103RD GENERAL ASSEMBLY

State of Illinois

2023 and 2024

HB3211

Introduced 2/17/2023, by Rep. Tony M. McCombie

SYNOPSIS AS INTRODUCED:

40 ILCS 5/1-160 40 ILCS 5/14-152.1

Amends the General Provisions and State Employees Articles of the Illinois Pension Code. Provides that a Tier 2 participant who is employed as an investigator for the Secretary of State or as a conservation police officer on the effective date of the amendatory Act, has accrued not less than 10 years of credit for such service, and has attained age 60 shall be entitled to an annuity calculated under the alternative retirement annuity provisions of the State Employees Article, in lieu of a regular or minimum retirement annuity, notwithstanding that he or she has accrued less than 20 years of eligible creditable service. Provides that any benefit increase that results from the amendatory Act is excluded from the definition of "new benefit increase". Makes conforming changes. Effective immediately.

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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 1-160 and 14-152.1 as follows:

6 (40 ILCS 5/1-160)

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

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

9 (a) The provisions of this Section apply to a person who, on or after January 1, 2011, first becomes a member or a 10 participant under any reciprocal retirement system or pension 11 fund established under this Code, other than a retirement 12 13 system or pension fund established under Article 2, 3, 4, 5, 6, 14 7, 15, or 18 of this Code, notwithstanding any other provision of this Code to the contrary, but do not apply to any 15 16 self-managed plan established under this Code or to anv 17 participant of the retirement plan established under Section 22-101; except that this Section applies to a person who 18 19 elected to establish alternative credits by electing in writing after January 1, 2011, but before August 8, 2011, 20 21 under Section 7-145.1 of this Code. Notwithstanding anything 22 to the contrary in this Section, for purposes of this Section, a person who is a Tier 1 regular employee as defined in Section 23

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

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

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

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

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

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

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(1) (Blank).

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

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

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

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

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

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

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

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

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

For the purposes of this Section, "consumer price index-u" 7 8 means the index published by the Bureau of Labor Statistics of 9 the United States Department of Labor that measures the 10 average change in prices of goods and services purchased by 11 all urban consumers, United States city average, all items, 12 1982-84 = 100. The new amount resulting from each annual adjustment shall be determined by the Public Pension Division 13 of the Department of Insurance and made available to the 14 15 boards of the retirement systems and pension funds by November 16 1 of each year.

17 (c) A member or participant is entitled to a retirement annuity upon written application if he or she has attained age 18 67 (age 65, with respect to service under Article 12 that is 19 20 subject to this Section, for a member or participant under Article 12 who first becomes a member or participant under 21 22 Article 12 on or after January 1, 2022 or who makes the 23 election under item (i) of subsection (d-15) of this Section) and has at least 10 years of service credit and is otherwise 24 25 eligible under the requirements of the applicable Article.

A member or participant who has attained age 62 (age 60,

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

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

(d) The retirement annuity of a member or participant who 19 is retiring after attaining age 62 (age 60, with respect to 20 21 service under Article 12 that is subject to this Section, for a 22 member or participant under Article 12 who first becomes a 23 member or participant under Article 12 on or after January 1, 2022 or who makes the election under item (i) of subsection 24 (d-15) of this Section) with at least 10 years of service 25 26 credit shall be reduced by one-half of 1% for each full month

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that the member's age is under age 67 (age 65, with respect to service under Article 12 that is subject to this Section, for a member or participant under Article 12 who first becomes a member or participant under Article 12 on or after January 1, 2022 or who makes the election under item (i) of subsection (d-15) of this Section).

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

12 (d-10) Each person who first became a member or 13 participant under Article 8 or Article 11 of this Code on or 14 after January 1, 2011 and prior to July 6, 2017 (the effective 15 date of Public Act 100-23) shall make an irrevocable election 16 either:

17 (i) to be eligible for the reduced retirement age provided in subsections (c-5) and (d-5) of this Section, 18 19 the eligibility for which is conditioned upon the member 20 or participant agreeing to the increases in employee contributions for age and service annuities provided in 21 22 subsection (a-5) of Section 8-174 of this Code (for 23 service under Article 8) or subsection (a-5) of Section 11-170 of this Code (for service under Article 11); or 24

(ii) to not agree to item (i) of this subsection
(d-10), in which case the member or participant shall

1 continue to be subject to the retirement age provisions in 2 subsections (c) and (d) of this Section and the employee 3 contributions for age and service annuity as provided in 4 subsection (a) of Section 8-174 of this Code (for service 5 under Article 8) or subsection (a) of Section 11-170 of 6 this Code (for service under Article 11).

