## **103RD GENERAL ASSEMBLY**

## State of Illinois

## 2023 and 2024

#### SB1518

Introduced 2/8/2023, by Sen. Terri Bryant

### SYNOPSIS AS INTRODUCED:

40 ILCS 5/1-160 40 ILCS 5/14-110 40 ILCS 5/14-152.1

from Ch. 108 1/2, par. 14-110

Amends the General Provisions and State Employee Articles of the Illinois Pension Code. Provides that the alternative retirement annuity under the State Employee Article applies to a security employee of the Department of Human Services subject to the Tier 2 provisions. Provides that a security employee of the Department of Human Services subject to the Tier 2 provisions may convert up to 8 years of service credit established before the effective date of the amendatory Act as a security employee of the Department of Human Services under the State Employee Article into eligible creditable service by filing a written election with the Board under that Article, accompanied by a specified payment. Excludes a benefit increase resulting from the amendatory Act from the definition of "new benefit increase". Effective immediately.

LRB103 28796 RPS 55181 b

SB1518

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, 14-110, and 14-152.1 as follows:

6 (40 ILCS 5/1-160)

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

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

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

- 2 - LRB103 28796 RPS 55181 b

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

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

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

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

- 3 - LRB103 28796 RPS 55181 b

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

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

21

(1) (Blank).

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

26

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

- 4 - LRB103 28796 RPS 55181 b

SB1518

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

2

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

3

4

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

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

11

12

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

19 (q) The benefits in Section 14-110 apply if the person is a 20 fire fighter in the fire protection service of a department, a 21 security employee of the Department of Corrections or the 22 Department of Juvenile Justice, a security employee of the 23 Department of Human Services, or a security employee of the Department of Innovation and Technology, as those terms are 24 defined in subsection (b) and subsection (c) of Section 25 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-5) The benefits in Section 14-110 apply if the person 8 is a State policeman, investigator for the Secretary of State, 9 conservation police officer, investigator for the Department 10 of Revenue or the Illinois Gaming Board, investigator for the 11 Office of the Attorney General, Commerce Commission police 12 officer, or arson investigator, as those terms are defined in subsection (b) and subsection (c) of Section 14-110. A person 13 14 who meets the requirements of this Section is entitled to an 15 annuity calculated under the provisions of Section 14-110, in 16 lieu of the regular or minimum retirement annuity, only if the 17 person has withdrawn from service with not less than 20 years of eligible creditable service and has attained age 55, 18 regardless of whether the attainment of age 55 occurs while 19 the person is still in service. 20

(h) If a person who first becomes a member or a participant of a retirement system or pension fund subject to this Section on or after January 1, 2011 is receiving a retirement annuity or retirement pension under that system or fund and becomes a member or participant under any other system or fund created by this Code and is employed on a full-time basis, except for

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

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

- 14 - LRB103 28796 RPS 55181 b

- 1 be recalculated under the applicable provisions of this Code.
- 2

(i) (Blank).

SB1518

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

6 (Source: P.A. 101-610, eff. 1-1-20; 102-16, eff. 6-17-21; 7 102-210, eff. 1-1-22; 102-263, eff. 8-6-21; 102-719, eff. 8 5-6-22.)

9

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

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

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

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

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

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

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

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

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

21

(1) (Blank).

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

26

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

SB1518

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

1 2

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

3

4

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

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

11

12

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(g) The benefits in Section 14-110 apply only if the 19 person is a State policeman, a fire fighter in the fire 20 protection service of a department, a conservation police 21 22 officer, an investigator for the Secretary of State, an arson 23 Commerce Commission police investigator, a officer, investigator for the Department of Revenue or the Illinois 24 Gaming Board, a security employee of the Department of 25 26 Corrections or the Department of Juvenile Justice, a security

employee of the Department of Human Services, or a security 1 2 employee of the Department of Innovation and Technology, as those terms are defined in subsection (b) and subsection (c) 3 of Section 14-110. A person who meets the requirements of this 4 5 Section is entitled to an annuity calculated under the provisions of Section 14-110, in lieu of the regular or 6 7 minimum retirement annuity, only if the person has withdrawn from service with not less than 20 years of 8 eligible 9 creditable service and has attained age 60, regardless of 10 whether the attainment of age 60 occurs while the person is 11 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 on or after January 1, 2011 is receiving a retirement annuity 14 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 those members or participants exempted from the provisions of 18 this Section under subsection (a) of this Section, then the 19 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 recalculated if recalculation is provided for under the 24 25 applicable Article of this Code.

26

If a person who first becomes a member of a retirement

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

19 (i) (Blank).

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

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; 102-813, eff. 25 5-13-22.)

SB1518

1

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

2

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

3 (a) The provisions of this Section apply to a person who, on or after January 1, 2011, first becomes a member or a 4 5 participant under any reciprocal retirement system or pension fund established under this Code, other than a retirement 6 system or pension fund established under Article 2, 3, 4, 5, 6, 7 8 7, 15, or 18 of this Code, notwithstanding any other provision 9 of this Code to the contrary, but do not apply to any 10 self-managed plan established under this Code or to any 11 participant of the retirement plan established under Section 12 22-101; except that this Section applies to a person who elected to establish alternative credits by electing in 13 writing after January 1, 2011, but before August 8, 2011, 14 15 under Section 7-145.1 of this Code. Notwithstanding anything 16 to the contrary in this Section, for purposes of this Section, 17 a person who is a Tier 1 regular employee as defined in Section 7-109.4 of this Code or who participated in a retirement 18 system under Article 15 prior to January 1, 2011 shall be 19 20 deemed a person who first became a member or participant prior 21 to January 1, 2011 under any retirement system or pension fund 22 subject to this Section. The changes made to this Section by 23 Public Act 98-596 are a clarification of existing law and are intended to be retroactive to January 1, 2011 (the effective 24 25 date of Public Act 96-889), notwithstanding the provisions of Section 1-103.1 of this Code. 26

1 This Section does not apply to a person who first becomes a 2 noncovered employee under Article 14 on or after the 3 implementation date of the plan created under Section 1-161 4 for that Article, unless that person elects under subsection 5 (b) of Section 1-161 to instead receive the benefits provided 6 under this Section and the applicable provisions of that 7 Article.

8 This Section does not apply to a person who first becomes a 9 member or participant under Article 16 on or after the 10 implementation date of the plan created under Section 1-161 11 for that Article, unless that person elects under subsection 12 (b) of Section 1-161 to instead receive the benefits provided 13 under this Section and the applicable provisions of that 14 Article.

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

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

(b) "Final average salary" means, except as otherwise
 provided in this subsection, the average monthly (or annual)

- 29 - LRB103 28796 RPS 55181 b

salary obtained by dividing the total salary or earnings 1 2 calculated under the Article applicable to the member or participant during the 96 consecutive months (or 8 consecutive 3 years) of service within the last 120 months (or 10 years) of 4 5 service in which the total salary or earnings calculated under the applicable Article was the highest by the number of months 6 (or years) of service in that period. For the purposes of a 7 8 person who first becomes a member or participant of any 9 retirement system or pension fund to which this Section applies on or after January 1, 2011, in this Code, "final 10 11 average salary" shall be substituted for the following:

12

(1) (Blank).

13 (2) In Articles 8, 9, 10, 11, and 12, "highest average
14 annual salary for any 4 consecutive years within the last
15 10 years of service immediately preceding the date of
16 withdrawal".

17

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

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

19

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

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

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

1 average salary:

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

(B) an amount calculated by the Teachers' Retirement 4 5 System of the State of Illinois using the average of the monthly (or annual) salary obtained by dividing the total 6 7 salary or earnings calculated under Article 16 applicable 8 to the member or participant during the 96 months (or 8 9 years) of service within the last 120 months (or 10 years) 10 of service in which the total salary or earnings 11 calculated under the Article was the highest by the number 12 of months (or years) of service in that period.

13 (b-5) Beginning on January 1, 2011, for all purposes under this Code (including without limitation the calculation of 14 benefits and employee contributions), the annual earnings, 15 salary, or wages (based on the plan year) of a member or 16 17 participant to whom this Section applies shall not exceed \$106,800; however, that amount shall annually thereafter be 18 increased by the lesser of (i) 3% of that amount, including all 19 previous adjustments, or (ii) one-half the annual unadjusted 20 percentage increase (but not less than zero) in the consumer 21 22 price index-u for the 12 months ending with the September 23 preceding each November 1, including all previous adjustments.

For the purposes of this Section, "consumer price index-u" means the index published by the Bureau of Labor Statistics of the United States Department of Labor that measures the

average change in prices of goods and services purchased by all urban consumers, United States city average, all items, 1982-84 = 100. The new amount resulting from each annual adjustment shall be determined by the Public Pension Division of the Department of Insurance and made available to the boards of the retirement systems and pension funds by November 1 of each year.

8 (c) A member or participant is entitled to a retirement 9 annuity upon written application if he or she has attained age 10 67 (age 65, with respect to service under Article 12 that is 11 subject to this Section, for a member or participant under 12 Article 12 who first becomes a member or participant under Article 12 on or after January 1, 2022 or who makes the 13 election under item (i) of subsection (d-15) of this Section) 14 15 and has at least 10 years of service credit and is otherwise 16 eligible under the requirements of the applicable Article.

17 A member or participant who has attained age 62 (age 60, with respect to service under Article 12 that is subject to 18 19 this Section, for a member or participant under Article 12 who 20 first becomes a member or participant under Article 12 on or after January 1, 2022 or who makes the election under item (i) 21 22 of subsection (d-15) of this Section) and has at least 10 years 23 service credit and is otherwise eligible under the of 24 requirements of the applicable Article may elect to receive 25 the lower retirement annuity provided in subsection (d) of 26 this Section.

(c-5) A person who first becomes a member or a participant 1 2 subject to this Section on or after July 6, 2017 (the effective date of Public Act 100-23), notwithstanding 3 any other provision of this Code to the contrary, is entitled to a 4 5 retirement annuity under Article 8 or Article 11 upon written application if he or she has attained age 65 and has at least 6 7 10 years of service credit and is otherwise eligible under the requirements of Article 8 or Article 11 of this Code, 8 9 whichever is applicable.

10 (d) The retirement annuity of a member or participant who 11 is retiring after attaining age 62 (age 60, with respect to 12 service under Article 12 that is subject to this Section, for a member or participant under Article 12 who first becomes a 13 member or participant under Article 12 on or after January 1, 14 15 2022 or who makes the election under item (i) of subsection 16 (d-15) of this Section) with at least 10 years of service 17 credit shall be reduced by one-half of 1% for each full month that the member's age is under age 67 (age 65, with respect to 18 service under Article 12 that is subject to this Section, for a 19 member or participant under Article 12 who first becomes a 20 member or participant under Article 12 on or after January 1, 21 22 2022 or who makes the election under item (i) of subsection 23 (d-15) of this Section).

24 (d-5) The retirement annuity payable under Article 8 or
25 Article 11 to an eligible person subject to subsection (c-5)
26 of this Section who is retiring at age 60 with at least 10

years of service credit shall be reduced by one-half of 1% for
 each full month that the member's age is under age 65.

3 (d-10) Each person who first became a member or 4 participant under Article 8 or Article 11 of this Code on or 5 after January 1, 2011 and prior to July 6, 2017 (the effective 6 date of Public Act 100-23) shall make an irrevocable election 7 either:

8 (i) to be eligible for the reduced retirement age 9 provided in subsections (c-5) and (d-5) of this Section, 10 the eligibility for which is conditioned upon the member 11 or participant agreeing to the increases in employee 12 contributions for age and service annuities provided in subsection (a-5) of Section 8-174 of this Code (for 13 service under Article 8) or subsection (a-5) of Section 14 15 11-170 of this Code (for service under Article 11); or

16 (ii) to not agree to item (i) of this subsection 17 (d-10), in which case the member or participant shall continue to be subject to the retirement age provisions in 18 19 subsections (c) and (d) of this Section and the employee 20 contributions for age and service annuity as provided in subsection (a) of Section 8-174 of this Code (for service 21 22 under Article 8) or subsection (a) of Section 11-170 of 23 this Code (for service under Article 11).

The election provided for in this subsection shall be made between October 1, 2017 and November 15, 2017. A person subject to this subsection who makes the required election

1 shall remain bound by that election. A person subject to this 2 subsection who fails for any reason to make the required 3 election within the time specified in this subsection shall be 4 deemed to have made the election under item (ii).

