Each person who first becomes a member or  
26 participant under Article 12 on or after January 1, 2011 and

1 prior to January 1, 2022 shall make an irrevocable election  
2 either:

3 (i) to be eligible for the reduced retirement age  
4 specified in subsections (c) and (d) of this Section, the  
5 eligibility for which is conditioned upon the member or  
6 participant agreeing to the increase in employee  
7 contributions for service annuities specified in  
8 subsection (b) of Section 12-150; or

9 (ii) to not agree to item (i) of this subsection  
10 (d-15), in which case the member or participant shall not  
11 be eligible for the reduced retirement age specified in  
12 subsections (c) and (d) of this Section and shall not be  
13 subject to the increase in employee contributions for  
14 service annuities specified in subsection (b) of Section  
15 12-150.

16 The election provided for in this subsection shall be made  
17 between January 1, 2022 and April 1, 2022. A person subject to  
18 this subsection who makes the required election shall remain  
19 bound by that election. A person subject to this subsection  
20 who fails for any reason to make the required election within  
21 the time specified in this subsection shall be deemed to have  
22 made the election under item (ii).

23 (e) Any retirement annuity or supplemental annuity shall  
24 be subject to annual increases on the January 1 occurring  
25 either on or after the attainment of age 67 (age 65, with  
26 respect to service under Article 12 that is subject to this



1 Section, for a member or participant under Article 12 who  
2 first becomes a member or participant under Article 12 on or  
3 after January 1, 2022 or who makes the election under item (i)  
4 of subsection (d-15); and beginning on July 6, 2017 (the  
5 effective date of Public Act 100-23), age 65 with respect to  
6 service under Article 8 or Article 11 for eligible persons  
7 who: (i) are subject to subsection (c-5) of this Section; or  
8 (ii) made the election under item (i) of subsection (d-10) of  
9 this Section) or the first anniversary of the annuity start  
10 date, whichever is later. Each annual increase shall be  
11 calculated at 3% or one-half the annual unadjusted percentage  
12 increase (but not less than zero) in the consumer price  
13 index-u for the 12 months ending with the September preceding  
14 each November 1, whichever is less, of the originally granted  
15 retirement annuity. If the annual unadjusted percentage change  
16 in the consumer price index-u for the 12 months ending with the  
17 September preceding each November 1 is zero or there is a  
18 decrease, then the annuity shall not be increased.

19 For the purposes of Section 1-103.1 of this Code, the  
20 changes made to this Section by Public Act 102-263 are  
21 applicable without regard to whether the employee was in  
22 active service on or after August 6, 2021 (the effective date  
23 of Public Act 102-263).

24 For the purposes of Section 1-103.1 of this Code, the  
25 changes made to this Section by Public Act 100-23 are  
26 applicable without regard to whether the employee was in

1 active service on or after July 6, 2017 (the effective date of  
2 Public Act 100-23).

3 (f) The initial survivor's or widow's annuity of an  
4 otherwise eligible survivor or widow of a retired member or  
5 participant who first became a member or participant on or  
6 after January 1, 2011 shall be in the amount of 66 2/3% of the  
7 retired member's or participant's retirement annuity at the  
8 date of death. In the case of the death of a member or  
9 participant who has not retired and who first became a member  
10 or participant on or after January 1, 2011, eligibility for a  
11 survivor's or widow's annuity shall be determined by the  
12 applicable Article of this Code. The initial benefit shall be  
13 66 2/3% of the earned annuity without a reduction due to age. A  
14 child's annuity of an otherwise eligible child shall be in the  
15 amount prescribed under each Article if applicable. Any  
16 survivor's or widow's annuity shall be increased (1) on each  
17 January 1 occurring on or after the commencement of the  
18 annuity if the deceased member died while receiving a  
19 retirement annuity or (2) in other cases, on each January 1  
20 occurring after the first anniversary of the commencement of  
21 the annuity. Each annual increase shall be calculated at 3% or  
22 one-half the annual unadjusted percentage increase (but not  
23 less than zero) in the consumer price index-u for the 12 months  
24 ending with the September preceding each November 1, whichever  
25 is less, of the originally granted survivor's annuity. If the  
26 annual unadjusted percentage change in the consumer price

1 index-u for the 12 months ending with the September preceding  
2 each November 1 is zero or there is a decrease, then the  
3 annuity shall not be increased.

4 (g) The benefits in Section 14-110 apply only if the  
5 person is a State policeman, a fire fighter in the fire  
6 protection service of a department, a conservation police  
7 officer, an investigator for the Secretary of State, an arson  
8 investigator, a Commerce Commission police officer,  
9 investigator for the Department of Revenue or the Illinois  
10 Gaming Board, a security employee of the Department of  
11 Corrections or the Department of Juvenile Justice, or a  
12 security employee of the Department of Innovation and  
13 Technology, as those terms are defined in subsection (b) and  
14 subsection (c) of Section 14-110. A person who meets the  
15 requirements of this Section is entitled to an annuity  
16 calculated under the provisions of Section 14-110, in lieu of  
17 the regular or minimum retirement annuity, only if the person  
18 has withdrawn from service with not less than 20 years of  
19 eligible creditable service and has attained age 60,  
20 regardless of whether the attainment of age 60 occurs while  
21 the person is still in service.