7 The election provided for in this subsection shall be made 8 between October 1, 2017 and November 15, 2017. A person 9 subject to this subsection who makes the required election 10 shall remain bound by that election. A person subject to this 11 subsection who fails for any reason to make the required 12 election within the time specified in this subsection shall be 13 deemed to have made the election under item (ii).

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

(i) to be eligible for the reduced retirement age 18 specified in subsections (c) and (d) of this Section, the 19 20 eligibility for which is conditioned upon the member or 21 participant agreeing to the increase in employee 22 contributions for service annuities specified in 23 subsection (b) of Section 12-150; or

(ii) to not agree to item (i) of this subsection
(d-15), in which case the member or participant shall not
be eligible for the reduced retirement age specified in

subsections (c) and (d) of this Section and shall not be subject to the increase in employee contributions for service annuities specified in subsection (b) of Section 12-150.

5 The election provided for in this subsection shall be made 6 between January 1, 2022 and April 1, 2022. A person subject to 7 this subsection who makes the required election shall remain 8 bound by that election. A person subject to this subsection 9 who fails for any reason to make the required election within 10 the time specified in this subsection shall be deemed to have 11 made the election under item (ii).

12 (e) Any retirement annuity or supplemental annuity shall be subject to annual increases on the January 1 occurring 13 either on or after the attainment of age 67 (age 65, with 14 15 respect to service under Article 12 that is subject to this 16 Section, for a member or participant under Article 12 who 17 first becomes a member or participant under Article 12 on or after January 1, 2022 or who makes the election under item (i) 18 of subsection (d-15); and beginning on July 6, 2017 (the 19 effective date of Public Act 100-23), age 65 with respect to 20 service under Article 8 or Article 11 for eligible persons 21 22 who: (i) are subject to subsection (c-5) of this Section; or 23 (ii) made the election under item (i) of subsection (d-10) of this Section) or the first anniversary of the annuity start 24 25 date, whichever is later. Each annual increase shall be 26 calculated at 3% or one-half the annual unadjusted percentage increase (but not less than zero) in the consumer price index-u for the 12 months ending with the September preceding each November 1, whichever is less, of the originally granted retirement annuity. If the annual unadjusted percentage change in the consumer price index-u for the 12 months ending with the September preceding each November 1 is zero or there is a decrease, then the annuity shall not be increased.

8 For the purposes of Section 1-103.1 of this Code, the 9 changes made to this Section by Public Act 102-263 are 10 applicable without regard to whether the employee was in 11 active service on or after August 6, 2021 (the effective date 12 of Public Act 102-263).

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

The initial survivor's or widow's annuity of an 18 (f) otherwise eligible survivor or widow of a retired member or 19 20 participant who first became a member or participant on or after January 1, 2011 shall be in the amount of 66 2/3% of the 21 22 retired member's or participant's retirement annuity at the 23 date of death. In the case of the death of a member or participant who has not retired and who first became a member 24 25 or participant on or after January 1, 2011, eligibility for a survivor's or widow's annuity shall be determined by the 26

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

19 (q) The benefits in Section 14-110 apply if the person is a 20 fire fighter in the fire protection service of a department, a security employee of the Department of Corrections or the 21 22 Department of Juvenile Justice, or a security employee of the 23 Department of Innovation and Technology, as those terms are defined in subsection (b) and subsection (c) of Section 24 25 14-110. A person who meets the requirements of this Section is entitled to an annuity calculated under the provisions of 26

Section 14-110, in lieu of the regular or minimum retirement annuity, only if the person has withdrawn from service with not less than 20 years of eligible creditable service and has attained age 60, regardless of whether the attainment of age 60 occurs while the person is still in service.

