



## 103RD GENERAL ASSEMBLY

### State of Illinois

### 2023 and 2024

#### HB4099

Introduced 5/18/2023, by Rep. Stephanie A. Kifowit - Steven Reick

#### SYNOPSIS AS INTRODUCED:

40 ILCS 5/1-160	
40 ILCS 5/3-111	from Ch. 108 1/2, par. 3-111
40 ILCS 5/3-111.1	from Ch. 108 1/2, par. 3-111.1
40 ILCS 5/4-109	from Ch. 108 1/2, par. 4-109
40 ILCS 5/4-109.1	from Ch. 108 1/2, par. 4-109.1
40 ILCS 5/14-152.1	
30 ILCS 805/8.47 new	

Amends the General Provisions, Downstate Police, Downstate Firefighter, and State Employees Articles of the Illinois Pension Code. Provides that a security employee of the Department of Corrections or the Department of Juvenile Justice or a security employee of the Department of Human Services subject to the Tier 2 provisions is entitled to an annuity calculated under the alternative retirement annuity provisions, in lieu of the regular or minimum retirement annuity, only if the person has withdrawn from service with not less than 20 years of eligible creditable service and has attained age 55, regardless of whether the attainment of age 55 occurs while the person is still in service. Provides that any benefit increase that results from the amendatory Act is excluded from the definition of "new benefit increase". In the Downstate Police and Downstate Firefighter Articles, in a provision that reduces the amount of the pension for a Tier 2 firefighter or Tier 2 police officer who retires with at least 10 years of creditable service before attaining age 55, provides that the pension of a Tier 2 firefighter or Tier 2 police officer who is retiring after attaining age 50 with 20 or more years of creditable service shall not be reduced. Makes a conforming change. Provides that each annual increase for Tier 2 firefighters shall be increased on the January 1 occurring either on or after the attainment of age 55 (instead of age 60) or the first anniversary of the pension start date, whichever is later. Amends the State Mandates Act to require implementation without reimbursement. Effective immediately.

LRB103 32596 RPS 62211 b

1 AN ACT concerning public employee benefits.

2 **Be it enacted by the People of the State of Illinois,**  
3 **represented in the General Assembly:**

4 Section 5. The Illinois Pension Code is amended by  
5 changing Sections 1-160, 3-111, 3-111.1, 4-109, 4-109.1, and  
6 14-152.1 as follows:

7 (40 ILCS 5/1-160)

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

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

10 (a) The provisions of this Section apply to a person who,  
11 on or after January 1, 2011, first becomes a member or a  
12 participant under any reciprocal retirement system or pension  
13 fund established under this Code, other than a retirement  
14 system or pension fund established under Article 2, 3, 4, 5, 6,  
15 7, 15, or 18 of this Code, notwithstanding any other provision  
16 of this Code to the contrary, but do not apply to any  
17 self-managed plan established under this Code or to any  
18 participant of the retirement plan established under Section  
19 22-101; except that this Section applies to a person who  
20 elected to establish alternative credits by electing in  
21 writing after January 1, 2011, but before August 8, 2011,  
22 under Section 7-145.1 of this Code. Notwithstanding anything  
23 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 (c) A member or participant is entitled to a retirement  
19 annuity upon written application if he or she has attained age  
20 67 (age 65, with respect to service under Article 12 that is  
21 subject to this Section, for a member or participant under  
22 Article 12 who first becomes a member or participant under  
23 Article 12 on or after January 1, 2022 or who makes the  
24 election under item (i) of subsection (d-15) of this Section)  
25 and has at least 10 years of service credit and is otherwise  
26 eligible under the requirements of the applicable Article.

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

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

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

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

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

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

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

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



1 (d-10), in which case the member or participant shall  
2 continue to be subject to the retirement age provisions in  
3 subsections (c) and (d) of this Section and the employee  
4 contributions for age and service annuity as provided in  
5 subsection (a) of Section 8-174 of this Code (for service  
6 under Article 8) or subsection (a) of Section 11-170 of  
7 this Code (for service under Article 11).

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

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

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

25 (ii) to not agree to item (i) of this subsection  
26 (d-15), in which case the member or participant shall not

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

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

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

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

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

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

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

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

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

1 entitled to an annuity calculated under the provisions of  
2 Section 14-110, in lieu of the regular or minimum retirement  
3 annuity, only if the person has withdrawn from service with  
4 not less than 20 years of eligible creditable service and has  
5 attained age 60, regardless of whether the attainment of age  
6 60 occurs while the person is still in service.