5 (d-15) Each person who first becomes a member or 6 participant under Article 12 on or after January 1, 2011 and 7 prior to January 1, 2022 shall make an irrevocable election 8 either:

9 (i) to be eligible for the reduced retirement age 10 specified in subsections (c) and (d) of this Section, the 11 eligibility for which is conditioned upon the member or 12 participant agreeing to the increase in employee 13 contributions for service annuities specified in subsection (b) of Section 12-150; or 14

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

The election provided for in this subsection shall be made between January 1, 2022 and April 1, 2022. A person subject to this subsection who makes the required election shall remain bound by that election. A person subject to this subsection who fails for any reason to make the required election within

1 the time specified in this subsection shall be deemed to have 2 made the election under item (ii).

(e) Any retirement annuity or supplemental annuity shall 3 be subject to annual increases on the January 1 occurring 4 5 either on or after the attainment of age 67 (age 65, with respect to service under Article 12 that is subject to this 6 7 Section, for a member or participant under Article 12 who 8 first becomes a member or participant under Article 12 on or 9 after January 1, 2022 or who makes the election under item (i) 10 of subsection (d-15); and beginning on July 6, 2017 (the 11 effective date of Public Act 100-23), age 65 with respect to 12 service under Article 8 or Article 11 for eligible persons who: (i) are subject to subsection (c-5) of this Section; or 13 (ii) made the election under item (i) of subsection (d-10) of 14 15 this Section) or the first anniversary of the annuity start 16 date, whichever is later. Each annual increase shall be 17 calculated at 3% or one-half the annual unadjusted percentage increase (but not less than zero) in the consumer price 18 19 index-u for the 12 months ending with the September preceding each November 1, whichever is less, of the originally granted 20 21 retirement annuity. If the annual unadjusted percentage change 22 in the consumer price index-u for the 12 months ending with the 23 September preceding each November 1 is zero or there is a 24 decrease, then the annuity shall not be increased.

For the purposes of Section 1-103.1 of this Code, the changes made to this Section by Public Act 102-263 are

1 applicable without regard to whether the employee was in 2 active service on or after August 6, 2021 (the effective date 3 of Public Act 102-263).

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

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

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

10 The benefits in Section 14-110 apply only if the (a) 11 person is a State policeman, a fire fighter in the fire 12 protection service of a department, a conservation police officer, an investigator for the Secretary of State, an 13 investigator for the Office of the Attorney General, an arson 14 15 investigator, a Commerce Commission police officer, 16 investigator for the Department of Revenue or the Illinois 17 Gaming Board, a security employee of the Department of Corrections or the Department of Juvenile Justice, a security 18 19 employee of the Department of Human Services, or a security 20 employee of the Department of Innovation and Technology, as those terms are defined in subsection (b) and subsection (c) 21 22 of Section 14-110. A person who meets the requirements of this 23 Section is entitled to an annuity calculated under the provisions of Section 14-110, in lieu of the regular or 24 minimum retirement annuity, only if the person has withdrawn 25 from service with not less than 20 years of 26 eligible

1 creditable service and has attained age 60, regardless of 2 whether the attainment of age 60 occurs while the person is 3 still in service.

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

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

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

11

(i) (Blank).

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

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

18 (40 ILCS 5/14-110) (from Ch. 108 1/2, par. 14-110)

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

20 Sec. 14-110. Alternative retirement annuity.

(a) Any member who has withdrawn from service with not less than 20 years of eligible creditable service and has attained age 55, and any member who has withdrawn from service with not less than 25 years of eligible creditable service and has attained age 50, regardless of whether the attainment of

either of the specified ages occurs while the member is still in service, shall be entitled to receive at the option of the member, in lieu of the regular or minimum retirement annuity, a retirement annuity computed as follows:

5 (i) for periods of service as a noncovered employee: 6 if retirement occurs on or after January 1, 2001, 3% of 7 final average compensation for each year of creditable 8 service; if retirement occurs before January 1, 2001, 2 9 1/4% of final average compensation for each of the first 10 10 years of creditable service, 2 1/2% for each year above 11 10 years to and including 20 years of creditable service, 12 and 2 3/4% for each year of creditable service above 20 13 years; and

(ii) for periods of eligible creditable service as a 14 15 covered employee: if retirement occurs on or after January 16 1, 2001, 2.5% of final average compensation for each year 17 of creditable service; if retirement occurs before January 1, 2001, 1.67% of final average compensation for each of 18 19 the first 10 years of such service, 1.90% for each of the 20 next 10 years of such service, 2.10% for each year of such 21 service in excess of 20 but not exceeding 30, and 2.30% for 22 each year in excess of 30.

23 Such annuity shall be subject to a maximum of 75% of final 24 average compensation if retirement occurs before January 1, 25 2001 or to a maximum of 80% of final average compensation if 26 retirement occurs on or after January 1, 2001.

1 These rates shall not be applicable to any service 2 performed by a member as a covered employee which is not 3 eligible creditable service. Service as a covered employee 4 which is not eligible creditable service shall be subject to 5 the rates and provisions of Section 14-108.

- 6 (b) For the purpose of this Section, "eligible creditable 7 service" means creditable service resulting from service in 8 one or more of the following positions:
- 9

(1) State policeman;

10 (2) fire fighter in the fire protection service of a 11 department;

- 12 (3) air pilot;
- 13 (4) special agent;
- 14 (5) investigator for the Secretary of State;
- 15 (6) conservation police officer;

16 (7) investigator for the Department of Revenue or the 17 Illinois Gaming Board;

18 (8) security employee of the Department of Human 19 Services;

20 (9) Central Management Services security police 21 officer;

(10) security employee of the Department of
 Corrections or the Department of Juvenile Justice;

- 24 (11) dangerous drugs investigator;
- 25 (12) investigator for the Illinois State Police;
- 26 (13) investigator for the Office of the Attorney

- 1 General; 2 (14) controlled substance inspector; 3 (15) investigator for the Office of the State's 4 Attorneys Appellate Prosecutor; 5 (16) Commerce Commission police officer; 6 (17) arson investigator; 7 (18) State highway maintenance worker;
- 8 (19) security employee of the Department of Innovation
  9 and Technology; or
- 10

(20) transferred employee.

11 A person employed in one of the positions specified in 12 this subsection is entitled to eligible creditable service for 13 service credit earned under this Article while undergoing the 14 basic police training course approved by the Illinois Law 15 Enforcement Training Standards Board, if completion of that training is required of persons serving in that position. For 16 17 the purposes of this Code, service during the required basic police training course shall be deemed performance of the 18 19 duties of the specified position, even though the person is 20 not a sworn peace officer at the time of the training.

A person under paragraph (20) is entitled to eligible creditable service for service credit earned under this Article on and after his or her transfer by Executive Order No. 2003-10, Executive Order No. 2004-2, or Executive Order No. 2016-1.

26

(c) For the purposes of this Section:

1 (1) The term "State policeman" includes any title or 2 position in the Illinois State Police that is held by an 3 individual employed under the Illinois State Police Act.

4 (2) The term "fire fighter in the fire protection 5 service of a department" includes all officers in such 6 fire protection service including fire chiefs and 7 assistant fire chiefs.

(3) The term "air pilot" includes any employee whose 8 9 official job description on file in the Department of 10 Central Management Services, or in the department by which 11 he is employed if that department is not covered by the 12 Personnel Code, states that his principal duty is the operation of aircraft, and who possesses a pilot's 13 14 license; however, the change in this definition made by Public Act 83-842 shall not operate to exclude 15 any 16 noncovered employee who was an "air pilot" for the 17 purposes of this Section on January 1, 1984.

(4) The term "special agent" means any person who by 18 19 reason of employment by the Division of Narcotic Control, the Bureau of Investigation or, after July 1, 1977, the 20 21 Division of Criminal Investigation, the Division of 22 Internal Investigation, the Division of Operations, the 23 Division of Patrol Operations, or any other Division or 24 organizational entity in the Illinois State Police is 25 vested by law with duties to maintain public order, 26 investigate violations of the criminal law of this State,

enforce the laws of this State, make arrests and recover property. The term "special agent" includes any title or position in the Illinois State Police that is held by an individual employed under the Illinois State Police Act.

5 (5) The term "investigator for the Secretary of State" 6 means any person employed by the Office of the Secretary 7 of State and vested with such investigative duties as 8 render him ineligible for coverage under the Social 9 Security Act by reason of Sections 218(d)(5)(A), 10 218(d)(8)(D) and 218(1)(1) of that Act.

11 A person who became employed as an investigator for 12 the Secretary of State between January 1, 1967 and December 31, 1975, and who has served as such until 13 14 attainment of age 60, either continuously or with a single 15 break in service of not more than 3 years duration, which 16 break terminated before January 1, 1976, shall be entitled 17 to have his retirement annuity calculated in accordance with subsection (a), notwithstanding that he has less than 18 19 20 years of credit for such service.

(6) The term "Conservation Police Officer" means any
person employed by the Division of Law Enforcement of the
Department of Natural Resources and vested with such law
enforcement duties as render him ineligible for coverage
under the Social Security Act by reason of Sections
218 (d) (5) (A), 218 (d) (8) (D), and 218 (1) (1) of that Act. The
term "Conservation Police Officer" includes the positions

1

2

of Chief Conservation Police Administrator and Assistant Conservation Police Administrator.

3 The term "investigator for the Department of (7)Revenue" means any person employed by the Department of 4 5 Revenue and vested with such investigative duties as 6 render him ineligible for coverage under the Social 7 Security Act by reason of Sections 218(d)(5)(A), 8 218(d)(8)(D) and 218(1)(1) of that Act.

9 The term "investigator for the Illinois Gaming Board" 10 means any person employed as such by the Illinois Gaming 11 Board and vested with such peace officer duties as render 12 the person ineligible for coverage under the Social 13 Security Act by reason of Sections 218(d)(5)(A), 14 218(d)(8)(D), and 218(1)(1) of that Act.

15 (8) The term "security employee of the Department of 16 Services" means any person employed by Human the 17 Department of Human Services who (i) is employed at the Chester Mental Health Center and has daily contact with 18 19 the residents thereof, (ii) is employed within a security 20 unit at a facility operated by the Department and has 21 daily contact with the residents of the security unit, 22 (iii) is employed at a facility operated by the Department 23 that includes a security unit and is regularly scheduled 24 to work at least 50% of his or her working hours within 25 that security unit, or (iv) is a mental health police 26 officer. "Mental health police officer" means any person

employed by the Department of Human Services in a position 1 2 pertaining to the Department's mental health and 3 developmental disabilities functions who is vested with enforcement duties as render 4 such law the person 5 ineligible for coverage under the Social Security Act by 6 reason of Sections 218(d)(5)(A), 218(d)(8)(D) and 7 218(1)(1) of that Act. "Security unit" means that portion 8 of a facility that is devoted to the care, containment, 9 and treatment of persons committed to the Department of 10 Human Services as sexually violent persons, persons unfit 11 stand trial, or persons not quilty by reason of to 12 insanity. With respect to past employment, references to the Department of Human Services include its predecessor, 13 14 Department of Mental Health and Developmental the 15 Disabilities.

16 The changes made to this subdivision (c)(8) by Public 17 Act 92-14 apply to persons who retire on or after January 18 1, 2001, notwithstanding Section 1-103.1.

(9) "Central Management Services security police
officer" means any person employed by the Department of
Central Management Services who is vested with such law
enforcement duties as render him ineligible for coverage
under the Social Security Act by reason of Sections
218(d)(5)(A), 218(d)(8)(D) and 218(1)(1) of that Act.

(10) For a member who first became an employee under
 this Article before July 1, 2005, the term "security

1 emplovee of Department of Corrections or the the 2 Department of Juvenile Justice" means any employee of the 3 Department of Corrections or the Department of Juvenile Justice or the former Department of Personnel, and any 4 5 member or employee of the Prisoner Review Board, who has 6 daily contact with inmates or youth by working within a 7 correctional facility or Juvenile facility operated by the 8 Department of Juvenile Justice or who is a parole officer 9 or an employee who has direct contact with committed 10 persons in the performance of his or her job duties. For a 11 member who first becomes an employee under this Article on 12 or after July 1, 2005, the term means an employee of the 13 Department of Corrections or the Department of Juvenile 14 Justice who is any of the following: (i) officially 15 headquartered at a correctional facility or Juvenile 16 facility operated by the Department of Juvenile Justice, 17 (ii) a parole officer, (iii) a member of the apprehension unit, (iv) a member of the intelligence unit, (v) a member 18 19 of the sort team, or (vi) an investigator.