(q-5) The benefits in Section 14-110 apply if the person 6 7 is a State policeman, investigator for the Secretary of State, 8 conservation police officer, investigator for the Department 9 of Revenue or the Illinois Gaming Board, investigator for the 10 Office of the Attorney General, Commerce Commission police 11 officer, or arson investigator, as those terms are defined in 12 subsection (b) and subsection (c) of Section 14-110. A person who meets the requirements of this Section is entitled to an 13 14 annuity calculated under the provisions of Section 14-110, in 15 lieu of the regular or minimum retirement annuity, only if the 16 person has withdrawn from service with not less than 20 years 17 of eligible creditable service and has attained age 55, regardless of whether the attainment of age 55 occurs while 18 19 the person is still in service.

20 (g-10) A person who (i) is subject to this Section, (ii) is
21 employed as an investigator for the Secretary of State or as a
22 conservation police officer on the effective date of this
23 amendatory Act of the 103rd General Assembly, (iii) has
24 accrued not less than 10 years of credit for such service, and
25 (iv) has attained age 60 shall be entitled to an annuity
26 calculated under the provisions of Section 14-110, in lieu of

<u>a regular or minimum retirement annuity</u>, notwithstanding that <u>he or she has accrued less than 20 years of eligible creditable</u> service.

(h) If a person who first becomes a member or a participant 4 5 of a retirement system or pension fund subject to this Section on or after January 1, 2011 is receiving a retirement annuity 6 7 or retirement pension under that system or fund and becomes a 8 member or participant under any other system or fund created 9 by this Code and is employed on a full-time basis, except for 10 those members or participants exempted from the provisions of 11 this Section under subsection (a) of this Section, then the 12 person's retirement annuity or retirement pension under that 13 system or fund shall be suspended during that employment. Upon termination of that employment, the person's retirement 14 annuity or retirement pension payments shall resume and be 15 16 recalculated if recalculation is provided for under the 17 applicable Article of this Code.

If a person who first becomes a member of a retirement 18 19 system or pension fund subject to this Section on or after January 1, 2012 and is receiving a retirement annuity or 20 retirement pension under that system or fund and accepts on a 21 22 contractual basis a position to provide services to a 23 governmental entity from which he or she has retired, then that person's annuity or retirement pension earned as an 24 25 active employee of the employer shall be suspended during that 26 contractual service. A person receiving an annuity or HB3211 - 14 - LRB103 27726 RPS 54103 b

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

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(i) (Blank).

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

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

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

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

(a) The provisions of this Section apply to a person who,
on or after January 1, 2011, first becomes a member or a
participant under any reciprocal retirement system or pension
fund established under this Code, other than a retirement
system or pension fund established under Article 2, 3, 4, 5, 6,
7, 15, or 18 of this Code, notwithstanding any other provision

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

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

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This Section does not apply to a person who first becomes a

1 member or participant under Article 16 on or after the 2 implementation date of the plan created under Section 1-161 3 for that Article, unless that person elects under subsection 4 (b) of Section 1-161 to instead receive the benefits provided 5 under this Section and the applicable provisions of that 6 Article.

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

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

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

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| 1 | retirement system or pension fund to which this Section |
| 2 | applies on or after January 1, 2011, in this Code, "final |
| 3 | average salary" shall be substituted for the following: |
| 4 | (1) (Blank). |
| 5 | (2) In Articles 8, 9, 10, 11, and 12, "highest average |
| 6 | annual salary for any 4 consecutive years within the last |
| 7 | 10 years of service immediately preceding the date of |
| 8 | withdrawal". |
| 9 | (3) In Article 13, "average final salary". |
| 10 | (4) In Article 14, "final average compensation". |
| 11 | (5) In Article 17, "average salary". |
| 12 | (6) In Section 22-207, "wages or salary received by |
| 13 | him at the date of retirement or discharge". |
| 14 | A member of the Teachers' Retirement System of the State |
| 15 | of Illinois who retires on or after June 1, 2021 and for whom |
| 16 | the 2020-2021 school year is used in the calculation of the |
| 17 | member's final average salary shall use the higher of the |
| 18 | following for the purpose of determining the member's final |
| 19 | average salary: |
| 20 | (A) the amount otherwise calculated under the first |
| 21 | paragraph of this subsection; or |
| 22 | (B) an amount calculated by the Teachers' Retirement |
| 23 | System of the State of Illinois using the average of the |
| 24 | monthly (or annual) salary obtained by dividing the total |
| 25 | salary or earnings calculated under Article 16 applicable |
| 26 | to the member or participant during the 96 months (or 8 |