7 (g-1) The benefits in Section 14-110 apply if the person  
8 is a security employee of the Department of Corrections or the  
9 Department of Juvenile Justice or a security employee of the  
10 Department of Human Services, as those terms are defined in  
11 subsection (b) and subsection (c) of Section 14-110. A person  
12 who meets the requirements of this Section is entitled to an  
13 annuity calculated under the provisions of Section 14-110, in  
14 lieu of the regular or minimum retirement annuity, only if the  
15 person has withdrawn from service with not less than 20 years  
16 of eligible creditable service and has attained age 55,  
17 regardless of whether the attainment of age 55 occurs while  
18 the person is still in service.

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

1 annuity calculated under the provisions of Section 14-110, in  
2 lieu of the regular or minimum retirement annuity, only if the  
3 person has withdrawn from service with not less than 20 years  
4 of eligible creditable service and has attained age 55,  
5 regardless of whether the attainment of age 55 occurs while  
6 the person is still in service.

7 (h) If a person who first becomes a member or a participant  
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  
14 this Section under subsection (a) of this Section, then the  
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  
18 annuity or retirement pension payments shall resume and be  
19 recalculated if recalculation is provided for under the  
20 applicable Article of this Code.

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

1 that person's annuity or retirement pension earned as an  
2 active employee of the employer shall be suspended during that  
3 contractual service. A person receiving an annuity or  
4 retirement pension under this Code shall notify the pension  
5 fund or retirement system from which he or she is receiving an  
6 annuity or retirement pension, as well as his or her  
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 guilty 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,  
13 be recalculated under the applicable provisions of this Code.

14 (i) (Blank).

15 (j) In the case of a conflict between the provisions of  
16 this Section and any other provision of this Code, the  
17 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; 102-719, eff.  
20 5-6-22.)

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

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

23 (a) The provisions of this Section apply to a person who,  
24 on or after January 1, 2011, first becomes a member or a  
25 participant under any reciprocal retirement system or pension

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

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



1 under this Section and the applicable provisions of that  
2 Article.

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

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

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

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

1 the applicable Article was the highest by the number of months  
2 (or years) of service in that period. For the purposes of a  
3 person who first becomes a member or participant of any  
4 retirement system or pension fund to which this Section  
5 applies on or after January 1, 2011, in this Code, "final  
6 average salary" shall be substituted for the following:

7 (1) (Blank).

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

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

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

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

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

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

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

25 (B) an amount calculated by the Teachers' Retirement  
26 System of the State of Illinois using the average of the

1 monthly (or annual) salary obtained by dividing the total  
2 salary or earnings calculated under Article 16 applicable  
3 to the member or participant during the 96 months (or 8  
4 years) of service within the last 120 months (or 10 years)  
5 of service in which the total salary or earnings  
6 calculated under the Article was the highest by the number  
7 of months (or years) of service in that period.

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

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

1 boards of the retirement systems and pension funds by November  
2 1 of each year.

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

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

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

1 application if he or she has attained age 65 and has at least  
2 10 years of service credit and is otherwise eligible under the  
3 requirements of Article 8 or Article 11 of this Code,  
4 whichever is applicable.

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

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

24 (d-10) Each person who first became a member or  
25 participant under Article 8 or Article 11 of this Code on or  
26 after January 1, 2011 and prior to July 6, 2017 (the effective

1 date of Public Act 100-23) shall make an irrevocable election  
2 either:

3 (i) to be eligible for the reduced retirement age  
4 provided in subsections (c-5) and (d-5) of this Section,  
5 the eligibility for which is conditioned upon the member  
6 or participant agreeing to the increases in employee  
7 contributions for age and service annuities provided in  
8 subsection (a-5) of Section 8-174 of this Code (for  
9 service under Article 8) or subsection (a-5) of Section  
10 11-170 of this Code (for service under Article 11); or

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

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

26 (d-15) Each person who first becomes a member or

1 participant under Article 12 on or after January 1, 2011 and  
2 prior to January 1, 2022 shall make an irrevocable election  
3 either:

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

10 (ii) to not agree to item (i) of this subsection  
11 (d-15), in which case the member or participant shall not  
12 be eligible for the reduced retirement age specified in  
13 subsections (c) and (d) of this Section and shall not be  
14 subject to the increase in employee contributions for  
15 service annuities specified in subsection (b) of Section  
16 12-150.

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

24 (e) Any retirement annuity or supplemental annuity shall  
25 be subject to annual increases on the January 1 occurring  
26 either on or after the attainment of age 67 (age 65, with

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

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

25 For the purposes of Section 1-103.1 of this Code, the  
26 changes made to this Section by Public Act 100-23 are



1 applicable without regard to whether the employee was in  
2 active service on or after July 6, 2017 (the effective date of  
3 Public Act 100-23).

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

1 annual unadjusted percentage change in the consumer price  
2 index-u for the 12 months ending with the September preceding  
3 each November 1 is zero or there is a decrease, then the  
4 annuity shall not be increased.