(11) The term "dangerous drugs investigator" means any
 person who is employed as such by the Department of Human
 Services.

(12) The term "investigator for the Illinois State
Police" means a person employed by the Illinois State
Police who is vested under Section 4 of the Narcotic
Control Division Abolition Act with such law enforcement

powers as render him ineligible for coverage under the Social Security Act by reason of Sections 218(d)(5)(A), 218(d)(8)(D) and 218(l)(1) of that Act.

(13) "Investigator for the Office of the Attorney 4 5 General" means any person who is employed as such by the 6 Office of the Attorney General and is vested with such 7 investigative duties as render him ineligible for coverage 8 under the Social Security Act by reason of Sections 9 218(d)(5)(A), 218(d)(8)(D) and 218(1)(1) of that Act. For 10 the period before January 1, 1989, the term includes all 11 persons who were employed as investigators by the Office 12 of the Attorney General, without regard to social security 13 status.

14 (14) "Controlled substance inspector" means any person 15 who is employed as such by the Department of Professional 16 Regulation and is vested with such law enforcement duties 17 as render him ineligible for coverage under the Social 18 Security Act by reason of Sections 218(d)(5)(A), 19 218(d)(8)(D) and 218(1)(1) of that Act. The term 20 "controlled substance inspector" includes the Program 21 Executive of Enforcement and the Assistant Program 22 Executive of Enforcement.

(15) The term "investigator for the Office of the
State's Attorneys Appellate Prosecutor" means a person
employed in that capacity on a full-time basis under the
authority of Section 7.06 of the State's Attorneys

SB1518

1 Appellate Prosecutor's Act.

(16) "Commerce Commission police officer" means any
person employed by the Illinois Commerce Commission who is
vested with such law enforcement duties as render him
ineligible for coverage under the Social Security Act by
reason of Sections 218(d)(5)(A), 218(d)(8)(D), and
218(1)(1) of that Act.

8 (17) "Arson investigator" means any person who is 9 employed as such by the Office of the State Fire Marshal 10 and is vested with such law enforcement duties as render 11 the person ineligible for coverage under the Social 12 by reason of 218(d)(5)(A), Security Act Sections 13 218(d)(8)(D), and 218(1)(1) of that Act. A person who was 14 employed as an arson investigator on January 1, 1995 and 15 is no longer in service but not yet receiving a retirement 16 annuity may convert his or her creditable service for 17 arson investigator into eligible employment as an creditable service by paying to the System the difference 18 between the employee contributions actually paid for that 19 20 service and the amounts that would have been contributed 21 if the applicant were contributing at the rate applicable 22 to persons with the same social security status earning 23 eligible creditable service on the date of application.

(18) The term "State highway maintenance worker" means
a person who is either of the following:

26

(i) A person employed on a full-time basis by the

SB1518

Illinois Department of Transportation in the position 1 2 highway maintainer, highway maintenance lead of 3 worker, highway maintenance lead/lead worker, heavy construction equipment operator, 4 power shovel 5 operator, or bridge mechanic; and whose principal responsibility is to perform, on the roadway, the 6 7 actual maintenance necessary to keep the highways that form a part of the State highway system in serviceable 8 9 condition for vehicular traffic.

10 (ii) A person employed on a full-time basis by the 11 Illinois State Toll Highway Authority in the position 12 operator/laborer H-4, equipment of equipment 13 operator/laborer H-6, welder H-4, welder Н−6, mechanical/electrical H-4, mechanical/electrical H-6, 14 15 water/sewer H-4, water/sewer H-6, sign maker/hanger 16 H-4, sign maker/hanger H-6, roadway lighting H-4, 17 roadway lighting H-6, structural H-4, structural H-6, painter H-4, or painter H-6; and whose principal 18 responsibility is to perform, on the roadway, the 19 20 actual maintenance necessary to keep the Authority's in serviceable condition for vehicular 21 tollways 22 traffic.

(19) The term "security employee of the Department of Innovation and Technology" means a person who was a security employee of the Department of Corrections or the Department of Juvenile Justice, was transferred to the Department of Innovation and Technology pursuant to
 Executive Order 2016-01, and continues to perform similar

3 job functions under that Department.

4 (20) "Transferred employee" means an employee who was 5 transferred to the Department of Central Management 6 Services by Executive Order No. 2003-10 or Executive Order 7 No. 2004-2 or transferred to the Department of Innovation 8 and Technology by Executive Order No. 2016-1, or both, and 9 was entitled to eligible creditable service for services 10 immediately preceding the transfer.

11 (d) A security employee of the Department of Corrections 12 or the Department of Juvenile Justice, a security employee of the Department of Human Services who is not a mental health 13 14 police officer, and a security employee of the Department of 15 Innovation and Technology shall not be eligible for the 16 alternative retirement annuity provided by this Section unless 17 he or she meets the following minimum age and service requirements at the time of retirement: 18

19 (i) 25 years of eligible creditable service and age20 55; or

(ii) beginning January 1, 1987, 25 years of eligible
creditable service and age 54, or 24 years of eligible
creditable service and age 55; or

(iii) beginning January 1, 1988, 25 years of eligible
creditable service and age 53, or 23 years of eligible
creditable service and age 55; or

- 52 - LRB103 28796 RPS 55181 b

SB1518

1 (iv) beginning January 1, 1989, 25 years of eligible 2 creditable service and age 52, or 22 years of eligible 3 creditable service and age 55; or

4 (v) beginning January 1, 1990, 25 years of eligible
5 creditable service and age 51, or 21 years of eligible
6 creditable service and age 55; or

7 (vi) beginning January 1, 1991, 25 years of eligible
8 creditable service and age 50, or 20 years of eligible
9 creditable service and age 55.

Persons who have service credit under Article 16 of this 10 11 Code for service as a security employee of the Department of 12 Corrections or the Department of Juvenile Justice, or the 13 Human Services in position Department of а requiring 14 certification as a teacher may count such service toward 15 establishing their eligibility under the service requirements of this Section; but such service may be used only for 16 17 establishing such eligibility, and not for the purpose of increasing or calculating any benefit. 18

(e) If a member enters military service while working in a 19 20 position in which eligible creditable service may be earned, and returns to State service in the same or another such 21 22 position, and fulfills in all other respects the conditions 23 prescribed in this Article for credit for military service, such military service shall be credited as eligible creditable 24 25 service for the purposes of the retirement annuity prescribed 26 in this Section.

- 53 - LRB103 28796 RPS 55181 b

(f) For purposes of calculating retirement annuities under 1 2 this Section, periods of service rendered after December 31, 1968 and before October 1, 1975 as a covered employee in the 3 position of special agent, conservation police officer, mental 4 5 health police officer, or investigator for the Secretary of 6 State, shall be deemed to have been service as a noncovered 7 employee, provided that the employee pays to the System prior 8 to retirement an amount equal to (1) the difference between 9 the employee contributions that would have been required for 10 such service as a noncovered employee, and the amount of 11 employee contributions actually paid, plus (2) if payment is 12 made after July 31, 1987, regular interest on the amount 13 specified in item (1) from the date of service to the date of 14 payment.

For purposes of calculating retirement annuities under 15 16 this Section, periods of service rendered after December 31, 17 1968 and before January 1, 1982 as a covered employee in the position of investigator for the Department of Revenue shall 18 be deemed to have been service as a noncovered employee, 19 20 provided that the employee pays to the System prior to retirement an amount equal to (1) the difference between the 21 22 employee contributions that would have been required for such 23 service as a noncovered employee, and the amount of employee contributions actually paid, plus (2) if payment is made after 24 25 January 1, 1990, regular interest on the amount specified in 26 item (1) from the date of service to the date of payment.

SB1518

(q) A State policeman may elect, not later than January 1, 1 2 1990, to establish eligible creditable service for up to 10 3 years of his service as a policeman under Article 3, by filing a written election with the Board, accompanied by payment of 4 5 an amount to be determined by the Board, equal to (i) the difference between the amount of employee and 6 employer 7 contributions transferred to the System under Section 3-110.5, and the amounts that would have been contributed had such 8 9 contributions been made at the rates applicable to State 10 policemen, plus (ii) interest thereon at the effective rate 11 for each year, compounded annually, from the date of service 12 to the date of payment.

13 Subject to the limitation in subsection (i), a State 14 policeman may elect, not later than July 1, 1993, to establish 15 eligible creditable service for up to 10 years of his service 16 as a member of the County Police Department under Article 9, by 17 filing a written election with the Board, accompanied by payment of an amount to be determined by the Board, equal to 18 19 (i) the difference between the amount of employee and employer 20 contributions transferred to the System under Section 9-121.10 and the amounts that would have been contributed had those 21 22 contributions been made at the rates applicable to State 23 policemen, plus (ii) interest thereon at the effective rate 24 for each year, compounded annually, from the date of service 25 to the date of payment.

26

(h) Subject to the limitation in subsection (i), a State

policeman or investigator for the Secretary of State may elect 1 2 to establish eligible creditable service for up to 12 years of 3 his service as a policeman under Article 5, by filing a written election with the Board on or before January 31, 1992, and 4 5 paying to the System by January 31, 1994 an amount to be determined by the Board, equal to (i) the difference between 6 7 the amount of employee and employer contributions transferred to the System under Section 5-236, and the amounts that would 8 have been contributed had such contributions been made at the 9 10 rates applicable to State policemen, plus (ii) interest 11 thereon at the effective rate for each year, compounded 12 annually, from the date of service to the date of payment.

13 Subject to the limitation in subsection (i), a State policeman, conservation police officer, or investigator for 14 15 the Secretary of State may elect to establish eligible 16 creditable service for up to 10 years of service as a sheriff's 17 law enforcement employee under Article 7, by filing a written election with the Board on or before January 31, 1993, and 18 19 paying to the System by January 31, 1994 an amount to be 20 determined by the Board, equal to (i) the difference between 21 the amount of employee and employer contributions transferred 22 to the System under Section 7-139.7, and the amounts that 23 would have been contributed had such contributions been made 24 at the rates applicable to State policemen, plus (ii) interest 25 thereon at the effective rate for each year, compounded 26 annually, from the date of service to the date of payment.

Subject to the limitation in subsection (i), a State 1 2 policeman, conservation police officer, or investigator for the Secretary of State may elect to establish eligible 3 creditable service for up to 5 years of service as a police 4 5 officer under Article 3, a policeman under Article 5, a sheriff's law enforcement employee under Article 7, a member 6 of the county police department under Article 9, or a police 7 8 officer under Article 15 by filing a written election with the 9 Board and paying to the System an amount to be determined by 10 the Board, equal to (i) the difference between the amount of 11 employee and employer contributions transferred to the System 12 under Section 3-110.6, 5-236, 7-139.8, 9-121.10, or 15-134.4 13 and the amounts that would have been contributed had such contributions been made at the rates applicable to State 14 15 policemen, plus (ii) interest thereon at the effective rate 16 for each year, compounded annually, from the date of service 17 to the date of payment.

limitation in 18 Subject to the subsection (i), an 19 investigator for the Office of the Attorney General, or an 20 investigator for the Department of Revenue, may elect to establish eligible creditable service for up to 5 years of 21 22 service as a police officer under Article 3, a policeman under 23 Article 5, a sheriff's law enforcement employee under Article 7, or a member of the county police department under Article 9 24 25 by filing a written election with the Board within 6 months after August 25, 2009 (the effective date of Public Act 26

96-745) and paying to the System an amount to be determined by 1 2 the Board, equal to (i) the difference between the amount of employee and employer contributions transferred to the System 3 under Section 3-110.6, 5-236, 7-139.8, or 9-121.10 and the 4 5 amounts that would have been contributed had such 6 contributions been made at the rates applicable to State policemen, plus (ii) interest thereon at the actuarially 7 8 assumed rate for each year, compounded annually, from the date 9 of service to the date of payment.