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

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

For the purposes of this Section, "consumer price index-u" 16 17 means the index published by the Bureau of Labor Statistics of the United States Department of Labor that measures the 18 average change in prices of goods and services purchased by 19 all urban consumers, United States city average, all items, 20 1982-84 = 100. The new amount resulting from each annual 21 22 adjustment shall be determined by the Public Pension Division 23 of the Department of Insurance and made available to the 24 boards of the retirement systems and pension funds by November 25 1 of each year.

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(c) A member or participant is entitled to a retirement

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

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

19 (c-5) A person who first becomes a member or a participant 20 subject to this Section on or after July 6, 2017 (the effective Public Act 100-23), notwithstanding any other 21 date of 22 provision of this Code to the contrary, is entitled to a 23 retirement annuity under Article 8 or Article 11 upon written application if he or she has attained age 65 and has at least 24 25 10 years of service credit and is otherwise eligible under the requirements of Article 8 or Article 11 of this Code, 26

1 whichever is applicable.

2 (d) The retirement annuity of a member or participant who is retiring after attaining age 62 (age 60, with respect to 3 service under Article 12 that is subject to this Section, for a 4 5 member or participant under Article 12 who first becomes a member or participant under Article 12 on or after January 1, 6 7 2022 or who makes the election under item (i) of subsection (d-15) of this Section) with at least 10 years of service 8 9 credit shall be reduced by one-half of 1% for each full month 10 that the member's age is under age 67 (age 65, with respect to 11 service under Article 12 that is subject to this Section, for a 12 member or participant under Article 12 who first becomes a member or participant under Article 12 on or after January 1, 13 2022 or who makes the election under item (i) of subsection 14 15 (d-15) of this Section).

16 (d-5) The retirement annuity payable under Article 8 or 17 Article 11 to an eligible person subject to subsection (c-5) 18 of this Section who is retiring at age 60 with at least 10 19 years of service credit shall be reduced by one-half of 1% for 20 each full month that the member's age is under age 65.

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

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(i) to be eligible for the reduced retirement age

provided in subsections (c-5) and (d-5) of this Section, the eligibility for which is conditioned upon the member or participant agreeing to the increases in employee contributions for age and service annuities provided in subsection (a-5) of Section 8-174 of this Code (for service under Article 8) or subsection (a-5) of Section 11-170 of this Code (for service under Article 11); or

(ii) to not agree to item (i) of this subsection 8 9 (d-10), in which case the member or participant shall 10 continue to be subject to the retirement age provisions in 11 subsections (c) and (d) of this Section and the employee 12 contributions for age and service annuity as provided in subsection (a) of Section 8-174 of this Code (for service 13 under Article 8) or subsection (a) of Section 11-170 of 14 15 this Code (for service under Article 11).

16 The election provided for in this subsection shall be made 17 between October 1, 2017 and November 15, 2017. A person 18 subject to this subsection who makes the required election 19 shall remain bound by that election. A person subject to this 20 subsection who fails for any reason to make the required 21 election within the time specified in this subsection shall be 22 deemed to have made the election under item (ii).

23 (d-15) Each person who first becomes a member or 24 participant under Article 12 on or after January 1, 2011 and 25 prior to January 1, 2022 shall make an irrevocable election 26 either: - 22 - LRB103 27726 RPS 54103 b

(i) to be eligible for the reduced retirement age 1 2 specified in subsections (c) and (d) of this Section, the eligibility for which is conditioned upon the member or 3 participant agreeing to the increase in 4 employee 5 contributions for service annuities specified in subsection (b) of Section 12-150; or 6

7 (ii) to not agree to item (i) of this subsection 8 (d-15), in which case the member or participant shall not 9 be eligible for the reduced retirement age specified in 10 subsections (c) and (d) of this Section and shall not be 11 subject to the increase in employee contributions for 12 service annuities specified in subsection (b) of Section 13 12-150.