22 (h) If a person who first becomes a member or a participant  
23 of a retirement system or pension fund subject to this Section  
24 on or after January 1, 2011 is receiving a retirement annuity  
25 or retirement pension under that system or fund and becomes a  
26 member or participant under any other system or fund created

1 by this Code and is employed on a full-time basis, except for  
2 those members or participants exempted from the provisions of  
3 this Section under subsection (a) of this Section, then the  
4 person's retirement annuity or retirement pension under that  
5 system or fund shall be suspended during that employment. Upon  
6 termination of that employment, the person's retirement  
7 annuity or retirement pension payments shall resume and be  
8 recalculated if recalculation is provided for under the  
9 applicable Article of this Code.

10 If a person who first becomes a member of a retirement  
11 system or pension fund subject to this Section on or after  
12 January 1, 2012 and is receiving a retirement annuity or  
13 retirement pension under that system or fund and accepts on a  
14 contractual basis a position to provide services to a  
15 governmental entity from which he or she has retired, then  
16 that person's annuity or retirement pension earned as an  
17 active employee of the employer shall be suspended during that  
18 contractual service. A person receiving an annuity or  
19 retirement pension under this Code shall notify the pension  
20 fund or retirement system from which he or she is receiving an  
21 annuity or retirement pension, as well as his or her  
22 contractual employer, of his or her retirement status before  
23 accepting contractual employment. A person who fails to submit  
24 such notification shall be guilty of a Class A misdemeanor and  
25 required to pay a fine of \$1,000. Upon termination of that  
26 contractual employment, the person's retirement annuity or

1 retirement pension payments shall resume and, if appropriate,  
2 be recalculated under the applicable provisions of this Code.

3 (i) (Blank).

4 (j) In the case of a conflict between the provisions of  
5 this Section and any other provision of this Code, the  
6 provisions of this Section shall control.

7 (Source: P.A. 101-610, eff. 1-1-20; 102-16, eff. 6-17-21;  
8 102-210, eff. 1-1-22; 102-263, eff. 8-6-21; 102-813, eff.  
9 5-13-22.)

10 (Text of Section from P.A. 102-956)

11 Sec. 1-160. Provisions applicable to new hires.

12 (a) The provisions of this Section apply to a person who,  
13 on or after January 1, 2011, first becomes a member or a  
14 participant under any reciprocal retirement system or pension  
15 fund established under this Code, other than a retirement  
16 system or pension fund established under Article 2, 3, 4, 5, 6,  
17 7, 15, or 18 of this Code, notwithstanding any other provision  
18 of this Code to the contrary, but do not apply to any  
19 self-managed plan established under this Code or to any  
20 participant of the retirement plan established under Section  
21 22-101; except that this Section applies to a person who  
22 elected to establish alternative credits by electing in  
23 writing after January 1, 2011, but before August 8, 2011,  
24 under Section 7-145.1 of this Code. Notwithstanding anything  
25 to the contrary in this Section, for purposes of this Section,

1 a person who is a Tier 1 regular employee as defined in Section  
2 7-109.4 of this Code or who participated in a retirement  
3 system under Article 15 prior to January 1, 2011 shall be  
4 deemed a person who first became a member or participant prior  
5 to January 1, 2011 under any retirement system or pension fund  
6 subject to this Section. The changes made to this Section by  
7 Public Act 98-596 are a clarification of existing law and are  
8 intended to be retroactive to January 1, 2011 (the effective  
9 date of Public Act 96-889), notwithstanding the provisions of  
10 Section 1-103.1 of this Code.

11 This Section does not apply to a person who first becomes a  
12 noncovered employee under Article 14 on or after the  
13 implementation date of the plan created under Section 1-161  
14 for that Article, unless that person elects under subsection  
15 (b) of Section 1-161 to instead receive the benefits provided  
16 under this Section and the applicable provisions of that  
17 Article.

18 This Section does not apply to a person who first becomes a  
19 member or participant under Article 16 on or after the  
20 implementation date of the plan created under Section 1-161  
21 for that Article, unless that person elects under subsection  
22 (b) of Section 1-161 to instead receive the benefits provided  
23 under this Section and the applicable provisions of that  
24 Article.

25 This Section does not apply to a person who elects under  
26 subsection (c-5) of Section 1-161 to receive the benefits

1 under Section 1-161.

2 This Section does not apply to a person who first becomes a  
3 member or participant of an affected pension fund on or after 6  
4 months after the resolution or ordinance date, as defined in  
5 Section 1-162, unless that person elects under subsection (c)  
6 of Section 1-162 to receive the benefits provided under this  
7 Section and the applicable provisions of the Article under  
8 which he or she is a member or participant.

9 (b) "Final average salary" means, except as otherwise  
10 provided in this subsection, the average monthly (or annual)  
11 salary obtained by dividing the total salary or earnings  
12 calculated under the Article applicable to the member or  
13 participant during the 96 consecutive months (or 8 consecutive  
14 years) of service within the last 120 months (or 10 years) of  
15 service in which the total salary or earnings calculated under  
16 the applicable Article was the highest by the number of months  
17 (or years) of service in that period. For the purposes of a  
18 person who first becomes a member or participant of any  
19 retirement system or pension fund to which this Section  
20 applies on or after January 1, 2011, in this Code, "final  
21 average salary" shall be substituted for the following:

22 (1) (Blank).

23 (2) In Articles 8, 9, 10, 11, and 12, "highest average  
24 annual salary for any 4 consecutive years within the last  
25 10 years of service immediately preceding the date of  
26 withdrawal".

1 (3) In Article 13, "average final salary".

2 (4) In Article 14, "final average compensation".

3 (5) In Article 17, "average salary".

4 (6) In Section 22-207, "wages or salary received by  
5 him at the date of retirement or discharge".