10 Subject to the limitation in subsection (i), a State 11 policeman, conservation police officer, investigator for the 12 Office of the Attorney General, an investigator for the 13 Department of Revenue, or investigator for the Secretary of State may elect to establish eligible creditable service for 14 up to 5 years of service as a person employed by a 15 16 participating municipality to perform police duties, or law 17 enforcement officer employed on a full-time basis by a forest preserve district under Article 7, a county corrections 18 officer, or a court services officer under Article 9, by 19 20 filing a written election with the Board within 6 months after August 25, 2009 (the effective date of Public Act 96-745) and 21 22 paying to the System an amount to be determined by the Board, 23 equal to (i) the difference between the amount of employee and 24 employer contributions transferred to the System under 25 Sections 7-139.8 and 9-121.10 and the amounts that would have 26 been contributed had such contributions been made at the rates

1 applicable to State policemen, plus (ii) interest thereon at 2 the actuarially assumed rate for each year, compounded 3 annually, from the date of service to the date of payment.

Subject to the limitation in subsection (i), a State 4 5 policeman, arson investigator, or Commerce Commission police officer may elect to establish eligible creditable service for 6 7 up to 5 years of service as a person employed by a 8 participating municipality to perform police duties under 9 Article 7, a county corrections officer, a court services 10 officer under Article 9, or a firefighter under Article 4 by 11 filing a written election with the Board within 6 months after 12 July 30, 2021 (the effective date of Public Act 102-210) and paying to the System an amount to be determined by the Board 13 14 equal to (i) the difference between the amount of employee and 15 employer contributions transferred to the System under Sections 4-108.8, 7-139.8, and 9-121.10 and the amounts that 16 17 would have been contributed had such contributions been made at the rates applicable to State policemen, plus (ii) interest 18 19 thereon at the actuarially assumed rate for each year, 20 compounded annually, from the date of service to the date of 21 payment.

22 Subject to the limitation in subsection (i), а 23 conservation police officer may elect to establish eligible creditable service for up to 5 years of service as a person 24 25 employed by a participating municipality to perform police duties under Article 7, a county corrections officer, or a 26

court services officer under Article 9 by filing a written 1 2 election with the Board within 6 months after July 30, 2021 (the effective date of Public Act 102-210) and paying to the 3 System an amount to be determined by the Board equal to (i) the 4 5 difference between the amount of employee and employer contributions transferred to the System under Sections 7-139.8 6 7 and 9-121.10 and the amounts that would have been contributed 8 had such contributions been made at the rates applicable to 9 State policemen, plus (ii) interest thereon at the actuarially assumed rate for each year, compounded annually, from the date 10 11 of service to the date of payment.

SB1518

12 Notwithstanding the limitation in subsection (i), a State policeman or conservation police officer may elect to convert 13 service credit earned under this Article to 14 eligible 15 creditable service, as defined by this Section, by filing a 16 written election with the board within 6 months after July 30, 17 2021 (the effective date of Public Act 102-210) and paying to the System an amount to be determined by the Board equal to (i) 18 19 the difference between the amount of employee contributions 20 originally paid for that service and the amounts that would have been contributed had such contributions been made at the 21 22 rates applicable to State policemen, plus (ii) the difference 23 between the employer's normal cost of the credit prior to the conversion authorized by Public Act 102-210 and the employer's 24 25 normal cost of the credit converted in accordance with Public 26 Act 102-210, plus (iii) interest thereon at the actuarially 1 assumed rate for each year, compounded annually, from the date 2 of service to the date of payment.

3 (i) The total amount of eligible creditable service 4 established by any person under subsections (g), (h), (j), 5 (k), (l), (l-5), and (o), and (q) of this Section shall not 6 exceed 12 years.

(j) Subject to the limitation in subsection (i), an 7 8 investigator for the Office of the State's Attorneys Appellate 9 Prosecutor or a controlled substance inspector may elect to 10 establish eligible creditable service for up to 10 years of 11 his service as a policeman under Article 3 or a sheriff's law 12 enforcement employee under Article 7, by filing a written election with the Board, accompanied by payment of an amount 13 14 to be determined by the Board, equal to (1) the difference 15 between the amount of employee and employer contributions 16 transferred to the System under Section 3-110.6 or 7-139.8, 17 and the amounts that would have been contributed had such contributions been made at the rates applicable to State 18 policemen, plus (2) interest thereon at the effective rate for 19 20 each year, compounded annually, from the date of service to 21 the date of payment.

(k) Subject to the limitation in subsection (i) of this Section, an alternative formula employee may elect to establish eligible creditable service for periods spent as a full-time law enforcement officer or full-time corrections officer employed by the federal government or by a state or

local government located outside of Illinois, for which credit 1 2 is not held in any other public employee pension fund or 3 retirement system. To obtain this credit, the applicant must file a written application with the Board by March 31, 1998, 4 5 accompanied by evidence of eligibility acceptable to the Board and payment of an amount to be determined by the Board, equal 6 employee contributions 7 (1)for the credit to being 8 established, based upon the applicant's salary on the first 9 day as an alternative formula employee after the employment 10 for which credit is being established and the rates then 11 applicable to alternative formula employees, plus (2) an 12 amount determined by the Board to be the employer's normal 13 cost of the benefits accrued for the credit being established, 14 plus (3) regular interest on the amounts in items (1) and (2) 15 from the first day as an alternative formula employee after 16 the employment for which credit is being established to the 17 date of payment.

Subject to the limitation in subsection (i), a 18 (1) 19 security employee of the Department of Corrections may elect, 20 not later than July 1, 1998, to establish eligible creditable service for up to 10 years of his or her service as a policeman 21 22 under Article 3, by filing a written election with the Board, 23 accompanied by payment of an amount to be determined by the Board, equal to (i) the difference between the amount of 24 25 employee and employer contributions transferred to the System under Section 3-110.5, and the amounts that would have been 26

1 contributed had such contributions been made at the rates 2 applicable to security employees of the Department of 3 Corrections, plus (ii) interest thereon at the effective rate 4 for each year, compounded annually, from the date of service 5 to the date of payment.

(1-5) Subject to the limitation in subsection (i) of this 6 Section, a State policeman may elect to establish eligible 7 creditable service for up to 5 years of service as a full-time 8 9 law enforcement officer employed by the federal government or 10 by a state or local government located outside of Illinois for 11 which credit is not held in any other public employee pension 12 fund or retirement system. To obtain this credit, the 13 applicant must file a written application with the Board no later than 3 years after January 1, 2020 (the effective date of 14 Public Act 101-610), accompanied by evidence of eligibility 15 16 acceptable to the Board and payment of an amount to be 17 determined by the Board, equal to (1) employee contributions for the credit being established, based upon the applicant's 18 19 salary on the first day as an alternative formula employee 20 after the employment for which credit is being established and the rates then applicable to alternative formula employees, 21 22 plus (2) an amount determined by the Board to be the employer's 23 normal cost of the benefits accrued for the credit being established, plus (3) regular interest on the amounts in items 24 25 (1) and (2) from the first day as an alternative formula 26 employee after the employment for which credit is being

1 established to the date of payment.

2 (m) The amendatory changes to this Section made by Public 3 Act 94-696 apply only to: (1) security employees of the Department of Juvenile Justice employed by the Department of 4 Corrections before June 1, 2006 (the effective date of Public 5 Act 94-696) and transferred to the Department of Juvenile 6 7 Justice by Public Act 94-696; and (2) persons employed by the Department of Juvenile Justice on or after June 1, 2006 (the 8 effective date of Public Act 94-696) who are required by 9 10 subsection (b) of Section 3-2.5-15 of the Unified Code of 11 Corrections to have any bachelor's or advanced degree from an 12 accredited college or university or, in the case of persons 13 who provide vocational training, who are required to have adequate knowledge in the skill for which they are providing 14 15 the vocational training.

16 (n) A person employed in a position under subsection (b) 17 of this Section who has purchased service credit under subsection (j) of Section 14-104 or subsection (b) of Section 18 14-105 in any other capacity under this Article may convert up 19 20 to 5 years of that service credit into service credit covered 21 under this Section by paying to the Fund an amount equal to (1) 22 the additional employee contribution required under Section 23 14-133, plus (2) the additional employer contribution required under Section 14-131, plus (3) interest on items (1) and (2) at 24 25 the actuarially assumed rate from the date of the service to 26 the date of payment.

- 64 - LRB103 28796 RPS 55181 b

Subject to the limitation in subsection (i), a 1  $(\circ)$ 2 conservation police officer, investigator for the Secretary of State, Commerce Commission police officer, investigator for 3 the Department of Revenue or the Illinois Gaming Board, or 4 5 arson investigator subject to subsection (q) of Section 1-160 may elect to convert up to 8 years of service credit 6 established before January 1, 2020 (the effective date of 7 8 Public Act 101-610) as a conservation police officer, 9 investigator for the Secretary of State, Commerce Commission 10 police officer, investigator for the Department of Revenue or 11 the Illinois Gaming Board, or arson investigator under this 12 Article into eligible creditable service by filing a written 13 election with the Board no later than one year after January 1, 2020 (the effective date of Public Act 101-610), accompanied 14 15 by payment of an amount to be determined by the Board equal to 16 (i) the difference between the amount of the employee 17 contributions actually paid for that service and the amount of the employee contributions that would have been paid had the 18 19 employee contributions been made as a noncovered employee 20 serving in a position in which eligible creditable service, as defined in this Section, may be earned, plus (ii) interest 21 22 thereon at the effective rate for each year, compounded 23 annually, from the date of service to the date of payment.

(q) Subject to the limitation in subsection (i), a
 security employee of the Department of Human Services who is
 subject to subsection (q) of Section 1-160 may elect to

SB	1	5	1	8

1	convert up to 8 years of service credit established before the
2	effective date of this amendatory Act of the 103rd General
3	Assembly as a security employee of the Department of Human
4	Services to eligible creditable service by filing a written
5	election with the Board no later than 6 years after the
6	effective date of this amendatory Act of the 103rd General
7	Assembly, accompanied by payment of an amount, to be
8	determined by the Board, equal to (i) the difference between
9	the amount of the employee contributions actually paid for
10	that service and the amount of the employee contributions that
11	would have been paid had the employee contributions been made
12	as a covered employee serving in a position in which eligible
13	creditable service, as defined in this Section, may be earned,
14	plus (ii) interest thereon at the effective rate for each
15	year, compounded annually, from the date of service to the
16	date of payment.

17 (Source: P.A. 101-610, eff. 1-1-20; 102-210, eff. 7-30-21;
18 102-538, eff. 8-20-21; 102-813, eff. 5-13-22.)

19 (Text of Section from P.A. 102-856)

20

Sec. 14-110. Alternative retirement annuity.

(a) Any member who has withdrawn from service with not less than 20 years of eligible creditable service and has attained age 55, and any member who has withdrawn from service with not less than 25 years of eligible creditable service and has attained age 50, regardless of whether the attainment of either of the specified ages occurs while the member is still in service, shall be entitled to receive at the option of the member, in lieu of the regular or minimum retirement annuity, a retirement annuity computed as follows:

5 (i) for periods of service as a noncovered employee: 6 if retirement occurs on or after January 1, 2001, 3% of 7 final average compensation for each year of creditable service; if retirement occurs before January 1, 2001, 2 8 9 1/4% of final average compensation for each of the first 10 10 years of creditable service, 2 1/2% for each year above 11 10 years to and including 20 years of creditable service, 12 and 2 3/4% for each year of creditable service above 20 13 years; and

(ii) for periods of eligible creditable service as a 14 15 covered employee: if retirement occurs on or after January 16 1, 2001, 2.5% of final average compensation for each year 17 of creditable service; if retirement occurs before January 1, 2001, 1.67% of final average compensation for each of 18 19 the first 10 years of such service, 1.90% for each of the 20 next 10 years of such service, 2.10% for each year of such 21 service in excess of 20 but not exceeding 30, and 2.30% for 22 each year in excess of 30.

23 Such annuity shall be subject to a maximum of 75% of final 24 average compensation if retirement occurs before January 1, 25 2001 or to a maximum of 80% of final average compensation if 26 retirement occurs on or after January 1, 2001.

1 These rates shall not be applicable to any service 2 performed by a member as a covered employee which is not 3 eligible creditable service. Service as a covered employee 4 which is not eligible creditable service shall be subject to 5 the rates and provisions of Section 14-108.