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

23 (g-1) The benefits in Section 14-110 apply if the person  
24 is a security employee of the Department of Corrections or the  
25 Department of Juvenile Justice or a security employee of the  
26 Department of Human Services, as those terms are defined in

1 subsection (b) and subsection (c) of Section 14-110. A person  
2 who meets the requirements of this Section is entitled to an  
3 annuity calculated under the provisions of Section 14-110, in  
4 lieu of the regular or minimum retirement annuity, only if the  
5 person has withdrawn from service with not less than 20 years  
6 of eligible creditable service and has attained age 55,  
7 regardless of whether the attainment of age 55 occurs while  
8 the person is still in service.

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

23 If a person who first becomes a member of a retirement  
24 system or pension fund subject to this Section on or after  
25 January 1, 2012 and is receiving a retirement annuity or  
26 retirement pension under that system or fund and accepts on a

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

16 (i) (Blank).

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

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

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

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

25 (a) The provisions of this Section apply to a person who,

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

24 This Section does not apply to a person who first becomes a  
25 noncovered employee under Article 14 on or after the  
26 implementation date of the plan created under Section 1-161

1 for that Article, unless that person elects under subsection  
2 (b) of Section 1-161 to instead receive the benefits provided  
3 under this Section and the applicable provisions of that  
4 Article.

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

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

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

22 (b) "Final average salary" means, except as otherwise  
23 provided in this subsection, the average monthly (or annual)  
24 salary obtained by dividing the total salary or earnings  
25 calculated under the Article applicable to the member or  
26 participant during the 96 consecutive months (or 8 consecutive

1 years) of service within the last 120 months (or 10 years) of  
2 service in which the total salary or earnings calculated under  
3 the applicable Article was the highest by the number of months  
4 (or years) of service in that period. For the purposes of a  
5 person who first becomes a member or participant of any  
6 retirement system or pension fund to which this Section  
7 applies on or after January 1, 2011, in this Code, "final  
8 average salary" shall be substituted for the following:

9 (1) (Blank).

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

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

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

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

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

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

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

1 (B) an amount calculated by the Teachers' Retirement  
2 System of the State of Illinois using the average of the  
3 monthly (or annual) salary obtained by dividing the total  
4 salary or earnings calculated under Article 16 applicable  
5 to the member or participant during the 96 months (or 8  
6 years) of service within the last 120 months (or 10 years)  
7 of service in which the total salary or earnings  
8 calculated under the Article was the highest by the number  
9 of months (or years) of service in that period.

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

21 For the purposes of this Section, "consumer price index-u"  
22 means the index published by the Bureau of Labor Statistics of  
23 the United States Department of Labor that measures the  
24 average change in prices of goods and services purchased by  
25 all urban consumers, United States city average, all items,  
26 1982-84 = 100. The new amount resulting from each annual



1 adjustment shall be determined by the Public Pension Division  
2 of the Department of Insurance and made available to the  
3 boards of the retirement systems and pension funds by November  
4 1 of each year.

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

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

24 (c-5) A person who first becomes a member or a participant  
25 subject to this Section on or after July 6, 2017 (the effective  
26 date of Public Act 100-23), notwithstanding any other

1 provision of this Code to the contrary, is entitled to a  
2 retirement annuity under Article 8 or Article 11 upon written  
3 application if he or she has attained age 65 and has at least  
4 10 years of service credit and is otherwise eligible under the  
5 requirements of Article 8 or Article 11 of this Code,  
6 whichever is applicable.

7 (d) The retirement annuity of a member or participant who  
8 is retiring after attaining age 62 (age 60, with respect to  
9 service under Article 12 that is subject to this Section, for a  
10 member or participant under Article 12 who first becomes a  
11 member or participant under Article 12 on or after January 1,  
12 2022 or who makes the election under item (i) of subsection  
13 (d-15) of this Section) with at least 10 years of service  
14 credit shall be reduced by one-half of 1% for each full month  
15 that the member's age is under age 67 (age 65, with respect to  
16 service under Article 12 that is subject to this Section, for a  
17 member or participant under Article 12 who first becomes a  
18 member or participant under Article 12 on or after January 1,  
19 2022 or who makes the election under item (i) of subsection  
20 (d-15) of this Section).

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

26 (d-10) Each person who first became a member or

1 participant under Article 8 or Article 11 of this Code on or  
2 after January 1, 2011 and prior to July 6, 2017 (the effective  
3 date of Public Act 100-23) shall make an irrevocable election  
4 either:

5 (i) to be eligible for the reduced retirement age  
6 provided in subsections (c-5) and (d-5) of this Section,  
7 the eligibility for which is conditioned upon the member  
8 or participant agreeing to the increases in employee  
9 contributions for age and service annuities provided in  
10 subsection (a-5) of Section 8-174 of this Code (for  
11 service under Article 8) or subsection (a-5) of Section  
12 11-170 of this Code (for service under Article 11); or

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

21 The election provided for in this subsection shall be made  
22 between October 1, 2017 and November 15, 2017. A person  
23 subject to this subsection who makes the required election  
24 shall remain bound by that election. A person subject to this  
25 subsection who fails for any reason to make the required  
26 election within the time specified in this subsection shall be

1 deemed to have made the election under item (ii).