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

(e) Any retirement annuity or supplemental annuity shall be subject to annual increases on the January 1 occurring either on or after the attainment of age 67 (age 65, with respect to service under Article 12 that is subject to this Section, for a member or participant under Article 12 who first becomes a member or participant under Article 12 on or

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

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

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

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

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1 annuity shall not be increased.

2 (q) The benefits in Section 14-110 apply only if the 3 person is a State policeman, a fire fighter in the fire protection service of a department, a conservation police 4 5 officer, an investigator for the Secretary of State, an arson Commission 6 investigator, а Commerce police officer, 7 investigator for the Department of Revenue or the Illinois 8 Gaming Board, a security employee of the Department of 9 Corrections or the Department of Juvenile Justice, or a 10 security employee of the Department of Innovation and 11 Technology, as those terms are defined in subsection (b) and 12 subsection (c) of Section 14-110. Except as otherwise provided 13 in subsection (g-10) of this Section, a A person who meets the requirements of this Section is entitled to an annuity 14 calculated under the provisions of Section 14-110, in lieu of 15 16 the regular or minimum retirement annuity, only if the person 17 has withdrawn from service with not less than 20 years of eligible creditable service and has attained 18 age 60, regardless of whether the attainment of age 60 occurs while 19 20 the person is still in service.

21 (g-10) A person who (i) is subject to this Section, (ii) is
22 employed as an investigator for the Secretary of State or as a
23 conservation police officer on the effective date of this
24 amendatory Act of the 103rd General Assembly, (iii) has
25 accrued not less than 10 years of credit for such service, and
26 (iv) has attained age 60 shall be entitled to an annuity

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1 <u>calculated under the provisions of Section 14-110, in lieu of</u> 2 <u>a regular or minimum retirement annuity, notwithstanding that</u> 3 <u>he or she has accrued less than 20 years of eligible creditable</u> 4 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 person's retirement annuity or retirement pension under that 13 system or fund shall be suspended during that employment. Upon 14 termination of that employment, the person's retirement 15 16 annuity or retirement pension payments shall resume and be recalculated if recalculation is provided for under the 17 applicable Article of this Code. 18

If a person who first becomes a member of a retirement 19 system or pension fund subject to this Section on or after 20 January 1, 2012 and is receiving a retirement annuity or 21 22 retirement pension under that system or fund and accepts on a 23 contractual basis a position to provide services to a governmental entity from which he or she has retired, then 24 that person's annuity or retirement pension earned as an 25 26 active employee of the employer shall be suspended during that - 27 - LRB103 27726 RPS 54103 b

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

(i) (Blank).

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(j) In the case of a conflict between the provisions of this Section and any other provision of this Code, the 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; 102-813, eff. 18 5-13-22.)

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

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

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

7, 15, or 18 of this Code, notwithstanding any other provision 1 2 of this Code to the contrary, but do not apply to any 3 self-managed plan established under this Code or to any participant of the retirement plan established under Section 4 5 22-101; except that this Section applies to a person who elected to establish alternative credits by electing in 6 writing after January 1, 2011, but before August 8, 2011, 7 under Section 7-145.1 of this Code. Notwithstanding anything 8 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 deemed a person who first became a member or participant prior 13 to January 1, 2011 under any retirement system or pension fund 14 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 date of Public Act 96-889), notwithstanding the provisions of 18 Section 1-103.1 of this Code. 19

20 This Section does not apply to a person who first becomes a noncovered employee under Article 21 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 (b) of Section 1-161 to instead receive the benefits provided 24 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.

(b) "Final average salary" means, except as otherwise 18 19 provided in this subsection, the average monthly (or annual) 20 salary obtained by dividing the total salary or earnings calculated under the Article applicable to the member or 21 22 participant during the 96 consecutive months (or 8 consecutive 23 years) of service within the last 120 months (or 10 years) of service in which the total salary or earnings calculated under 24 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 person who first becomes a member or participant of any retirement system or pension fund to which this Section applies on or after January 1, 2011, in this Code, "final 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".