6 A member of the Teachers' Retirement System of the State  
7 of Illinois who retires on or after June 1, 2021 and for whom  
8 the 2020-2021 school year is used in the calculation of the  
9 member's final average salary shall use the higher of the  
10 following for the purpose of determining the member's final  
11 average salary:

12 (A) the amount otherwise calculated under the first  
13 paragraph of this subsection; or

14 (B) an amount calculated by the Teachers' Retirement  
15 System of the State of Illinois using the average of the  
16 monthly (or annual) salary obtained by dividing the total  
17 salary or earnings calculated under Article 16 applicable  
18 to the member or participant during the 96 months (or 8  
19 years) of service within the last 120 months (or 10 years)  
20 of service in which the total salary or earnings  
21 calculated under the Article was the highest by the number  
22 of months (or years) of service in that period.

23 (b-5) Beginning on January 1, 2011, for all purposes under  
24 this Code (including without limitation the calculation of  
25 benefits and employee contributions), the annual earnings,  
26 salary, or wages (based on the plan year) of a member or



1 participant to whom this Section applies shall not exceed  
2 \$106,800; however, that amount shall annually thereafter be  
3 increased by the lesser of (i) 3% of that amount, including all  
4 previous adjustments, or (ii) one-half the annual unadjusted  
5 percentage increase (but not less than zero) in the consumer  
6 price index-u for the 12 months ending with the September  
7 preceding each November 1, including all previous adjustments.

8 For the purposes of this Section, "consumer price index-u"  
9 means the index published by the Bureau of Labor Statistics of  
10 the United States Department of Labor that measures the  
11 average change in prices of goods and services purchased by  
12 all urban consumers, United States city average, all items,  
13 1982-84 = 100. The new amount resulting from each annual  
14 adjustment shall be determined by the Public Pension Division  
15 of the Department of Insurance and made available to the  
16 boards of the retirement systems and pension funds by November  
17 1 of each year.

18 (b-10) Beginning on January 1, 2024, for all purposes  
19 under this Code (including, without limitation, the  
20 calculation of benefits and employee contributions), the  
21 annual earnings, salary, or wages (based on the plan year) of a  
22 member or participant under Article 9 to whom this Section  
23 applies shall include an annual earnings, salary, or wage cap  
24 that tracks the Social Security wage base. Maximum annual  
25 earnings, wages, or salary shall be the annual contribution  
26 and benefit base established for the applicable year by the

1 Commissioner of the Social Security Administration under the  
2 federal Social Security Act.

3 However, in no event shall the annual earnings, salary, or  
4 wages for the purposes of this Article and Article 9 exceed any  
5 limitation imposed on annual earnings, salary, or wages under  
6 Section 1-117. Under no circumstances shall the maximum amount  
7 of annual earnings, salary, or wages be greater than the  
8 amount set forth in this subsection (b-10) as a result of  
9 reciprocal service or any provisions regarding reciprocal  
10 services, nor shall the Fund under Article 9 be required to pay  
11 any refund as a result of the application of this maximum  
12 annual earnings, salary, and wage cap.

13 Nothing in this subsection (b-10) shall cause or otherwise  
14 result in any retroactive adjustment of any employee  
15 contributions. Nothing in this subsection (b-10) shall cause  
16 or otherwise result in any retroactive adjustment of  
17 disability or other payments made between January 1, 2011 and  
18 January 1, 2024.

19 (c) A member or participant is entitled to a retirement  
20 annuity upon written application if he or she has attained age  
21 67 (age 65, with respect to service under Article 12 that is  
22 subject to this Section, for a member or participant under  
23 Article 12 who first becomes a member or participant under  
24 Article 12 on or after January 1, 2022 or who makes the  
25 election under item (i) of subsection (d-15) of this Section)  
26 and has at least 10 years of service credit and is otherwise

1 eligible under the requirements of the applicable Article.

2 A member or participant who has attained age 62 (age 60,  
3 with respect to service under Article 12 that is subject to  
4 this Section, for a member or participant under Article 12 who  
5 first becomes a member or participant under Article 12 on or  
6 after January 1, 2022 or who makes the election under item (i)  
7 of subsection (d-15) of this Section) and has at least 10 years  
8 of service credit and is otherwise eligible under the  
9 requirements of the applicable Article may elect to receive  
10 the lower retirement annuity provided in subsection (d) of  
11 this Section.

12 (c-5) A person who first becomes a member or a participant  
13 subject to this Section on or after July 6, 2017 (the effective  
14 date of Public Act 100-23), notwithstanding any other  
15 provision of this Code to the contrary, is entitled to a  
16 retirement annuity under Article 8 or Article 11 upon written  
17 application if he or she has attained age 65 and has at least  
18 10 years of service credit and is otherwise eligible under the  
19 requirements of Article 8 or Article 11 of this Code,  
20 whichever is applicable.

21 (d) The retirement annuity of a member or participant who  
22 is retiring after attaining age 62 (age 60, with respect to  
23 service under Article 12 that is subject to this Section, for a  
24 member or participant under Article 12 who first becomes a  
25 member or participant under Article 12 on or after January 1,  
26 2022 or who makes the election under item (i) of subsection

1 (d-15) of this Section) with at least 10 years of service  
2 credit shall be reduced by one-half of 1% for each full month  
3 that the member's age is under age 67 (age 65, with respect to  
4 service under Article 12 that is subject to this Section, for a  
5 member or participant under Article 12 who first becomes a  
6 member or participant under Article 12 on or after January 1,  
7 2022 or who makes the election under item (i) of subsection  
8 (d-15) of this Section).