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

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

12 (ii) to not agree to item (i) of this subsection  
13 (d-15), in which case the member or participant shall not  
14 be eligible for the reduced retirement age specified in  
15 subsections (c) and (d) of this Section and shall not be  
16 subject to the increase in employee contributions for  
17 service annuities specified in subsection (b) of Section  
18 12-150.

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

26 (e) Any retirement annuity or supplemental annuity shall

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

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

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

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

1 ending with the September preceding each November 1, whichever  
2 is less, of the originally granted survivor's annuity. If the  
3 annual unadjusted percentage change in the consumer price  
4 index-u for the 12 months ending with the September preceding  
5 each November 1 is zero or there is a decrease, then the  
6 annuity shall not be increased.

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

26 (g-1) The benefits in Section 14-110 apply if the person

1 is a security employee of the Department of Corrections or the  
2 Department of Juvenile Justice or a security employee of the  
3 Department of Human Services, as those terms are defined in  
4 subsection (b) and subsection (c) of Section 14-110. A person  
5 who meets the requirements of this Section is entitled to an  
6 annuity calculated under the provisions of Section 14-110, in  
7 lieu of the regular or minimum retirement annuity, only if the  
8 person has withdrawn from service with not less than 20 years  
9 of eligible creditable service and has attained age 55,  
10 regardless of whether the attainment of age 55 occurs while  
11 the person is still in service.

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

26 If a person who first becomes a member of a retirement



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

19 (i) (Blank).

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

23 (Source: P.A. 101-610, eff. 1-1-20; 102-16, eff. 6-17-21;  
24 102-210, eff. 1-1-22; 102-263, eff. 8-6-21; 102-956, eff.  
25 5-27-22.)

1 (40 ILCS 5/3-111) (from Ch. 108 1/2, par. 3-111)

2 Sec. 3-111. Pension.

3 (a) A police officer age 50 or more with 20 or more years  
4 of creditable service, who is not a participant in the  
5 self-managed plan under Section 3-109.3 and who is no longer  
6 in service as a police officer, shall receive a pension of 1/2  
7 of the salary attached to the rank held by the officer on the  
8 police force for one year immediately prior to retirement or,  
9 beginning July 1, 1987 for persons terminating service on or  
10 after that date, the salary attached to the rank held on the  
11 last day of service or for one year prior to the last day,  
12 whichever is greater. The pension shall be increased by 2.5%  
13 of such salary for each additional year of service over 20  
14 years of service through 30 years of service, to a maximum of  
15 75% of such salary.

16 The changes made to this subsection (a) by this amendatory  
17 Act of the 91st General Assembly apply to all pensions that  
18 become payable under this subsection on or after January 1,  
19 1999. All pensions payable under this subsection that began on  
20 or after January 1, 1999 and before the effective date of this  
21 amendatory Act shall be recalculated, and the amount of the  
22 increase accruing for that period shall be payable to the  
23 pensioner in a lump sum.

24 (a-5) No pension in effect on or granted after June 30,  
25 1973 shall be less than \$200 per month. Beginning July 1, 1987,  
26 the minimum retirement pension for a police officer having at

1 least 20 years of creditable service shall be \$400 per month,  
2 without regard to whether or not retirement occurred prior to  
3 that date. If the minimum pension established in Section  
4 3-113.1 is greater than the minimum provided in this  
5 subsection, the Section 3-113.1 minimum controls.

6 (b) A police officer mandatorily retired from service due  
7 to age by operation of law, having at least 8 but less than 20  
8 years of creditable service, shall receive a pension equal to  
9 2 1/2% of the salary attached to the rank he or she held on the  
10 police force for one year immediately prior to retirement or,  
11 beginning July 1, 1987 for persons terminating service on or  
12 after that date, the salary attached to the rank held on the  
13 last day of service or for one year prior to the last day,  
14 whichever is greater, for each year of creditable service.

15 A police officer who retires or is separated from service  
16 having at least 8 years but less than 20 years of creditable  
17 service, who is not mandatorily retired due to age by  
18 operation of law, and who does not apply for a refund of  
19 contributions at his or her last separation from police  
20 service, shall receive a pension upon attaining age 60 equal  
21 to 2.5% of the salary attached to the rank held by the police  
22 officer on the police force for one year immediately prior to  
23 retirement or, beginning July 1, 1987 for persons terminating  
24 service on or after that date, the salary attached to the rank  
25 held on the last day of service or for one year prior to the  
26 last day, whichever is greater, for each year of creditable

1 service.