- 6 (b) For the purpose of this Section, "eligible creditable 7 service" means creditable service resulting from service in 8 one or more of the following positions:
- 9

(1) State policeman;

10 (2) fire fighter in the fire protection service of a 11 department;

- 12 (3) air pilot;
- 13 (4) special agent;
- 14 (5) investigator for the Secretary of State;
- 15 (6) conservation police officer;

16 (7) investigator for the Department of Revenue or the 17 Illinois Gaming Board;

18 (8) security employee of the Department of Human 19 Services;

20 (9) Central Management Services security police
 21 officer;

(10) security employee of the Department of
 Corrections or the Department of Juvenile Justice;

- 24 (11) dangerous drugs investigator;
- 25 (12) investigator for the Illinois State Police;
- 26 (13) investigator for the Office of the Attorney

- 1 General; 2 (14) controlled substance inspector; 3 (15) investigator for the Office of the State's 4 Attorneys Appellate Prosecutor; 5 (16) Commerce Commission police officer;
- 6 (17) arson investigator;
- 7 (18) State highway maintenance worker;
- 8 (19) security employee of the Department of Innovation
  9 and Technology; or
- 10

(20) transferred employee.

11 A person employed in one of the positions specified in 12 this subsection is entitled to eligible creditable service for 13 service credit earned under this Article while undergoing the 14 basic police training course approved by the Illinois Law 15 Enforcement Training Standards Board, if completion of that training is required of persons serving in that position. For 16 17 the purposes of this Code, service during the required basic police training course shall be deemed performance of the 18 19 duties of the specified position, even though the person is 20 not a sworn peace officer at the time of the training.

A person under paragraph (20) is entitled to eligible creditable service for service credit earned under this Article on and after his or her transfer by Executive Order No. 2003-10, Executive Order No. 2004-2, or Executive Order No. 2016-1.

26

(c) For the purposes of this Section:

1 (1) The term "State policeman" includes any title or 2 position in the Illinois State Police that is held by an 3 individual employed under the Illinois State Police Act.

4 (2) The term "fire fighter in the fire protection 5 service of a department" includes all officers in such 6 fire protection service including fire chiefs and 7 assistant fire chiefs.

(3) The term "air pilot" includes any employee whose 8 9 official job description on file in the Department of 10 Central Management Services, or in the department by which 11 he is employed if that department is not covered by the 12 Personnel Code, states that his principal duty is the operation of aircraft, and who possesses a pilot's 13 14 license; however, the change in this definition made by Public Act 83-842 shall not operate to exclude 15 any 16 noncovered employee who was an "air pilot" for the 17 purposes of this Section on January 1, 1984.

(4) The term "special agent" means any person who by 18 19 reason of employment by the Division of Narcotic Control, the Bureau of Investigation or, after July 1, 1977, the 20 21 Division of Criminal Investigation, the Division of 22 Internal Investigation, the Division of Operations, the 23 Division of Patrol Operations, or any other Division or 24 organizational entity in the Illinois State Police is 25 vested by law with duties to maintain public order, 26 investigate violations of the criminal law of this State,

enforce the laws of this State, make arrests and recover property. The term "special agent" includes any title or position in the Illinois State Police that is held by an individual employed under the Illinois State Police Act.

5 (5) The term "investigator for the Secretary of State" 6 means any person employed by the Office of the Secretary 7 of State and vested with such investigative duties as 8 render him ineligible for coverage under the Social 9 Security Act by reason of Sections 218(d)(5)(A), 10 218(d)(8)(D) and 218(1)(1) of that Act.

11 A person who became employed as an investigator for 12 the Secretary of State between January 1, 1967 and December 31, 1975, and who has served as such until 13 14 attainment of age 60, either continuously or with a single 15 break in service of not more than 3 years duration, which 16 break terminated before January 1, 1976, shall be entitled 17 to have his retirement annuity calculated in accordance with subsection (a), notwithstanding that he has less than 18 19 20 years of credit for such service.

(6) The term "Conservation Police Officer" means any
person employed by the Division of Law Enforcement of the
Department of Natural Resources and vested with such law
enforcement duties as render him ineligible for coverage
under the Social Security Act by reason of Sections
218 (d) (5) (A), 218 (d) (8) (D), and 218 (1) (1) of that Act. The
term "Conservation Police Officer" includes the positions

of Chief Conservation Police Administrator and Assistant
 Conservation Police Administrator.

3 The term "investigator for the Department of (7)Revenue" means any person employed by the Department of 4 5 Revenue and vested with such investigative duties as 6 render him ineligible for coverage under the Social 7 Security Act by reason of Sections 218(d)(5)(A), 8 218(d)(8)(D) and 218(1)(1) of that Act.

9 The term "investigator for the Illinois Gaming Board" 10 means any person employed as such by the Illinois Gaming 11 Board and vested with such peace officer duties as render 12 the person ineligible for coverage under the Social 13 Security Act by reason of Sections 218(d)(5)(A), 14 218(d)(8)(D), and 218(1)(1) of that Act.

15 (8) The term "security employee of the Department of 16 Services" means any person employed by Human the 17 Department of Human Services who (i) is employed at the Chester Mental Health Center and has daily contact with 18 19 the residents thereof, (ii) is employed within a security 20 unit at a facility operated by the Department and has 21 daily contact with the residents of the security unit, 22 (iii) is employed at a facility operated by the Department 23 that includes a security unit and is regularly scheduled 24 to work at least 50% of his or her working hours within 25 that security unit, or (iv) is a mental health police 26 officer. "Mental health police officer" means any person

employed by the Department of Human Services in a position 1 2 pertaining to the Department's mental health and 3 developmental disabilities functions who is vested with enforcement duties as render 4 such law the person 5 ineligible for coverage under the Social Security Act by 6 reason of Sections 218(d)(5)(A), 218(d)(8)(D) and 7 218(1)(1) of that Act. "Security unit" means that portion 8 of a facility that is devoted to the care, containment, 9 and treatment of persons committed to the Department of 10 Human Services as sexually violent persons, persons unfit 11 stand trial, or persons not quilty by reason of to 12 insanity. With respect to past employment, references to the Department of Human Services include its predecessor, 13 14 Department of Mental Health and Developmental the 15 Disabilities.

16 The changes made to this subdivision (c)(8) by Public 17 Act 92-14 apply to persons who retire on or after January 18 1, 2001, notwithstanding Section 1-103.1.

(9) "Central Management Services security police
officer" means any person employed by the Department of
Central Management Services who is vested with such law
enforcement duties as render him ineligible for coverage
under the Social Security Act by reason of Sections
218(d)(5)(A), 218(d)(8)(D) and 218(1)(1) of that Act.

(10) For a member who first became an employee under
 this Article before July 1, 2005, the term "security

1 emplovee of Department of Corrections or the the 2 Department of Juvenile Justice" means any employee of the 3 Department of Corrections or the Department of Juvenile Justice or the former Department of Personnel, and any 4 5 member or employee of the Prisoner Review Board, who has 6 daily contact with inmates or youth by working within a 7 correctional facility or Juvenile facility operated by the 8 Department of Juvenile Justice or who is a parole officer 9 or an employee who has direct contact with committed 10 persons in the performance of his or her job duties. For a 11 member who first becomes an employee under this Article on 12 or after July 1, 2005, the term means an employee of the 13 Department of Corrections or the Department of Juvenile 14 Justice who is any of the following: (i) officially 15 headquartered at a correctional facility or Juvenile 16 facility operated by the Department of Juvenile Justice, 17 (ii) a parole officer, (iii) a member of the apprehension unit, (iv) a member of the intelligence unit, (v) a member 18 19 of the sort team, or (vi) an investigator.

(11) The term "dangerous drugs investigator" means any
 person who is employed as such by the Department of Human
 Services.

(12) The term "investigator for the Illinois State
Police" means a person employed by the Illinois State
Police who is vested under Section 4 of the Narcotic
Control Division Abolition Act with such law enforcement

powers as render him ineligible for coverage under the Social Security Act by reason of Sections 218(d)(5)(A), 218(d)(8)(D) and 218(1)(1) of that Act.

(13) "Investigator for the Office of the Attorney 4 5 General" means any person who is employed as such by the 6 Office of the Attorney General and is vested with such 7 investigative duties as render him ineligible for coverage 8 under the Social Security Act by reason of Sections 9 218(d)(5)(A), 218(d)(8)(D) and 218(1)(1) of that Act. For 10 the period before January 1, 1989, the term includes all 11 persons who were employed as investigators by the Office 12 of the Attorney General, without regard to social security 13 status.

14 (14) "Controlled substance inspector" means any person 15 who is employed as such by the Department of Professional 16 Regulation and is vested with such law enforcement duties 17 as render him ineligible for coverage under the Social 18 Security Act by reason of Sections 218(d)(5)(A), 19 218(d)(8)(D) and 218(1)(1) of that Act. The term 20 "controlled substance inspector" includes the Program 21 Executive of Enforcement and the Assistant Program 22 Executive of Enforcement.

(15) The term "investigator for the Office of the
State's Attorneys Appellate Prosecutor" means a person
employed in that capacity on a full-time basis under the
authority of Section 7.06 of the State's Attorneys

1 Appellate Prosecutor's Act.

(16) "Commerce Commission police officer" means any
person employed by the Illinois Commerce Commission who is
vested with such law enforcement duties as render him
ineligible for coverage under the Social Security Act by
reason of Sections 218(d)(5)(A), 218(d)(8)(D), and
218(1)(1) of that Act.

8 (17) "Arson investigator" means any person who is 9 employed as such by the Office of the State Fire Marshal 10 and is vested with such law enforcement duties as render 11 the person ineligible for coverage under the Social 12 by reason of 218(d)(5)(A), Security Act Sections 13 218(d)(8)(D), and 218(1)(1) of that Act. A person who was 14 employed as an arson investigator on January 1, 1995 and 15 is no longer in service but not yet receiving a retirement 16 annuity may convert his or her creditable service for 17 arson investigator into eligible employment as an creditable service by paying to the System the difference 18 between the employee contributions actually paid for that 19 20 service and the amounts that would have been contributed 21 if the applicant were contributing at the rate applicable 22 to persons with the same social security status earning 23 eligible creditable service on the date of application.

(18) The term "State highway maintenance worker" means
 a person who is either of the following:

26

(i) A person employed on a full-time basis by the

Illinois Department of Transportation in the position 1 2 highway maintainer, highway maintenance lead of 3 worker, highway maintenance lead/lead worker, heavy construction equipment operator, 4 power shovel 5 operator, or bridge mechanic; and whose principal responsibility is to perform, on the roadway, the 6 7 actual maintenance necessary to keep the highways that form a part of the State highway system in serviceable 8 9 condition for vehicular traffic.

10 (ii) A person employed on a full-time basis by the 11 Illinois State Toll Highway Authority in the position 12 operator/laborer H-4, equipment of equipment 13 operator/laborer H-6, welder H-4, welder H-6, 14 mechanical/electrical H-4, mechanical/electrical H-6, 15 water/sewer H-4, water/sewer H-6, sign maker/hanger 16 H-4, sign maker/hanger H-6, roadway lighting H-4, 17 roadway lighting H-6, structural H-4, structural H-6, painter H-4, or painter H-6; and whose principal 18 responsibility is to perform, on the roadway, the 19 20 actual maintenance necessary to keep the Authority's in serviceable condition for vehicular 21 tollways 22 traffic.

(19) The term "security employee of the Department of Innovation and Technology" means a person who was a security employee of the Department of Corrections or the Department of Juvenile Justice, was transferred to the

Department of Innovation and Technology pursuant to
 Executive Order 2016-01, and continues to perform similar
 job functions under that Department.

4 (20) "Transferred employee" means an employee who was 5 transferred to the Department of Central Management 6 Services by Executive Order No. 2003-10 or Executive Order 7 No. 2004-2 or transferred to the Department of Innovation 8 and Technology by Executive Order No. 2016-1, or both, and 9 was entitled to eligible creditable service for services 10 immediately preceding the transfer.