9 (d-5) The retirement annuity payable under Article 8 or  
10 Article 11 to an eligible person subject to subsection (c-5)  
11 of this Section who is retiring at age 60 with at least 10  
12 years of service credit shall be reduced by one-half of 1% for  
13 each full month that the member's age is under age 65.

14 (d-10) Each person who first became a member or  
15 participant under Article 8 or Article 11 of this Code on or  
16 after January 1, 2011 and prior to July 6, 2017 (the effective  
17 date of Public Act 100-23) shall make an irrevocable election  
18 either:

19 (i) to be eligible for the reduced retirement age  
20 provided in subsections (c-5) and (d-5) of this Section,  
21 the eligibility for which is conditioned upon the member  
22 or participant agreeing to the increases in employee  
23 contributions for age and service annuities provided in  
24 subsection (a-5) of Section 8-174 of this Code (for  
25 service under Article 8) or subsection (a-5) of Section  
26 11-170 of this Code (for service under Article 11); or

1           (ii) to not agree to item (i) of this subsection  
2           (d-10), in which case the member or participant shall  
3           continue to be subject to the retirement age provisions in  
4           subsections (c) and (d) of this Section and the employee  
5           contributions for age and service annuity as provided in  
6           subsection (a) of Section 8-174 of this Code (for service  
7           under Article 8) or subsection (a) of Section 11-170 of  
8           this Code (for service under Article 11).

9           The election provided for in this subsection shall be made  
10          between October 1, 2017 and November 15, 2017. A person  
11          subject to this subsection who makes the required election  
12          shall remain bound by that election. A person subject to this  
13          subsection who fails for any reason to make the required  
14          election within the time specified in this subsection shall be  
15          deemed to have made the election under item (ii).

16          (d-15) Each person who first becomes a member or  
17          participant under Article 12 on or after January 1, 2011 and  
18          prior to January 1, 2022 shall make an irrevocable election  
19          either:

20               (i) to be eligible for the reduced retirement age  
21               specified in subsections (c) and (d) of this Section, the  
22               eligibility for which is conditioned upon the member or  
23               participant agreeing to the increase in employee  
24               contributions for service annuities specified in  
25               subsection (b) of Section 12-150; or

26               (ii) to not agree to item (i) of this subsection

1 (d-15), in which case the member or participant shall not  
2 be eligible for the reduced retirement age specified in  
3 subsections (c) and (d) of this Section and shall not be  
4 subject to the increase in employee contributions for  
5 service annuities specified in subsection (b) of Section  
6 12-150.

7 The election provided for in this subsection shall be made  
8 between January 1, 2022 and April 1, 2022. A person subject to  
9 this subsection who makes the required election shall remain  
10 bound by that election. A person subject to this subsection  
11 who fails for any reason to make the required election within  
12 the time specified in this subsection shall be deemed to have  
13 made the election under item (ii).

14 (e) Any retirement annuity or supplemental annuity shall  
15 be subject to annual increases on the January 1 occurring  
16 either on or after the attainment of age 67 (age 65, with  
17 respect to service under Article 12 that is subject to this  
18 Section, for a member or participant under Article 12 who  
19 first becomes a member or participant under Article 12 on or  
20 after January 1, 2022 or who makes the election under item (i)  
21 of subsection (d-15); and beginning on July 6, 2017 (the  
22 effective date of Public Act 100-23), age 65 with respect to  
23 service under Article 8 or Article 11 for eligible persons  
24 who: (i) are subject to subsection (c-5) of this Section; or  
25 (ii) made the election under item (i) of subsection (d-10) of  
26 this Section) or the first anniversary of the annuity start

1 date, whichever is later. Each annual increase shall be  
2 calculated at 3% or one-half the annual unadjusted percentage  
3 increase (but not less than zero) in the consumer price  
4 index-u for the 12 months ending with the September preceding  
5 each November 1, whichever is less, of the originally granted  
6 retirement annuity. If the annual unadjusted percentage change  
7 in the consumer price index-u for the 12 months ending with the  
8 September preceding each November 1 is zero or there is a  
9 decrease, then the annuity shall not be increased.

10 For the purposes of Section 1-103.1 of this Code, the  
11 changes made to this Section by Public Act 102-263 are  
12 applicable without regard to whether the employee was in  
13 active service on or after August 6, 2021 (the effective date  
14 of Public Act 102-263).

15 For the purposes of Section 1-103.1 of this Code, the  
16 changes made to this Section by Public Act 100-23 are  
17 applicable without regard to whether the employee was in  
18 active service on or after July 6, 2017 (the effective date of  
19 Public Act 100-23).

20 (f) The initial survivor's or widow's annuity of an  
21 otherwise eligible survivor or widow of a retired member or  
22 participant who first became a member or participant on or  
23 after January 1, 2011 shall be in the amount of 66 2/3% of the  
24 retired member's or participant's retirement annuity at the  
25 date of death. In the case of the death of a member or  
26 participant who has not retired and who first became a member

1 or participant on or after January 1, 2011, eligibility for a  
2 survivor's or widow's annuity shall be determined by the  
3 applicable Article of this Code. The initial benefit shall be  
4 66 2/3% of the earned annuity without a reduction due to age. A  
5 child's annuity of an otherwise eligible child shall be in the  
6 amount prescribed under each Article if applicable. Any  
7 survivor's or widow's annuity shall be increased (1) on each  
8 January 1 occurring on or after the commencement of the  
9 annuity if the deceased member died while receiving a  
10 retirement annuity or (2) in other cases, on each January 1  
11 occurring after the first anniversary of the commencement of  
12 the annuity. Each annual increase shall be calculated at 3% or  
13 one-half the annual unadjusted percentage increase (but not  
14 less than zero) in the consumer price index-u for the 12 months  
15 ending with the September preceding each November 1, whichever  
16 is less, of the originally granted survivor's annuity. If the  
17 annual unadjusted percentage change in the consumer price  
18 index-u for the 12 months ending with the September preceding  
19 each November 1 is zero or there is a decrease, then the  
20 annuity shall not be increased.