2 (c) A police officer no longer in service who has at least  
3 one but less than 8 years of creditable service in a police  
4 pension fund but meets the requirements of this subsection (c)  
5 shall be eligible to receive a pension from that fund equal to  
6 2.5% of the salary attached to the rank held on the last day of  
7 service under that fund or for one year prior to that last day,  
8 whichever is greater, for each year of creditable service in  
9 that fund. The pension shall begin no earlier than upon  
10 attainment of age 60 (or upon mandatory retirement from the  
11 fund by operation of law due to age, if that occurs before age  
12 60) and in no event before the effective date of this  
13 amendatory Act of 1997.

14 In order to be eligible for a pension under this  
15 subsection (c), the police officer must have at least 8 years  
16 of creditable service in a second police pension fund under  
17 this Article and be receiving a pension under subsection (a)  
18 or (b) of this Section from that second fund. The police  
19 officer need not be in service on or after the effective date  
20 of this amendatory Act of 1997.

21 (d) Notwithstanding any other provision of this Article,  
22 the provisions of this subsection (d) apply to a person who is  
23 not a participant in the self-managed plan under Section  
24 3-109.3 and who first becomes a police officer under this  
25 Article on or after January 1, 2011.

26 A police officer age 55 or more who has 10 or more years of

1 service in that capacity shall be entitled at his option to  
2 receive a monthly pension for his service as a police officer  
3 computed by multiplying 2.5% for each year of such service by  
4 his or her final average salary.

5 The pension of a police officer who is retiring after  
6 attaining age 50 with 10 or more years but less than 20 years  
7 of creditable service shall be reduced by one-half of 1% for  
8 each month that the police officer's age is under age 55.

9 The pension of a police officer who is retiring after  
10 attaining age 50 with 20 or more years of creditable service  
11 shall not be reduced.

12 The maximum pension under this subsection (d) shall be 75%  
13 of final average salary.

14 For the purposes of this subsection (d), "final average  
15 salary" means the greater of: (i) the average monthly salary  
16 obtained by dividing the total salary of the police officer  
17 during the 48 consecutive months of service within the last 60  
18 months of service in which the total salary was the highest by  
19 the number of months of service in that period; or (ii) the  
20 average monthly salary obtained by dividing the total salary  
21 of the police officer during the 96 consecutive months of  
22 service within the last 120 months of service in which the  
23 total salary was the highest by the number of months of service  
24 in that period.

25 Beginning on January 1, 2011, for all purposes under this  
26 Code (including without limitation the calculation of benefits

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

10 Nothing in this amendatory Act of the 101st General  
11 Assembly shall cause or otherwise result in any retroactive  
12 adjustment of any employee contributions.

13 (Source: P.A. 101-610, eff. 1-1-20.)

14 (40 ILCS 5/3-111.1) (from Ch. 108 1/2, par. 3-111.1)

15 Sec. 3-111.1. Increase in pension.

16 (a) Except as provided in subsection (e), the monthly  
17 pension of a police officer who retires after July 1, 1971, and  
18 prior to January 1, 1986, shall be increased, upon either the  
19 first of the month following the first anniversary of the date  
20 of retirement if the officer is 60 years of age or over at  
21 retirement date, or upon the first day of the month following  
22 attainment of age 60 if it occurs after the first anniversary  
23 of retirement, by 3% of the originally granted pension and by  
24 an additional 3% of the originally granted pension in January  
25 of each year thereafter.

1           (b) The monthly pension of a police officer who retired  
2 from service with 20 or more years of service, on or before  
3 July 1, 1971, shall be increased in January of the year  
4 following the year of attaining age 65 or in January of 1972,  
5 if then over age 65, by 3% of the originally granted pension  
6 for each year the police officer received pension payments. In  
7 each January thereafter, he or she shall receive an additional  
8 increase of 3% of the original pension.

9           (c) The monthly pension of a police officer who retires on  
10 disability or is retired for disability shall be increased in  
11 January of the year following the year of attaining age 60, by  
12 3% of the original grant of pension for each year he or she  
13 received pension payments. In each January thereafter, the  
14 police officer shall receive an additional increase of 3% of  
15 the original pension.

16           (d) The monthly pension of a police officer who retires  
17 after January 1, 1986, shall be increased, upon either the  
18 first of the month following the first anniversary of the date  
19 of retirement if the officer is 55 years of age or over, or  
20 upon the first day of the month following attainment of age 55  
21 if it occurs after the first anniversary of retirement, by  
22 1/12 of 3% of the originally granted pension for each full  
23 month that has elapsed since the pension began, and by an  
24 additional 3% of the originally granted pension in January of  
25 each year thereafter.