11 (d) A security employee of the Department of Corrections 12 or the Department of Juvenile Justice, a security employee of the Department of Human Services who is not a mental health 13 14 police officer, and a security employee of the Department of 15 Innovation and Technology shall not be eligible for the 16 alternative retirement annuity provided by this Section unless 17 he or she meets the following minimum age and service requirements at the time of retirement: 18

19 (i) 25 years of eligible creditable service and age20 55; or

(ii) beginning January 1, 1987, 25 years of eligible
creditable service and age 54, or 24 years of eligible
creditable service and age 55; or

(iii) beginning January 1, 1988, 25 years of eligible
creditable service and age 53, or 23 years of eligible
creditable service and age 55; or

- 78 - LRB103 28796 RPS 55181 b

SB1518

1 (iv) beginning January 1, 1989, 25 years of eligible 2 creditable service and age 52, or 22 years of eligible 3 creditable service and age 55; or

4 (v) beginning January 1, 1990, 25 years of eligible
5 creditable service and age 51, or 21 years of eligible
6 creditable service and age 55; or

7 (vi) beginning January 1, 1991, 25 years of eligible
8 creditable service and age 50, or 20 years of eligible
9 creditable service and age 55.

Persons who have service credit under Article 16 of this 10 11 Code for service as a security employee of the Department of 12 Corrections or the Department of Juvenile Justice, or the 13 Human Services in position Department of а requiring 14 certification as a teacher may count such service toward 15 establishing their eligibility under the service requirements of this Section; but such service may be used only for 16 17 establishing such eligibility, and not for the purpose of increasing or calculating any benefit. 18

(e) If a member enters military service while working in a 19 20 position in which eligible creditable service may be earned, and returns to State service in the same or another such 21 22 position, and fulfills in all other respects the conditions 23 prescribed in this Article for credit for military service, such military service shall be credited as eligible creditable 24 25 service for the purposes of the retirement annuity prescribed 26 in this Section.

- 79 - LRB103 28796 RPS 55181 b

(f) For purposes of calculating retirement annuities under 1 2 this Section, periods of service rendered after December 31, 1968 and before October 1, 1975 as a covered employee in the 3 position of special agent, conservation police officer, mental 4 5 health police officer, or investigator for the Secretary of 6 State, shall be deemed to have been service as a noncovered 7 employee, provided that the employee pays to the System prior 8 to retirement an amount equal to (1) the difference between 9 the employee contributions that would have been required for 10 such service as a noncovered employee, and the amount of 11 employee contributions actually paid, plus (2) if payment is 12 made after July 31, 1987, regular interest on the amount 13 specified in item (1) from the date of service to the date of 14 payment.

For purposes of calculating retirement annuities under 15 16 this Section, periods of service rendered after December 31, 17 1968 and before January 1, 1982 as a covered employee in the position of investigator for the Department of Revenue shall 18 be deemed to have been service as a noncovered employee, 19 20 provided that the employee pays to the System prior to retirement an amount equal to (1) the difference between the 21 22 employee contributions that would have been required for such 23 service as a noncovered employee, and the amount of employee contributions actually paid, plus (2) if payment is made after 24 25 January 1, 1990, regular interest on the amount specified in 26 item (1) from the date of service to the date of payment.

(q) A State policeman may elect, not later than January 1, 1 2 1990, to establish eligible creditable service for up to 10 3 years of his service as a policeman under Article 3, by filing a written election with the Board, accompanied by payment of 4 5 an amount to be determined by the Board, equal to (i) the difference between the amount of employee and 6 employer 7 contributions transferred to the System under Section 3-110.5, and the amounts that would have been contributed had such 8 9 contributions been made at the rates applicable to State 10 policemen, plus (ii) interest thereon at the effective rate 11 for each year, compounded annually, from the date of service 12 to the date of payment.

13 Subject to the limitation in subsection (i), a State 14 policeman may elect, not later than July 1, 1993, to establish 15 eligible creditable service for up to 10 years of his service 16 as a member of the County Police Department under Article 9, by 17 filing a written election with the Board, accompanied by payment of an amount to be determined by the Board, equal to 18 19 (i) the difference between the amount of employee and employer 20 contributions transferred to the System under Section 9-121.10 and the amounts that would have been contributed had those 21 22 contributions been made at the rates applicable to State 23 policemen, plus (ii) interest thereon at the effective rate 24 for each year, compounded annually, from the date of service 25 to the date of payment.

26

(h) Subject to the limitation in subsection (i), a State

policeman or investigator for the Secretary of State may elect 1 2 to establish eligible creditable service for up to 12 years of 3 his service as a policeman under Article 5, by filing a written election with the Board on or before January 31, 1992, and 4 5 paying to the System by January 31, 1994 an amount to be determined by the Board, equal to (i) the difference between 6 7 the amount of employee and employer contributions transferred to the System under Section 5-236, and the amounts that would 8 have been contributed had such contributions been made at the 9 10 rates applicable to State policemen, plus (ii) interest 11 thereon at the effective rate for each year, compounded 12 annually, from the date of service to the date of payment.

13 Subject to the limitation in subsection (i), a State policeman, conservation police officer, or investigator for 14 15 the Secretary of State may elect to establish eligible 16 creditable service for up to 10 years of service as a sheriff's 17 law enforcement employee under Article 7, by filing a written election with the Board on or before January 31, 1993, and 18 19 paying to the System by January 31, 1994 an amount to be 20 determined by the Board, equal to (i) the difference between 21 the amount of employee and employer contributions transferred 22 to the System under Section 7-139.7, and the amounts that 23 would have been contributed had such contributions been made 24 at the rates applicable to State policemen, plus (ii) interest 25 thereon at the effective rate for each year, compounded 26 annually, from the date of service to the date of payment.

Subject to the limitation in subsection (i), a State 1 2 policeman, conservation police officer, or investigator for the Secretary of State may elect to establish eligible 3 creditable service for up to 5 years of service as a police 4 5 officer under Article 3, a policeman under Article 5, a sheriff's law enforcement employee under Article 7, a member 6 of the county police department under Article 9, or a police 7 8 officer under Article 15 by filing a written election with the 9 Board and paying to the System an amount to be determined by 10 the Board, equal to (i) the difference between the amount of 11 employee and employer contributions transferred to the System 12 under Section 3-110.6, 5-236, 7-139.8, 9-121.10, or 15-134.4 13 and the amounts that would have been contributed had such contributions been made at the rates applicable to State 14 15 policemen, plus (ii) interest thereon at the effective rate 16 for each year, compounded annually, from the date of service 17 to the date of payment.

limitation in 18 Subject to the subsection (i), an 19 investigator for the Office of the Attorney General, or an 20 investigator for the Department of Revenue, may elect to establish eligible creditable service for up to 5 years of 21 22 service as a police officer under Article 3, a policeman under 23 Article 5, a sheriff's law enforcement employee under Article 7, or a member of the county police department under Article 9 24 25 by filing a written election with the Board within 6 months after August 25, 2009 (the effective date of Public Act 26

96-745) and paying to the System an amount to be determined by 1 2 the Board, equal to (i) the difference between the amount of employee and employer contributions transferred to the System 3 under Section 3-110.6, 5-236, 7-139.8, or 9-121.10 and the 4 5 amounts that would have been contributed had such 6 contributions been made at the rates applicable to State policemen, plus (ii) interest thereon at the actuarially 7 8 assumed rate for each year, compounded annually, from the date 9 of service to the date of payment.

10 Subject to the limitation in subsection (i), a State 11 policeman, conservation police officer, investigator for the 12 Office of the Attorney General, an investigator for the 13 Department of Revenue, or investigator for the Secretary of State may elect to establish eligible creditable service for 14 up to 5 years of service as a person employed by a 15 16 participating municipality to perform police duties, or law 17 enforcement officer employed on a full-time basis by a forest preserve district under Article 7, a county corrections 18 officer, or a court services officer under Article 9, by 19 20 filing a written election with the Board within 6 months after August 25, 2009 (the effective date of Public Act 96-745) and 21 22 paying to the System an amount to be determined by the Board, 23 equal to (i) the difference between the amount of employee and 24 employer contributions transferred to the System under 25 Sections 7-139.8 and 9-121.10 and the amounts that would have 26 been contributed had such contributions been made at the rates

1 applicable to State policemen, plus (ii) interest thereon at 2 the actuarially assumed rate for each year, compounded 3 annually, from the date of service to the date of payment.

Subject to the limitation in subsection (i), a State 4 5 policeman, arson investigator, or Commerce Commission police officer may elect to establish eligible creditable service for 6 7 up to 5 years of service as a person employed by a 8 participating municipality to perform police duties under 9 Article 7, a county corrections officer, a court services 10 officer under Article 9, or a firefighter under Article 4 by 11 filing a written election with the Board within 6 months after 12 July 30, 2021 (the effective date of Public Act 102-210) and paying to the System an amount to be determined by the Board 13 14 equal to (i) the difference between the amount of employee and 15 employer contributions transferred to the System under Sections 4-108.8, 7-139.8, and 9-121.10 and the amounts that 16 17 would have been contributed had such contributions been made at the rates applicable to State policemen, plus (ii) interest 18 19 thereon at the actuarially assumed rate for each year, 20 compounded annually, from the date of service to the date of 21 payment.

22 Subject to the limitation in subsection (i), а 23 conservation police officer may elect to establish eligible creditable service for up to 5 years of service as a person 24 25 employed by a participating municipality to perform police duties under Article 7, a county corrections officer, or a 26

court services officer under Article 9 by filing a written 1 2 election with the Board within 6 months after July 30, 2021 (the effective date of Public Act 102-210) and paying to the 3 System an amount to be determined by the Board equal to (i) the 4 5 difference between the amount of employee and employer contributions transferred to the System under Sections 7-139.8 6 7 and 9-121.10 and the amounts that would have been contributed 8 had such contributions been made at the rates applicable to 9 State policemen, plus (ii) interest thereon at the actuarially assumed rate for each year, compounded annually, from the date 10 11 of service to the date of payment.

12 the limitation in subsection (i), Subject to an investigator for the Department of Revenue, investigator for 13 14 the Illinois Gaming Board, investigator for the Secretary of 15 State, or arson investigator may elect to establish eligible 16 creditable service for up to 5 years of service as a person 17 employed by a participating municipality to perform police duties under Article 7, a county corrections officer, a court 18 services officer under Article 9, or a firefighter under 19 20 Article 4 by filing a written election with the Board within 6 months after the effective date of this amendatory Act of the 21 22 102nd General Assembly and paying to the System an amount to be 23 determined by the Board equal to (i) the difference between 24 the amount of employee and employer contributions transferred 25 to the System under Sections 4-108.8, 7-139.8, and 9-121.10 and the amounts that would have been contributed had such 26

1 contributions been made at the rates applicable to State 2 policemen, plus (ii) interest thereon at the actuarially 3 assumed rate for each year, compounded annually, from the date 4 of service to the date of payment.

5 Notwithstanding the limitation in subsection (i), a State policeman or conservation police officer may elect to convert 6 service credit earned under this Article to eligible 7 8 creditable service, as defined by this Section, by filing a 9 written election with the board within 6 months after July 30, 10 2021 (the effective date of Public Act 102-210) and paying to 11 the System an amount to be determined by the Board equal to (i) 12 the difference between the amount of employee contributions originally paid for that service and the amounts that would 13 have been contributed had such contributions been made at the 14 rates applicable to State policemen, plus (ii) the difference 15 16 between the employer's normal cost of the credit prior to the 17 conversion authorized by Public Act 102-210 and the employer's normal cost of the credit converted in accordance with Public 18 19 Act 102-210, plus (iii) interest thereon at the actuarially assumed rate for each year, compounded annually, from the date 20 of service to the date of payment. 21

Notwithstanding the limitation in subsection (i), an investigator for the Department of Revenue, investigator for the Illinois Gaming Board, investigator for the Secretary of State, or arson investigator may elect to convert service credit earned under this Article to eligible creditable

service, as defined by this Section, by filing a written 1 2 election with the Board within 6 months after the effective date of this amendatory Act of the 102nd General Assembly and 3 paying to the System an amount to be determined by the Board 4 5 equal to (i) the difference between the amount of employee contributions originally paid for that service and the amounts 6 7 that would have been contributed had such contributions been 8 made at the rates applicable to investigators for the 9 Department of Revenue, investigators for the Illinois Gaming 10 Board, investigators for the Secretary of State, or arson 11 investigators, plus (ii) the difference between the employer's 12 normal cost of the credit prior to the conversion authorized by this amendatory Act of the 102nd General Assembly and the 13 employer's normal cost of the credit converted in accordance 14 15 with this amendatory Act of the 102nd General Assembly, plus 16 (iii) interest thereon at the actuarially assumed rate for 17 each year, compounded annually, from the date of service to the date of payment. 18

(i) The total amount of eligible creditable service established by any person under subsections (g), (h), (j), (k), (l), (l-5), and (o), and (q) of this Section shall not exceed 12 years.