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

12

11

(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".

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

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

(B) an amount calculated by the Teachers' Retirement
 System of the State of Illinois using the average of the
 monthly (or annual) salary obtained by dividing the total
 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.

(b-5) Beginning on January 1, 2011, for all purposes under 6 7 this Code (including without limitation the calculation of benefits and employee contributions), the annual earnings, 8 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 previous adjustments, or (ii) one-half the annual unadjusted 13 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" means the index published by the Bureau of Labor Statistics of 18 19 the United States Department of Labor that measures the 20 average change in prices of goods and services purchased by all urban consumers, United States city average, all items, 21 22 1982-84 = 100. The new amount resulting from each annual 23 adjustment shall be determined by the Public Pension Division of the Department of Insurance and made available to the 24 25 boards of the retirement systems and pension funds by November 26 1 of each year.

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

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

20 (c-5) A person who first becomes a member or a participant 21 subject to this Section on or after July 6, 2017 (the effective 22 date of Public Act 100-23), notwithstanding any other 23 provision of this Code to the contrary, is entitled to a 24 retirement annuity under Article 8 or Article 11 upon written 25 application if he or she has attained age 65 and has at least 26 10 years of service credit and is otherwise eligible under the

requirements of Article 8 or Article 11 of this Code,
 whichever is applicable.

(d) The retirement annuity of a member or participant who 3 is retiring after attaining age 62 (age 60, with respect to 4 5 service under Article 12 that is subject to this Section, for a member or participant under Article 12 who first becomes a 6 7 member or participant under Article 12 on or after January 1, 2022 or who makes the election under item (i) of subsection 8 9 (d-15) of this Section) with at least 10 years of service 10 credit shall be reduced by one-half of 1% for each full month 11 that the member's age is under age 67 (age 65, with respect to 12 service under Article 12 that is subject to this Section, for a member or participant under Article 12 who first becomes a 13 member or participant under Article 12 on or after January 1, 14 15 2022 or who makes the election under item (i) of subsection 16 (d-15) of this Section).

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

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

(i) to be eligible for the reduced retirement age 1 2 provided in subsections (c-5) and (d-5) of this Section, 3 the eligibility for which is conditioned upon the member or participant agreeing to the increases in employee 4 5 contributions for age and service annuities provided in subsection (a-5) of Section 8-174 of this Code (for 6 7 service under Article 8) or subsection (a-5) of Section 11-170 of this Code (for service under Article 11); or 8

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

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

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

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1 either:

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

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

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

(e) Any retirement annuity or supplemental annuity shall be subject to annual increases on the January 1 occurring either on or after the attainment of age 67 (age 65, with respect to service under Article 12 that is subject to this Section, for a member or participant under Article 12 who

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

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

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

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1 Public Act 100-23).

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

1 each November 1 is zero or there is a decrease, then the 2 annuity shall not be increased.

The benefits in Section 14-110 apply only if the 3 (a) person is a State policeman, a fire fighter in the fire 4 5 protection service of a department, a conservation police 6 officer, an investigator for the Secretary of State, an 7 investigator for the Office of the Attorney General, 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 subsection (c) of Section 14-110. Except as otherwise provided 14 in subsection (q-10) of this Section, a A person who meets the 15 16 requirements of this Section is entitled to an annuity 17 calculated under the provisions of Section 14-110, in lieu of the regular or minimum retirement annuity, only if the person 18 has withdrawn from service with not less than 20 years of 19 20 eligible creditable service and has attained age 60, regardless of whether the attainment of age 60 occurs while 21 22 the person is still in service.

23 (g-10) A person who (i) is subject to this Section, (ii) is 24 employed as an investigator for the Secretary of State or as a 25 conservation police officer on the effective date of this 26 amendatory Act of the 103rd General Assembly, (iii) has

1 accrued not less than 10 years of credit for such service, and 2 (iv) has attained age 60 shall be entitled to an annuity 3 calculated under the provisions of Section 14-110, in lieu of 4 a regular or minimum retirement annuity, notwithstanding that 5 he or she has accrued less than 20 years of eligible creditable 6 service.