26           The changes made to this subsection (d) by this amendatory

1 Act of the 91st General Assembly apply to all initial  
2 increases that become payable under this subsection on or  
3 after January 1, 1999. All initial increases that became  
4 payable under this subsection on or after January 1, 1999 and  
5 before the effective date of this amendatory Act shall be  
6 recalculated and the additional amount accruing for that  
7 period, if any, shall be payable to the pensioner in a lump  
8 sum.

9 (e) Notwithstanding the provisions of subsection (a), upon  
10 the first day of the month following (1) the first anniversary  
11 of the date of retirement, or (2) the attainment of age 55, or  
12 (3) July 1, 1987, whichever occurs latest, the monthly pension  
13 of a police officer who retired on or after January 1, 1977 and  
14 on or before January 1, 1986, and did not receive an increase  
15 under subsection (a) before July 1, 1987, shall be increased  
16 by 3% of the originally granted monthly pension for each full  
17 year that has elapsed since the pension began, and by an  
18 additional 3% of the originally granted pension in each  
19 January thereafter. The increases provided under this  
20 subsection are in lieu of the increases provided in subsection  
21 (a).

22 (f) Notwithstanding the other provisions of this Section,  
23 beginning with increases granted on or after July 1, 1993, the  
24 second and all subsequent automatic annual increases granted  
25 under subsection (a), (b), (d), or (e) of this Section shall be  
26 calculated as 3% of the amount of pension payable at the time



1 of the increase, including any increases previously granted  
2 under this Section, rather than 3% of the originally granted  
3 pension amount. Section 1-103.1 does not apply to this  
4 subsection (f).

5 (g) Notwithstanding any other provision of this Article,  
6 the monthly pension of a person who first becomes a police  
7 officer under this Article on or after January 1, 2011 shall be  
8 increased on the January 1 occurring either on or after the  
9 attainment of age 55 ~~60~~ or the first anniversary of the pension  
10 start 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 pension. If the annual unadjusted percentage change in the  
16 consumer price index-u for a 12-month period ending in  
17 September is zero or, when compared with the preceding period,  
18 decreases, then the pension shall not be increased.

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

1 the boards of the pension funds.

2 (Source: P.A. 96-1495, eff. 1-1-11.)

3 (40 ILCS 5/4-109) (from Ch. 108 1/2, par. 4-109)

4 Sec. 4-109. Pension.

5 (a) A firefighter age 50 or more with 20 or more years of  
6 creditable service, who is no longer in service as a  
7 firefighter, shall receive a monthly pension of 1/2 the  
8 monthly salary attached to the rank held by him or her in the  
9 fire service at the date of retirement.

10 The monthly pension shall be increased by 1/12 of 2.5% of  
11 such monthly salary for each additional month over 20 years of  
12 service through 30 years of service, to a maximum of 75% of  
13 such monthly salary.

14 The changes made to this subsection (a) by this amendatory  
15 Act of the 91st General Assembly apply to all pensions that  
16 become payable under this subsection on or after January 1,  
17 1999. All pensions payable under this subsection that began on  
18 or after January 1, 1999 and before the effective date of this  
19 amendatory Act shall be recalculated, and the amount of the  
20 increase accruing for that period shall be payable to the  
21 pensioner in a lump sum.

22 (b) A firefighter who retires or is separated from service  
23 having at least 10 but less than 20 years of creditable  
24 service, who is not entitled to receive a disability pension,  
25 and who did not apply for a refund of contributions at his or

1 her last separation from service shall receive a monthly  
2 pension upon attainment of age 60 based on the monthly salary  
3 attached to his or her rank in the fire service on the date of  
4 retirement or separation from service according to the  
5 following schedule:

6 For 10 years of service, 15% of salary;

7 For 11 years of service, 17.6% of salary;

8 For 12 years of service, 20.4% of salary;

9 For 13 years of service, 23.4% of salary;

10 For 14 years of service, 26.6% of salary;

11 For 15 years of service, 30% of salary;

12 For 16 years of service, 33.6% of salary;

13 For 17 years of service, 37.4% of salary;

14 For 18 years of service, 41.4% of salary;

15 For 19 years of service, 45.6% of salary.

16 (c) Notwithstanding any other provision of this Article,  
17 the provisions of this subsection (c) apply to a person who  
18 first becomes a firefighter under this Article on or after  
19 January 1, 2011.

20 A firefighter age 55 or more who has 10 or more years of  
21 service in that capacity shall be entitled at his option to  
22 receive a monthly pension for his service as a firefighter  
23 computed by multiplying 2.5% for each year of such service by  
24 his or her final average salary.

25 The pension of a firefighter who is retiring after  
26 attaining age 50 with 10 or more years but less than 20 years

1 of creditable service shall be reduced by one-half of 1% for  
2 each month that the firefighter's age is under age 55.

3 The pension of a firefighter who is retiring after  
4 attaining age 50 with 20 or more years of creditable service  
5 shall not be reduced.