21 (g) The benefits in Section 14-110 apply only if the  
22 person is a State policeman, a fire fighter in the fire  
23 protection service of a department, a conservation police  
24 officer, an investigator for the Secretary of State, an  
25 investigator for the Office of the Attorney General, an arson  
26 investigator, a Commerce Commission police officer,



1 investigator for the Department of Revenue or the Illinois  
2 Gaming Board, a security employee of the Department of  
3 Corrections or the Department of Juvenile Justice, or a  
4 security employee of the Department of Innovation and  
5 Technology, as those terms are defined in subsection (b) and  
6 subsection (c) of Section 14-110. A person who meets the  
7 requirements of this Section is entitled to an annuity  
8 calculated under the provisions of Section 14-110, in lieu of  
9 the regular or minimum retirement annuity, only if the person  
10 has withdrawn from service with not less than 20 years of  
11 eligible creditable service and has attained age 60,  
12 regardless of whether the attainment of age 60 occurs while  
13 the person is still in service.

14 (h) If a person who first becomes a member or a participant  
15 of a retirement system or pension fund subject to this Section  
16 on or after January 1, 2011 is receiving a retirement annuity  
17 or retirement pension under that system or fund and becomes a  
18 member or participant under any other system or fund created  
19 by this Code and is employed on a full-time basis, except for  
20 those members or participants exempted from the provisions of  
21 this Section under subsection (a) of this Section, then the  
22 person's retirement annuity or retirement pension under that  
23 system or fund shall be suspended during that employment. Upon  
24 termination of that employment, the person's retirement  
25 annuity or retirement pension payments shall resume and be  
26 recalculated if recalculation is provided for under the

1 applicable Article of this Code.

2 If a person who first becomes a member of a retirement  
3 system or pension fund subject to this Section on or after  
4 January 1, 2012 and is receiving a retirement annuity or  
5 retirement pension under that system or fund and accepts on a  
6 contractual basis a position to provide services to a  
7 governmental entity from which he or she has retired, then  
8 that person's annuity or retirement pension earned as an  
9 active employee of the employer shall be suspended during that  
10 contractual service. A person receiving an annuity or  
11 retirement pension under this Code shall notify the pension  
12 fund or retirement system from which he or she is receiving an  
13 annuity or retirement pension, as well as his or her  
14 contractual employer, of his or her retirement status before  
15 accepting contractual employment. A person who fails to submit  
16 such notification shall be guilty of a Class A misdemeanor and  
17 required to pay a fine of \$1,000. Upon termination of that  
18 contractual employment, the person's retirement annuity or  
19 retirement pension payments shall resume and, if appropriate,  
20 be recalculated under the applicable provisions of this Code.

21 (i) (Blank).

22 (j) In the case of a conflict between the provisions of  
23 this Section and any other provision of this Code, the  
24 provisions of this Section shall control.

25 (Source: P.A. 101-610, eff. 1-1-20; 102-16, eff. 6-17-21;  
26 102-210, eff. 1-1-22; 102-263, eff. 8-6-21; 102-956, eff.

1 5-27-22.)

2 (40 ILCS 5/9-169) (from Ch. 108 1/2, par. 9-169)

3 Sec. 9-169. Financing; tax ~~Financing~~ ~~Tax~~ levy and other  
4 funding sources.

5 (a) The county board shall levy a tax annually upon all  
6 taxable property in the county at the rate that will produce a  
7 sum which, when added to the amounts deducted from the  
8 salaries of the employees or otherwise contributed by them is  
9 sufficient for the requirements of this Article.

10 For the years before 1962 the tax rate shall be as provided  
11 in "The 1925 Act". For the years 1962 and 1963 the tax rate  
12 shall be not more than .0200 per cent; for the years 1964 and  
13 1965 the tax rate shall be not more than .0202 per cent; for  
14 the years 1966 and 1967 the tax rate shall be not more than  
15 .0207 per cent; for the year 1968 the tax rate shall be not  
16 more than .0220 per cent; for the year 1969 the tax rate shall  
17 be not more than .0233 per cent; for the year 1970 the tax rate  
18 shall be not more than .0255 per cent; for the year 1971 the  
19 tax rate shall be not more than .0268 per cent of the value, as  
20 equalized or assessed by the Department of Revenue upon all  
21 taxable property in the county. Beginning with the year 1972  
22 and for each year thereafter the county shall levy a tax  
23 annually at a rate on the dollar of the value, as equalized or  
24 assessed by the Department of Revenue of all taxable property  
25 within the county that will produce, when extended, not to

1 exceed an amount equal to the total amount of contributions  
2 made by the employees to the fund in the calendar year 2 years  
3 prior to the year for which the annual applicable tax is levied  
4 multiplied by .8 for the years 1972 through 1976; by .8 for the  
5 year 1977; by .87 for the year 1978; by .94 for the year 1979;  
6 by 1.02 for the year 1980 and by 1.10 for the year 1981 and by  
7 1.18 for the year 1982 and by 1.36 for the year 1983 and by  
8 1.54 for the year 1984 and for each year thereafter.