(j) Subject to the limitation in subsection (i), an investigator for the Office of the State's Attorneys Appellate Prosecutor or a controlled substance inspector may elect to establish eligible creditable service for up to 10 years of

his service as a policeman under Article 3 or a sheriff's law 1 2 enforcement employee under Article 7, by filing a written 3 election with the Board, accompanied by payment of an amount to be determined by the Board, equal to (1) the difference 4 5 between the amount of employee and employer contributions transferred to the System under Section 3-110.6 or 7-139.8, 6 and the amounts that would have been contributed had such 7 8 contributions been made at the rates applicable to State 9 policemen, plus (2) interest thereon at the effective rate for 10 each year, compounded annually, from the date of service to 11 the date of payment.

12 (k) Subject to the limitation in subsection (i) of this Section, an alternative formula employee may elect 13 to establish eligible creditable service for periods spent as a 14 full-time law enforcement officer or full-time corrections 15 16 officer employed by the federal government or by a state or 17 local government located outside of Illinois, for which credit is not held in any other public employee pension fund or 18 19 retirement system. To obtain this credit, the applicant must 20 file a written application with the Board by March 31, 1998, accompanied by evidence of eligibility acceptable to the Board 21 22 and payment of an amount to be determined by the Board, equal 23 employee contributions for credit to (1)the being 24 established, based upon the applicant's salary on the first 25 day as an alternative formula employee after the employment 26 for which credit is being established and the rates then

applicable to alternative formula employees, plus (2) an amount determined by the Board to be the employer's normal cost of the benefits accrued for the credit being established, plus (3) regular interest on the amounts in items (1) and (2) from the first day as an alternative formula employee after the employment for which credit is being established to the date of payment.

8 Subject to the limitation in subsection (i), a (1) 9 security employee of the Department of Corrections may elect, 10 not later than July 1, 1998, to establish eligible creditable 11 service for up to 10 years of his or her service as a policeman 12 under Article 3, by filing a written election with the Board, 13 accompanied by payment of an amount to be determined by the Board, equal to (i) the difference between the amount of 14 15 employee and employer contributions transferred to the System 16 under Section 3-110.5, and the amounts that would have been 17 contributed had such contributions been made at the rates applicable to security employees of the Department of 18 Corrections, plus (ii) interest thereon at the effective rate 19 20 for each year, compounded annually, from the date of service 21 to the date of payment.

(1-5) Subject to the limitation in subsection (i) of this Section, a State policeman may elect to establish eligible creditable service for up to 5 years of service as a full-time law enforcement officer employed by the federal government or by a state or local government located outside of Illinois for

which credit is not held in any other public employee pension 1 2 fund or retirement system. To obtain this credit, the applicant must file a written application with the Board no 3 later than 3 years after January 1, 2020 (the effective date of 4 5 Public Act 101-610), accompanied by evidence of eligibility acceptable to the Board and payment of an amount to be 6 determined by the Board, equal to (1) employee contributions 7 8 for the credit being established, based upon the applicant's 9 salary on the first day as an alternative formula employee 10 after the employment for which credit is being established and 11 the rates then applicable to alternative formula employees, 12 plus (2) an amount determined by the Board to be the employer's 13 normal cost of the benefits accrued for the credit being 14 established, plus (3) regular interest on the amounts in items 15 (1) and (2) from the first day as an alternative formula 16 employee after the employment for which credit is being 17 established to the date of payment.

(m) The amendatory changes to this Section made by Public 18 19 Act 94-696 apply only to: (1) security employees of the 20 Department of Juvenile Justice employed by the Department of Corrections before June 1, 2006 (the effective date of Public 21 22 Act 94-696) and transferred to the Department of Juvenile 23 Justice by Public Act 94-696; and (2) persons employed by the Department of Juvenile Justice on or after June 1, 2006 (the 24 25 effective date of Public Act 94-696) who are required by subsection (b) of Section 3-2.5-15 of the Unified Code of 26

1 Corrections to have any bachelor's or advanced degree from an 2 accredited college or university or, in the case of persons 3 who provide vocational training, who are required to have 4 adequate knowledge in the skill for which they are providing 5 the vocational training.

(n) A person employed in a position under subsection (b) 6 7 of this Section who has purchased service credit under subsection (j) of Section 14-104 or subsection (b) of Section 8 9 14-105 in any other capacity under this Article may convert up 10 to 5 years of that service credit into service credit covered 11 under this Section by paying to the Fund an amount equal to (1) 12 the additional employee contribution required under Section 14-133, plus (2) the additional employer contribution required 13 under Section 14-131, plus (3) interest on items (1) and (2) at 14 15 the actuarially assumed rate from the date of the service to 16 the date of payment.

17 Subject to the limitation in subsection (i), a  $(\circ)$ conservation police officer, investigator for the Secretary of 18 State, Commerce Commission police officer, investigator for 19 20 the Department of Revenue or the Illinois Gaming Board, or arson investigator subject to subsection (g) of Section 1-160 21 22 may elect to convert up to 8 years of service credit 23 established before January 1, 2020 (the effective date of 101-610) as a conservation police officer, 24 Public Act 25 investigator for the Secretary of State, Commerce Commission 26 police officer, investigator for the Department of Revenue or

the Illinois Gaming Board, or arson investigator under this 1 2 Article into eligible creditable service by filing a written 3 election with the Board no later than one year after January 1, 2020 (the effective date of Public Act 101-610), accompanied 4 5 by payment of an amount to be determined by the Board equal to 6 the difference between the amount of the (i) employee 7 contributions actually paid for that service and the amount of 8 the employee contributions that would have been paid had the 9 employee contributions been made as a noncovered employee 10 serving in a position in which eligible creditable service, as 11 defined in this Section, may be earned, plus (ii) interest 12 thereon at the effective rate for each year, compounded annually, from the date of service to the date of payment. 13

14 (q) Subject to the limitation in subsection (i), a security employee of the Department of Human Services who is 15 16 subject to subsection (g) of Section 1-160 may elect to 17 convert up to 8 years of service credit established before the effective date of this amendatory Act of the 103rd General 18 19 Assembly as a security employee of the Department of Human 20 Services to eligible creditable service by filing a written election with the Board no later than 6 years after the 21 22 effective date of this amendatory Act of the 103rd General 23 Assembly, accompanied by payment of an amount, to be determined by the Board, equal to (i) the difference between 24 25 the amount of the employee contributions actually paid for that service and the amount of the employee contributions that 26

1 would have been paid had the employee contributions been made 2 as a covered employee serving in a position in which eligible 3 creditable service, as defined in this Section, may be earned, plus (ii) interest thereon at the effective rate for each 4 5 year, compounded annually, from the date of service to the 6 date of payment.

7 (Source: P.A. 101-610, eff. 1-1-20; 102-210, eff. 7-30-21; 102-538, eff. 8-20-21; 102-856, eff. 1-1-23.) 8

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

10 Sec. 14-110. Alternative retirement annuity.

11 (a) Any member who has withdrawn from service with not 12 less than 20 years of eligible creditable service and has 13 attained age 55, and any member who has withdrawn from service 14 with not less than 25 years of eligible creditable service and 15 has attained age 50, regardless of whether the attainment of 16 either of the specified ages occurs while the member is still in service, shall be entitled to receive at the option of the 17 18 member, in lieu of the regular or minimum retirement annuity, 19 a retirement annuity computed as follows:

(i) for periods of service as a noncovered employee: 20 21 if retirement occurs on or after January 1, 2001, 3% of 22 final average compensation for each year of creditable 23 service; if retirement occurs before January 1, 2001, 2 24 1/4% of final average compensation for each of the first 10 years of creditable service, 2 1/2% for each year above 25

10 years to and including 20 years of creditable service,
 and 2 3/4% for each year of creditable service above 20
 years; and

(ii) for periods of eligible creditable service as a 4 5 covered employee: if retirement occurs on or after January 1, 2001, 2.5% of final average compensation for each year 6 7 of creditable service; if retirement occurs before January 8 1, 2001, 1.67% of final average compensation for each of 9 the first 10 years of such service, 1.90% for each of the 10 next 10 years of such service, 2.10% for each year of such 11 service in excess of 20 but not exceeding 30, and 2.30% for 12 each year in excess of 30.

Such annuity shall be subject to a maximum of 75% of final average compensation if retirement occurs before January 1, 2001 or to a maximum of 80% of final average compensation if retirement occurs on or after January 1, 2001.

These rates shall not be applicable to any service performed by a member as a covered employee which is not eligible creditable service. Service as a covered employee which is not eligible creditable service shall be subject to the rates and provisions of Section 14-108.

(b) For the purpose of this Section, "eligible creditable service" means creditable service resulting from service in one or more of the following positions:

25

26

(1) State policeman;

(2) fire fighter in the fire protection service of a

1	department;
2	(3) air pilot;
3	(4) special agent;
4	(5) investigator for the Secretary of State;
5	(6) conservation police officer;
6	(7) investigator for the Department of Revenue or the
7	Illinois Gaming Board;
8	(8) security employee of the Department of Human
9	Services;
10	(9) Central Management Services security police
11	officer;
12	(10) security employee of the Department of
13	Corrections or the Department of Juvenile Justice;
14	(11) dangerous drugs investigator;
15	(12) investigator for the Illinois State Police;
16	(13) investigator for the Office of the Attorney
17	General;
18	(14) controlled substance inspector;
19	(15) investigator for the Office of the State's
20	Attorneys Appellate Prosecutor;
21	(16) Commerce Commission police officer;
22	(17) arson investigator;
23	(18) State highway maintenance worker;
24	(19) security employee of the Department of Innovation
25	and Technology; or
26	(20) transferred employee.

A person employed in one of the positions specified in 1 2 this subsection is entitled to eligible creditable service for 3 service credit earned under this Article while undergoing the basic police training course approved by the Illinois Law 4 5 Enforcement Training Standards Board, if completion of that training is required of persons serving in that position. For 6 7 the purposes of this Code, service during the required basic 8 police training course shall be deemed performance of the 9 duties of the specified position, even though the person is 10 not a sworn peace officer at the time of the training.

11 A person under paragraph (20) is entitled to eligible 12 creditable service for service credit earned under this 13 Article on and after his or her transfer by Executive Order No. 14 2003-10, Executive Order No. 2004-2, or Executive Order No. 15 2016-1.

16

(c) For the purposes of this Section:

17 (1) The term "State policeman" includes any title or
18 position in the Illinois State Police that is held by an
19 individual employed under the Illinois State Police Act.

20 (2) The term "fire fighter in the fire protection 21 service of a department" includes all officers in such 22 fire protection service including fire chiefs and 23 assistant fire chiefs.

(3) The term "air pilot" includes any employee whose
 official job description on file in the Department of
 Central Management Services, or in the department by which

1 he is employed if that department is not covered by the 2 Personnel Code, states that his principal duty is the 3 operation of aircraft, and who possesses a pilot's license; however, the change in this definition made by 4 Public Act 83-842 shall not operate to exclude 5 anv 6 noncovered employee who was an "air pilot" for the 7 purposes of this Section on January 1, 1984.

8 (4) The term "special agent" means any person who by 9 reason of employment by the Division of Narcotic Control, 10 the Bureau of Investigation or, after July 1, 1977, the 11 Division of Criminal Investigation, the Division of 12 Internal Investigation, the Division of Operations, the Division of Patrol Operations, or any other Division or 13 14 organizational entity in the Illinois State Police is 15 vested by law with duties to maintain public order, 16 investigate violations of the criminal law of this State, 17 enforce the laws of this State, make arrests and recover property. The term "special agent" includes any title or 18 19 position in the Illinois State Police that is held by an 20 individual employed under the Illinois State Police Act.

(5) The term "investigator for the Secretary of State"
means any person employed by the Office of the Secretary
of State and vested with such investigative duties as
render him ineligible for coverage under the Social
Security Act by reason of Sections 218(d)(5)(A),
218(d)(8)(D) and 218(1)(1) of that Act.

1 A person who became employed as an investigator for 2 the Secretary of State between January 1, 1967 and 3 December 31, 1975, and who has served as such until attainment of age 60, either continuously or with a single 4 5 break in service of not more than 3 years duration, which break terminated before January 1, 1976, shall be entitled 6 7 to have his retirement annuity calculated in accordance with subsection (a), notwithstanding that he has less than 8 9 20 years of credit for such service.