6 The maximum pension under this subsection (c) shall be 75%  
7 of final average salary.

8 For the purposes of this subsection (c), "final average  
9 salary" means the greater of: (i) the average monthly salary  
10 obtained by dividing the total salary of the firefighter  
11 during the 48 consecutive months of service within the last 60  
12 months of service in which the total salary was the highest by  
13 the number of months of service in that period; or (ii) the  
14 average monthly salary obtained by dividing the total salary  
15 of the firefighter during the 96 consecutive months of service  
16 within the last 120 months of service in which the total salary  
17 was the highest by the number of months of service in that  
18 period.

19 Beginning on January 1, 2011, for all purposes under this  
20 Code (including without limitation the calculation of benefits  
21 and employee contributions), the annual salary based on the  
22 plan year of a member or participant to whom this Section  
23 applies shall not exceed \$106,800; however, that amount shall  
24 annually thereafter be increased by the lesser of (i) 3% of  
25 that amount, including all previous adjustments, or (ii) the  
26 annual unadjusted percentage increase (but not less than zero)

1 in the consumer price index-u for the 12 months ending with the  
2 September preceding each November 1, including all previous  
3 adjustments.

4 Nothing in this amendatory Act of the 101st General  
5 Assembly shall cause or otherwise result in any retroactive  
6 adjustment of any employee contributions.

7 (Source: P.A. 101-610, eff. 1-1-20.)

8 (40 ILCS 5/4-109.1) (from Ch. 108 1/2, par. 4-109.1)

9 Sec. 4-109.1. Increase in pension.

10 (a) Except as provided in subsection (e), the monthly  
11 pension of a firefighter who retires after July 1, 1971 and  
12 prior to January 1, 1986, shall, upon either the first of the  
13 month following the first anniversary of the date of  
14 retirement if 60 years of age or over at retirement date, or  
15 upon the first day of the month following attainment of age 60  
16 if it occurs after the first anniversary of retirement, be  
17 increased by 2% of the originally granted monthly pension and  
18 by an additional 2% in each January thereafter. Effective  
19 January 1976, the rate of the annual increase shall be 3% of  
20 the originally granted monthly pension.

21 (b) The monthly pension of a firefighter who retired from  
22 service with 20 or more years of service, on or before July 1,  
23 1971, shall be increased, in January of the year following the  
24 year of attaining age 65 or in January 1972, if then over age  
25 65, by 2% of the originally granted monthly pension, for each

1 year the firefighter received pension payments. In each  
2 January thereafter, he or she shall receive an additional  
3 increase of 2% of the original monthly pension. Effective  
4 January 1976, the rate of the annual increase shall be 3%.

5 (c) The monthly pension of a firefighter who is receiving  
6 a disability pension under this Article shall be increased, in  
7 January of the year following the year the firefighter attains  
8 age 60, or in January 1974, if then over age 60, by 2% of the  
9 originally granted monthly pension for each year he or she  
10 received pension payments. In each January thereafter, the  
11 firefighter shall receive an additional increase of 2% of the  
12 original monthly pension. Effective January 1976, the rate of  
13 the annual increase shall be 3%.

14 (c-1) On January 1, 1998, every child's disability benefit  
15 payable on that date under Section 4-110 or 4-110.1 shall be  
16 increased by an amount equal to 1/12 of 3% of the amount of the  
17 benefit, multiplied by the number of months for which the  
18 benefit has been payable. On each January 1 thereafter, every  
19 child's disability benefit payable under Section 4-110 or  
20 4-110.1 shall be increased by 3% of the amount of the benefit  
21 then being paid, including any previous increases received  
22 under this Article. These increases are not subject to any  
23 limitation on the maximum benefit amount included in Section  
24 4-110 or 4-110.1.

25 (c-2) On July 1, 2004, every pension payable to or on  
26 behalf of a minor or disabled surviving child that is payable

1 on that date under Section 4-114 shall be increased by an  
2 amount equal to  $1/12$  of 3% of the amount of the pension,  
3 multiplied by the number of months for which the benefit has  
4 been payable. On July 1, 2005, July 1, 2006, July 1, 2007, and  
5 July 1, 2008, every pension payable to or on behalf of a minor  
6 or disabled surviving child that is payable under Section  
7 4-114 shall be increased by 3% of the amount of the pension  
8 then being paid, including any previous increases received  
9 under this Article. These increases are not subject to any  
10 limitation on the maximum benefit amount included in Section  
11 4-114.

12 (d) The monthly pension of a firefighter who retires after  
13 January 1, 1986, shall, upon either the first of the month  
14 following the first anniversary of the date of retirement if  
15 55 years of age or over, or upon the first day of the month  
16 following attainment of age 55 if it occurs after the first  
17 anniversary of retirement, be increased by  $1/12$  of 3% of the  
18 originally granted monthly pension for each full month that  
19 has elapsed since the pension began, and by an additional 3% in  
20 each January thereafter.