9 This tax shall be levied and collected in like manner with  
10 the general taxes of the county, and shall be in addition to  
11 all other taxes which the county is authorized to levy upon the  
12 aggregate valuation of all taxable property within the county  
13 and shall be exclusive of and in addition to the amount of tax  
14 the county is authorized to levy for general purposes under  
15 any laws which may limit the amount of tax which the county may  
16 levy for general purposes. The county clerk, in reducing tax  
17 levies under any Act concerning the levy and extension of  
18 taxes, shall not consider this tax as a part of the general tax  
19 levy for county purposes, and shall not include it within any  
20 limitation of the per cent of the assessed valuation upon  
21 which taxes are required to be extended for the county. It is  
22 lawful to extend this tax in addition to the general county  
23 rate fixed by statute, without being authorized as additional  
24 by a vote of the people of the county.

25 Revenues derived from this tax shall be paid to the  
26 treasurer of the county and held by the treasurer ~~him~~ for the

1 benefit of the fund.

2 If the payments on account of taxes are insufficient  
3 during any year to meet the requirements of this Article, the  
4 county may issue tax anticipation warrants against the current  
5 tax levy.

6 (b) By January 10, annually, the board shall notify the  
7 county board of the requirement of this Article that this tax  
8 shall be levied. The board shall make an annual determination  
9 of the required county contributions, and shall certify the  
10 results thereof to the county board.

11 (c) Beginning in the year 2024, the county's minimum  
12 required employer contribution as provided in Section 9-169.2  
13 shall be paid with the portion of the tax levy as provided in  
14 subsection (a) of this Section and any other lawfully  
15 available funds of the county. The county shall disburse to  
16 and deposit with the county treasurer on a monthly basis  
17 beginning no later than the December 31 preceding the  
18 beginning of the Fund's fiscal year 1/12 of the balance of what  
19 is not paid under subsection (a), for the benefit of the Fund,  
20 to be held in accordance with this Article. This amount,  
21 together with such real estate taxes as are specifically  
22 levied under this Section for that year, shall not be less than  
23 the amount of the minimum required employer contribution for  
24 that year as certified by the Fund to the county board. The  
25 deposit may be derived from any source otherwise legally  
26 available to the county for that purpose, including, but not

1 limited to, home rule taxes. The making of a deposit shall  
2 satisfy the requirements of this Section for that year to the  
3 extent of the amounts so deposited. Amounts deposited under  
4 this subsection may be used by the Fund for any of the purposes  
5 for which the proceeds of real estate taxes levied by the  
6 county under this Section may otherwise be used, including the  
7 payment of any amount that is otherwise required by this  
8 Article to be paid from the proceeds of that tax. If the  
9 county, before the effective date of this amendatory Act of  
10 the 103rd General Assembly, made a contribution or agreed to  
11 make a contribution to the Fund from sources other than real  
12 estate taxes, this paragraph confirms the validity of or  
13 ratifies such contribution or agreement, and neither the  
14 county nor any of its officers or employees shall be required  
15 to answer for such contribution or agreement in any court. ~~The~~  
16 ~~various sums to be contributed by the county board and~~  
17 ~~allocated for the purposes of this Article and any interest to~~  
18 ~~be contributed by the county shall be taken from the revenue~~  
19 ~~derived from this tax and no money of the county derived from~~  
20 ~~any source other than the levy and collection of this tax or~~  
21 ~~the sale of tax anticipation warrants, except state or federal~~  
22 ~~funds contributed for annuity and benefit purposes for~~  
23 ~~employees of a county department of public aid under "The~~  
24 ~~Illinois Public Aid Code", approved April 11, 1967, as now or~~  
25 ~~hereafter amended, may be used to provide revenue for the~~  
26 ~~fund.~~

1           If it is not possible or practicable for the county to make  
2 contributions for age and service annuity and widow's annuity  
3 concurrently with the employee contributions made for such  
4 purposes, such county shall make such contributions as soon as  
5 possible and practicable thereafter with interest thereon at  
6 the effective rate until the time it shall be made.

7           (d) With respect to employees whose wages are funded as  
8 participants under the Comprehensive Employment and Training  
9 Act of 1973, as amended (P.L. 93-203, 87 Stat. 839, P.L.  
10 93-567, 88 Stat. 1845), hereinafter referred to as CETA,  
11 subsequent to October 1, 1978, and in instances where the  
12 board has elected to establish a manpower program reserve, the  
13 board shall compute the amounts necessary to be credited to  
14 the manpower program reserves established and maintained as  
15 herein provided, and shall make a periodic determination of  
16 the amount of required contributions from the County to the  
17 reserve to be reimbursed by the federal government in  
18 accordance with rules and regulations established by the  
19 Secretary of the United States Department of Labor or his  
20 designee, and certify the results thereof to the County Board.  
21 Any such amounts shall become a credit to the County and will  
22 be used to reduce the amount which the County would otherwise  
23 contribute during succeeding years for all employees.

24           (e) In lieu of establishing a manpower program reserve  
25 with respect to employees whose wages are funded as  
26 participants under the Comprehensive Employment and Training

1 Act of 1973, as authorized by subsection (d), the board may  
2 elect to establish a special County contribution rate for all  
3 such employees. If this option is elected, the County shall  
4 contribute to the Fund from federal funds provided under the  
5 Comprehensive Employment and Training Act program at the  
6 special rate so established and such contributions shall  
7 become a credit to the County and be used to reduce the amount  
8 which the County would otherwise contribute during succeeding  
9 years for all employees.

10 (Source: P.A. 95-369, eff. 8-23-07.)