(h) If a person who first becomes a member or a participant 7 8 of a retirement system or pension fund subject to this Section 9 on or after January 1, 2011 is receiving a retirement annuity 10 or retirement pension under that system or fund and becomes a 11 member or participant under any other system or fund created 12 by this Code and is employed on a full-time basis, except for 13 those members or participants exempted from the provisions of this Section under subsection (a) of this Section, then the 14 15 person's retirement annuity or retirement pension under that 16 system or fund shall be suspended during that employment. Upon 17 termination of that employment, the person's retirement annuity or retirement pension payments shall resume and be 18 recalculated if recalculation is provided for under the 19 applicable Article of this Code. 20

If a person who first becomes a member of a retirement system or pension fund subject to this Section on or after January 1, 2012 and is receiving a retirement annuity or retirement pension under that system or fund and accepts on a contractual basis a position to provide services to a governmental entity from which he or she has retired, then

that person's annuity or retirement pension earned as an 1 2 active employee of the employer shall be suspended during that 3 contractual service. A person receiving an annuity or retirement pension under this Code shall notify the pension 4 5 fund or retirement system from which he or she is receiving an annuity or retirement pension, as well as his or her 6 7 contractual employer, of his or her retirement status before 8 accepting contractual employment. A person who fails to submit 9 such notification shall be quilty of a Class A misdemeanor and 10 required to pay a fine of \$1,000. Upon termination of that 11 contractual employment, the person's retirement annuity or 12 retirement pension payments shall resume and, if appropriate, be recalculated under the applicable provisions of this Code. 13

14

(i) (Blank).

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

18 (Source: P.A. 101-610, eff. 1-1-20; 102-16, eff. 6-17-21; 19 102-210, eff. 1-1-22; 102-263, eff. 8-6-21; 102-956, eff. 20 5-27-22.)

21 (40 ILCS 5/14-152.1)

Sec. 14-152.1. Application and expiration of new benefit increases.

(a) As used in this Section, "new benefit increase" meansan increase in the amount of any benefit provided under this

Article, or an expansion of the conditions of eligibility for 1 2 any benefit under this Article, that results from an amendment to this Code that takes effect after June 1, 2005 (the 3 effective date of Public Act 94-4). "New benefit increase", 4 5 however, does not include any benefit increase resulting from the changes made to Article 1 or this Article by Public Act 6 7 96-37, Public Act 100-23, Public Act 100-587, Public Act 100-611, Public Act 101-10, Public Act 101-610, Public Act 8 9 102-210, Public Act 102-856, Public Act 102-956, or this amendatory Act of the 103rd General Assembly or this 10 11 amendatory Act of the 102nd General Assembly.

12 (b) Notwithstanding any other provision of this Code or 13 any subsequent amendment to this Code, every new benefit 14 increase is subject to this Section and shall be deemed to be 15 granted only in conformance with and contingent upon 16 compliance with the provisions of this Section.

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

Every new benefit increase is contingent upon the General Assembly providing the additional funding required under this subsection. The Commission on Government Forecasting and Accountability shall analyze whether adequate additional funding has been provided for the new benefit increase and shall report its analysis to the Public Pension Division of

the Department of Insurance. A new benefit increase created by 1 2 a Public Act that does not include the additional funding required under this subsection is null and void. If the Public 3 Pension Division determines that the additional funding 4 5 provided for a new benefit increase under this subsection is or has become inadequate, it may so certify to the Governor and 6 7 the State Comptroller and, in the absence of corrective action 8 by the General Assembly, the new benefit increase shall expire 9 at the end of the fiscal year in which the certification is 10 made.

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

17 (e) Except as otherwise provided in the language creating the new benefit increase, a new benefit increase that expires 18 19 under this Section continues to apply to persons who applied and qualified for the affected benefit while the new benefit 20 increase was in effect and to the affected beneficiaries and 21 22 alternate payees of such persons, but does not apply to any 23 other person, including, without limitation, a person who 24 continues in service after the expiration date and did not 25 apply and qualify for the affected benefit while the new benefit increase was in effect. 26

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