21 The changes made to this subsection (d) by this amendatory  
22 Act of the 91st General Assembly apply to all initial  
23 increases that become payable under this subsection on or  
24 after January 1, 1999. All initial increases that became  
25 payable under this subsection on or after January 1, 1999 and  
26 before the effective date of this amendatory Act shall be

1 recalculated and the additional amount accruing for that  
2 period, if any, shall be payable to the pensioner in a lump  
3 sum.

4 (e) Notwithstanding the provisions of subsection (a), upon  
5 the first day of the month following (1) the first anniversary  
6 of the date of retirement, or (2) the attainment of age 55, or  
7 (3) July 1, 1987, whichever occurs latest, the monthly pension  
8 of a firefighter who retired on or after January 1, 1977 and on  
9 or before January 1, 1986 and did not receive an increase under  
10 subsection (a) before July 1, 1987, shall be increased by 3% of  
11 the originally granted monthly pension for each full year that  
12 has elapsed since the pension began, and by an additional 3% in  
13 each January thereafter. The increases provided under this  
14 subsection are in lieu of the increases provided in subsection  
15 (a).

16 (f) In July 2009, the monthly pension of a firefighter who  
17 retired before July 1, 1977 shall be recalculated and  
18 increased to reflect the amount that the firefighter would  
19 have received in July 2009 had the firefighter been receiving  
20 a 3% compounded increase for each year he or she received  
21 pension payments after January 1, 1986, plus any increases in  
22 pension received for each year prior to January 1, 1986. In  
23 each January thereafter, he or she shall receive an additional  
24 increase of 3% of the amount of the pension then being paid.  
25 The changes made to this Section by this amendatory Act of the  
26 96th General Assembly apply without regard to whether the



1 firefighter was in service on or after its effective date.

2 (g) Notwithstanding any other provision of this Article,  
3 the monthly pension of a person who first becomes a  
4 firefighter under this Article on or after January 1, 2011  
5 shall be increased on the January 1 occurring either on or  
6 after the attainment of age 55 ~~60~~ or the first anniversary of  
7 the pension start date, whichever is later. Each annual  
8 increase shall be calculated at 3% or one-half the annual  
9 unadjusted percentage increase (but not less than zero) in the  
10 consumer price index-u for the 12 months ending with the  
11 September preceding each November 1, whichever is less, of the  
12 originally granted pension. If the annual unadjusted  
13 percentage change in the consumer price index-u for a 12-month  
14 period ending in September is zero or, when compared with the  
15 preceding period, decreases, then the pension shall not be  
16 increased.

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

26 (Source: P.A. 96-775, eff. 8-28-09; 96-1495, eff. 1-1-11.)

1 (40 ILCS 5/14-152.1)

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

4 (a) As used in this Section, "new benefit increase" means  
5 an increase in the amount of any benefit provided under this  
6 Article, or an expansion of the conditions of eligibility for  
7 any benefit under this Article, that results from an amendment  
8 to this Code that takes effect after June 1, 2005 (the  
9 effective date of Public Act 94-4). "New benefit increase",  
10 however, does not include any benefit increase resulting from  
11 the changes made to Article 1 or this Article by Public Act  
12 96-37, Public Act 100-23, Public Act 100-587, Public Act  
13 100-611, Public Act 101-10, Public Act 101-610, Public Act  
14 102-210, Public Act 102-856, Public Act 102-956, or this  
15 amendatory Act of the 103rd General Assembly ~~this amendatory~~  
16 ~~Act of the 102nd General Assembly.~~

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

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

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

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

23           (e) Except as otherwise provided in the language creating  
24           the new benefit increase, a new benefit increase that expires  
25           under this Section continues to apply to persons who applied  
26           and qualified for the affected benefit while the new benefit

1 increase was in effect and to the affected beneficiaries and  
2 alternate payees of such persons, but does not apply to any  
3 other person, including, without limitation, a person who  
4 continues in service after the expiration date and did not  
5 apply and qualify for the affected benefit while the new  
6 benefit increase was in effect.

7 (Source: P.A. 101-10, eff. 6-5-19; 101-81, eff. 7-12-19;  
8 101-610, eff. 1-1-20; 102-210, eff. 7-30-21; 102-856, eff.  
9 1-1-23; 102-956, eff. 5-27-22.)

10 Section 90. The State Mandates Act is amended by adding  
11 Section 8.47 as follows:

12 (30 ILCS 805/8.47 new)

13 Sec. 8.47. Exempt mandate. Notwithstanding Sections 6 and  
14 8 of this Act, no reimbursement by the State is required for  
15 the implementation of any mandate created by this amendatory  
16 Act of the 103rd General Assembly.

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