11 (40 ILCS 5/9-169.1 new)

12 Sec. 9-169.1. Annual actuarial report. The retirement  
13 board shall retain an actuary who is a member in good standing  
14 of the American Academy of Actuaries to produce an annual  
15 actuarial report of the Fund. The annual actuarial report  
16 shall include, but not be limited to: (1) a statement of the  
17 minimum required contribution, the actuarial value of the  
18 Fund's assets as projected over at least 30 years' time, and  
19 the actuarial value of the Fund's liabilities as projected  
20 over the same period of time; and (2) the minimum required  
21 employer contribution, as determined under Section 9-169.2,  
22 for the second year immediately following the year ending on  
23 the valuation date upon which the annual actuarial report is  
24 based.

25 The annual actuarial report may be prepared as part of the



1 annual audit required under Section 9-195. The annual  
2 actuarial report shall be reviewed and formally adopted by the  
3 retirement board and shall be included in the annual report  
4 that is required to be submitted to the county in July of each  
5 year under Section 9-199.

6 In this Section, "valuation date" means the date that the  
7 value of the assets and liabilities of the Fund is based on in  
8 the annual actuarial report.

9 (40 ILCS 5/9-169.2 new)

10 Sec. 9-169.2. Minimum required employer contribution. The  
11 minimum required employer contribution for a specified year,  
12 as set forth in the annual actuarial report required under  
13 Section 9-169.1, shall be the amount determined by the Fund's  
14 actuary to be equal to the sum of: (i) the projected normal  
15 cost for pensions for that fiscal year based on the entry age  
16 actuarial cost method, plus (ii) a projected unfunded  
17 actuarial accrued liability amortization payment for pensions  
18 for the fiscal year, plus (iii) projected expenses for that  
19 fiscal year, plus (iv) interest to adjust for payment pattern  
20 during the fiscal year, less (v) projected employee  
21 contributions for that fiscal year.

22 The minimum required employer contribution for the next  
23 year shall be submitted annually by the county on or before  
24 June 14 of each year unless another time frame is agreed upon  
25 by the county and the Fund.

1       For the purposes of this Section:

2       "5-Year smoothed actuarial value of assets" means the  
3 value of assets as determined by a method that spreads the  
4 effect of each year's investment return in excess of or below  
5 the expected return.

6       "Entry age actuarial cost method" means a method of  
7 determining the normal cost and is determined as a level  
8 percentage of pay that, if paid from entry age to the assumed  
9 retirement age, assuming all the actuarial assumptions are  
10 exactly met by experience and no changes in assumptions or  
11 benefit provisions, would accumulate to a fund sufficient to  
12 pay all benefits provided by the Fund.

13       "Layered amortization" means a technique that separately  
14 layers the different components of the unfunded actuarial  
15 accrued liabilities to be amortized over a fixed period not to  
16 exceed 30 years.

17       "Projected expenses" means the projected administrative  
18 expenses for the cost of administering the Fund.

19       "Projected normal costs for pensions" means the cost of  
20 the benefits that accrue during the year for active members  
21 under the entry age actuarial cost method.

22       "Unfunded actuarial accrued liability amortization  
23 payment" means the annual contribution equal to the difference  
24 between the values of assets and the accrued liabilities of  
25 the plan, calculated by an actuary, needed to amortize the  
26 Fund's liabilities over a period of 30 years starting in 2017,

1 with layered amortization of the Fund's unexpected unfunded  
2 actuarial accrued liability amortization payment following  
3 2017 in periods of 30 years, with amortization payments  
4 increasing 2% per year, and reflecting a discount rate for all  
5 liabilities consistent with the assumed investment rate of  
6 return on fund assets and a 5-year smoothed actuarial value of  
7 assets.

8 (40 ILCS 5/9-179.1) (from Ch. 108 1/2, par. 9-179.1)

9 Sec. 9-179.1. Military service. A contributing employee ~~as~~  
10 ~~of January 1, 1993 with at least 25 years of service credit~~ may  
11 apply for creditable service for up to 2 years of military  
12 service whether or not the military service followed service  
13 as a county employee. The military service need not have been  
14 served in wartime, but the employee must not have been  
15 dishonorably discharged. To establish this creditable service  
16 the applicant must pay to the Fund, while in the service of the  
17 county, an amount determined by the Fund to represent the  
18 employee contributions for the creditable service established,  
19 based on the employee's rate of compensation on his or her last  
20 day as a contributor before the military service, or on his or  
21 her first day as a contributor after the military service,  
22 whichever is greater, plus interest at the effective rate from  
23 the date of discharge to the date of payment. If a person who  
24 has established any credit under this Section applies for or  
25 receives any early retirement incentive under Section 9-134.2,

1 the credit under this Section shall be forfeited and the  
2 amount paid to the Fund under this Section shall be refunded.

3 (Source: P.A. 87-1265.)

4 (40 ILCS 5/9-184) (from Ch. 108 1/2, par. 9-184)

5 Sec. 9-184. Estimates of sums required for certain  
6 annuities and benefits. The board shall estimate and itemize  
7 the amounts required each year to pay for all annuities, each  
8 benefit category, and benefits and administrative expenses  
9 associated with this Article, by way of a written report and  
10 request to the County Board of Commissioners. The amounts  
11 shall be paid into the fund annually by the county as provided  
12 in Section 9-169 ~~from the prescribed tax levy.~~

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

14 (40 ILCS 5/9-185) (from Ch. 108 1/2, par. 9-185)

15 Sec. 9-185. Board created.

16 (a) A board of 9 members shall constitute the board of  
17 trustees authorized to carry out the provisions of this  
18 Article. The board of trustees shall be known as "The  
19 Retirement Board of the County Employees' Annuity and Benefit  
20 Fund of .... County". The board shall consist of 2 members  
21 appointed and 7 members elected as hereinafter prescribed.

22 (b) The appointed members shall be appointed as follows:  
23 One member shall be appointed by the comptroller of such  
24 county, who may be the comptroller or some person chosen by the

1 comptroller ~~him~~ from among employees of the county, who are  
2 versed in the affairs of the comptroller's office; and one  
3 member shall be appointed by the treasurer of such county, who  
4 may be the treasurer or some person chosen by the treasurer ~~him~~  
5 from among employees of the County who are versed in the  
6 affairs of the treasurer's office.

7 The member appointed by the comptroller shall hold office  
8 for a term ending on December 1st of the first year following  
9 the year of appointment. The member appointed by the county  
10 treasurer shall hold office for a term ending on December 1st  
11 of the second year following the year of appointment.

12 Thereafter, each appointed member shall be appointed by  
13 the officer that appointed the ~~his~~ predecessor for a term of 2  
14 years.

15 (c) Three county employee members of the board shall be  
16 elected as follows: within 30 days from and after the date upon  
17 which this Article comes into effect in the county, the clerk  
18 of the county shall arrange for and hold an election. One  
19 employee shall be elected for a term ending on the first day in  
20 the month of December of the first year next following the  
21 effective date; one for a term ending on December 1st of the  
22 following year; and one for a term ending December 1st of the  
23 second following year.

24 (d) Beginning December 1, 1988, and every 3 years  
25 thereafter, an annuitant member of the board shall be elected  
26 as follows: the board shall arrange for and hold an election in

1 which only those participants who are currently receiving  
2 retirement benefits under this Article shall be eligible to  
3 vote and be elected. Each such member shall be elected to a  
4 term ending on the first day in the month of December of the  
5 third following year.

6 (d-1) Beginning December 1, 2001, and every 3 years  
7 thereafter, an annuitant member of the board shall be elected  
8 as follows: the board shall arrange for and hold an election in  
9 which only those participants who are currently receiving  
10 retirement benefits under this Article shall be eligible to  
11 vote and be elected. Each such member shall be elected to a  
12 term ending on the first day in the month of December of the  
13 third following year. Until December 1, 2001, the position  
14 created under this subsection (d-1) may be filled by the board  
15 as in the case of a vacancy.

16 (e) Beginning December 1, 1988, if a Forest Preserve  
17 District Employees' Annuity and Benefit Fund shall be in force  
18 in such county and the board of this fund is charged with  
19 administering the affairs of such annuity and benefit fund for  
20 employees of such forest preserve district, a forest preserve  
21 district member of the board shall be elected as of December 1,  
22 1988, and every 3 years thereafter as follows: the board shall  
23 arrange for and hold an election in which only those employees  
24 of such forest preserve district who are contributors to the  
25 annuity and benefit fund for employees of such forest preserve  
26 district shall be eligible to vote and be elected. Each such

1 member shall be elected to a term ending on the first day in  
2 the month of December of the third following year.

3 (f) Beginning December 1, 2001, and every 3 years  
4 thereafter, if a Forest Preserve District Employees' Annuity  
5 and Benefit Fund is in force in the county and the board of  
6 this Fund is charged with administering the affairs of that  
7 annuity and benefit fund for employees of the forest preserve  
8 district, a forest preserve district annuitant member of the  
9 board shall be elected as follows: the board shall arrange for  
10 and hold an election in which only those participants who are  
11 currently receiving retirement benefits under Article 10 shall  
12 be eligible to vote and be elected. Each such member shall be  
13 elected to a term ending on the first day in the month of  
14 December of the third following year. Until December 1, 2001,  
15 the position created under this subsection (f) may be filled  
16 by the board as in the case of a vacancy.

17 (Source: P.A. 92-66, eff. 7-12-01.)

18 (40 ILCS 5/9-195) (from Ch. 108 1/2, par. 9-195)

19 Sec. 9-195. To have an audit. To have an audit of the  
20 accounts of the fund made at least once each year by certified  
21 public accountants. The audit may include the preparation of  
22 the annual actuarial report required under Section 9-169.1.

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

24 (40 ILCS 5/9-199) (from Ch. 108 1/2, par. 9-199)

1           Sec. 9-199. To submit an annual report. To submit a report  
2 in July of each year to the county board of the county as of  
3 the close of business on December 31st of the preceding year.  
4 The report shall contain a detailed statement of the affairs  
5 of the fund, its income and expenditures, and assets and  
6 liabilities, and it shall include the annual actuarial report  
7 required under Section 9-169.1. The county board shall have  
8 power to require and compel the retirement board to prepare  
9 and submit such reports.

10       (Source: P.A. 95-369, eff. 8-23-07.)

11           (40 ILCS 5/9-240 new)

12           Sec. 9-240. Group health benefit funding. Beginning on the  
13 effective date of this amendatory Act of the 103rd General  
14 Assembly, the county shall be notified by June 14 of each year  
15 of the proposed costs of any such payments allocated by the  
16 Fund for all or any portion of the total health premium paid by  
17 the Fund pursuant to Section 9-239.

18           Section 90. The State Mandates Act is amended by adding  
19 Section 8.47 as follows:

20           (30 ILCS 805/8.47 new)

21           Sec. 8.47. Exempt mandate. Notwithstanding Sections 6 and  
22 8 of this Act, no reimbursement by the State is required for  
23 the implementation of any mandate created by this amendatory



1 Act of the 103rd General Assembly.

2       Section 99. Effective date. This Act takes effect upon  
3 becoming law.".