10 (6) The term "Conservation Police Officer" means any 11 person employed by the Division of Law Enforcement of the 12 Department of Natural Resources and vested with such law enforcement duties as render him ineligible for coverage 13 14 under the Social Security Act by reason of Sections 15 218(d)(5)(A), 218(d)(8)(D), and 218(1)(1) of that Act. The 16 term "Conservation Police Officer" includes the positions 17 of Chief Conservation Police Administrator and Assistant Conservation Police Administrator. 18

19 The term "investigator for the Department of (7)20 Revenue" means any person employed by the Department of 21 Revenue and vested with such investigative duties as 22 render him ineligible for coverage under the Social 23 Security Act by reason of Sections 218(d)(5)(A), 24 218(d)(8)(D) and 218(1)(1) of that Act.

25The term "investigator for the Illinois Gaming Board"26means any person employed as such by the Illinois Gaming

Board and vested with such peace officer duties as render the person ineligible for coverage under the Social Security Act by reason of Sections 218(d)(5)(A), 218(d)(8)(D), and 218(1)(1) of that Act.

5 (8) The term "security employee of the Department of 6 Human Services" means any person employed by the 7 Department of Human Services who (i) is employed at the 8 Chester Mental Health Center and has daily contact with 9 the residents thereof, (ii) is employed within a security unit at a facility operated by the Department and has 10 11 daily contact with the residents of the security unit, 12 (iii) is employed at a facility operated by the Department 13 that includes a security unit and is regularly scheduled 14 to work at least 50% of his or her working hours within 15 that security unit, or (iv) is a mental health police 16 officer. "Mental health police officer" means any person 17 employed by the Department of Human Services in a position pertaining to the Department's 18 mental health and 19 developmental disabilities functions who is vested with 20 such law enforcement duties as render the person 21 ineligible for coverage under the Social Security Act by 22 reason of Sections 218(d)(5)(A), 218(d)(8)(D) and 218(1)(1) of that Act. "Security unit" means that portion 23 24 of a facility that is devoted to the care, containment, 25 and treatment of persons committed to the Department of 26 Human Services as sexually violent persons, persons unfit

to stand trial, or persons not guilty by reason of insanity. With respect to past employment, references to the Department of Human Services include its predecessor, the Department of Mental Health and Developmental Disabilities.

6 The changes made to this subdivision (c)(8) by Public 7 Act 92-14 apply to persons who retire on or after January 8 1, 2001, notwithstanding Section 1-103.1.

9 (9) "Central Management Services security police 10 officer" means any person employed by the Department of 11 Central Management Services who is vested with such law 12 enforcement duties as render him ineligible for coverage 13 under the Social Security Act by reason of Sections 14 218(d)(5)(A), 218(d)(8)(D) and 218(l)(1) of that Act.

15 (10) For a member who first became an employee under 16 this Article before July 1, 2005, the term "security 17 Department of Corrections or employee of the the Department of Juvenile Justice" means any employee of the 18 19 Department of Corrections or the Department of Juvenile 20 Justice or the former Department of Personnel, and any 21 member or employee of the Prisoner Review Board, who has 22 daily contact with inmates or youth by working within a 23 correctional facility or Juvenile facility operated by the 24 Department of Juvenile Justice or who is a parole officer 25 or an employee who has direct contact with committed 26 persons in the performance of his or her job duties. For a

1 member who first becomes an employee under this Article on 2 or after July 1, 2005, the term means an employee of the 3 Department of Corrections or the Department of Juvenile Justice who is any of the following: (i) officially 4 5 headquartered at a correctional facility or Juvenile 6 facility operated by the Department of Juvenile Justice, 7 (ii) a parole officer, (iii) a member of the apprehension unit, (iv) a member of the intelligence unit, (v) a member 8 9 of the sort team, or (vi) an investigator.

(11) The term "dangerous drugs investigator" means any
 person who is employed as such by the Department of Human
 Services.

(12) The term "investigator for the Illinois State
Police" means a person employed by the Illinois State
Police who is vested under Section 4 of the Narcotic
Control Division Abolition Act with such law enforcement
powers as render him ineligible for coverage under the
Social Security Act by reason of Sections 218(d)(5)(A),
218(d)(8)(D) and 218(l)(1) of that Act.

(13) "Investigator for the Office of the Attorney
General" means any person who is employed as such by the
Office of the Attorney General and is vested with such
investigative duties as render him ineligible for coverage
under the Social Security Act by reason of Sections
218(d)(5)(A), 218(d)(8)(D) and 218(1)(1) of that Act. For
the period before January 1, 1989, the term includes all

persons who were employed as investigators by the Office of the Attorney General, without regard to social security status.

(14) "Controlled substance inspector" means any person 4 5 who is employed as such by the Department of Professional 6 Regulation and is vested with such law enforcement duties 7 as render him ineligible for coverage under the Social 8 by reason of Sections 218(d)(5)(A), Security Act 9 218(d)(8)(D) and 218(1)(1) of that Act. The term 10 "controlled substance inspector" includes the Program 11 Executive of Enforcement and the Assistant Program 12 Executive of Enforcement.

13 (15) The term "investigator for the Office of the 14 State's Attorneys Appellate Prosecutor" means a person 15 employed in that capacity on a full-time basis under the 16 authority of Section 7.06 of the State's Attorneys 17 Appellate Prosecutor's Act.

(16) "Commerce Commission police officer" means any
person employed by the Illinois Commerce Commission who is
vested with such law enforcement duties as render him
ineligible for coverage under the Social Security Act by
reason of Sections 218(d)(5)(A), 218(d)(8)(D), and
218(1)(1) of that Act.

(17) "Arson investigator" means any person who is
 employed as such by the Office of the State Fire Marshal
 and is vested with such law enforcement duties as render

the person ineligible for coverage under the Social 1 2 Security Act by reason of Sections 218(d)(5)(A), 3 218(d)(8)(D), and 218(1)(1) of that Act. A person who was employed as an arson investigator on January 1, 1995 and 4 5 is no longer in service but not yet receiving a retirement annuity may convert his or her creditable service for 6 7 employment as an arson investigator into eligible 8 creditable service by paying to the System the difference 9 between the employee contributions actually paid for that 10 service and the amounts that would have been contributed 11 if the applicant were contributing at the rate applicable 12 to persons with the same social security status earning 13 eligible creditable service on the date of application.

14 (18) The term "State highway maintenance worker" means
 15 a person who is either of the following:

16 (i) A person employed on a full-time basis by the 17 Illinois Department of Transportation in the position highway maintainer, highway maintenance 18 lead of 19 worker, highway maintenance lead/lead worker, heavy 20 construction equipment operator, power shovel 21 operator, or bridge mechanic; and whose principal 22 responsibility is to perform, on the roadway, the 23 actual maintenance necessary to keep the highways that 24 form a part of the State highway system in serviceable 25 condition for vehicular traffic.

(ii) A person employed on a full-time basis by the

26

Illinois State Toll Highway Authority in the position 1 2 of equipment operator/laborer H-4, equipment 3 operator/laborer H-6, welder H-4, welder н-б, mechanical/electrical H-4, mechanical/electrical H-6, 4 5 water/sewer H-4, water/sewer H-6, sign maker/hanger H-4, sign maker/hanger H-6, roadway lighting H-4, 6 7 roadway lighting H-6, structural H-4, structural H-6, painter H-4, or painter H-6; and whose principal 8 9 responsibility is to perform, on the roadway, the 10 actual maintenance necessary to keep the Authority's 11 tollways in serviceable condition for vehicular 12 traffic.

(19) The term "security employee of the Department of Innovation and Technology" means a person who was a security employee of the Department of Corrections or the Department of Juvenile Justice, was transferred to the Department of Innovation and Technology pursuant to Executive Order 2016-01, and continues to perform similar job functions under that Department.

20 (20) "Transferred employee" means an employee who was 21 transferred to the Department of Central Management 22 Services by Executive Order No. 2003-10 or Executive Order 23 No. 2004-2 or transferred to the Department of Innovation 24 and Technology by Executive Order No. 2016-1, or both, and 25 was entitled to eligible creditable service for services 26 immediately preceding the transfer. - 105 - LRB103 28796 RPS 55181 b

(d) A security employee of the Department of Corrections 1 2 or the Department of Juvenile Justice, a security employee of the Department of Human Services who is not a mental health 3 police officer, and a security employee of the Department of 4 5 Innovation and Technology shall not be eligible for the alternative retirement annuity provided by this Section unless 6 7 he or she meets the following minimum age and service 8 requirements at the time of retirement:

9 (i) 25 years of eligible creditable service and age 10 55; or

(ii) beginning January 1, 1987, 25 years of eligible creditable service and age 54, or 24 years of eligible creditable service and age 55; or

(iii) beginning January 1, 1988, 25 years of eligible
creditable service and age 53, or 23 years of eligible
creditable service and age 55; or

(iv) beginning January 1, 1989, 25 years of eligible
creditable service and age 52, or 22 years of eligible
creditable service and age 55; or

(v) beginning January 1, 1990, 25 years of eligible
creditable service and age 51, or 21 years of eligible
creditable service and age 55; or

(vi) beginning January 1, 1991, 25 years of eligible
creditable service and age 50, or 20 years of eligible
creditable service and age 55.

26 Persons who have service credit under Article 16 of this

Code for service as a security employee of the Department of 1 2 Corrections or the Department of Juvenile Justice, or the Services 3 Department of Human in a position requiring certification as a teacher may count such service toward 4 5 establishing their eligibility under the service requirements of this Section; but such service may be used only for 6 7 establishing such eligibility, and not for the purpose of 8 increasing or calculating any benefit.

9 (e) If a member enters military service while working in a 10 position in which eligible creditable service may be earned, 11 and returns to State service in the same or another such 12 position, and fulfills in all other respects the conditions 13 prescribed in this Article for credit for military service, such military service shall be credited as eligible creditable 14 15 service for the purposes of the retirement annuity prescribed 16 in this Section.

17 (f) For purposes of calculating retirement annuities under this Section, periods of service rendered after December 31, 18 19 1968 and before October 1, 1975 as a covered employee in the 20 position of special agent, conservation police officer, mental 21 health police officer, or investigator for the Secretary of 22 State, shall be deemed to have been service as a noncovered 23 employee, provided that the employee pays to the System prior to retirement an amount equal to (1) the difference between 24 25 the employee contributions that would have been required for 26 such service as a noncovered employee, and the amount of

employee contributions actually paid, plus (2) if payment is made after July 31, 1987, regular interest on the amount specified in item (1) from the date of service to the date of payment.

5 For purposes of calculating retirement annuities under this Section, periods of service rendered after December 31, 6 7 1968 and before January 1, 1982 as a covered employee in the 8 position of investigator for the Department of Revenue shall 9 be deemed to have been service as a noncovered employee, 10 provided that the employee pays to the System prior to 11 retirement an amount equal to (1) the difference between the 12 employee contributions that would have been required for such 13 service as a noncovered employee, and the amount of employee 14 contributions actually paid, plus (2) if payment is made after 15 January 1, 1990, regular interest on the amount specified in 16 item (1) from the date of service to the date of payment.

17 (g) A State policeman may elect, not later than January 1, 1990, to establish eligible creditable service for up to 10 18 years of his service as a policeman under Article 3, by filing 19 a written election with the Board, accompanied by payment of 20 21 an amount to be determined by the Board, equal to (i) the 22 difference between the amount of employee and employer 23 contributions transferred to the System under Section 3-110.5, and the amounts that would have been contributed had such 24 contributions been made at the rates applicable to State 25 26 policemen, plus (ii) interest thereon at the effective rate 1 for each year, compounded annually, from the date of service 2 to the date of payment.

Subject to the limitation in subsection (i), a State 3 policeman may elect, not later than July 1, 1993, to establish 4 5 eligible creditable service for up to 10 years of his service as a member of the County Police Department under Article 9, by 6 7 filing a written election with the Board, accompanied by 8 payment of an amount to be determined by the Board, equal to 9 (i) the difference between the amount of employee and employer 10 contributions transferred to the System under Section 9-121.10 11 and the amounts that would have been contributed had those 12 contributions been made at the rates applicable to State policemen, plus (ii) interest thereon at the effective rate 13 14 for each year, compounded annually, from the date of service 15 to the date of payment.

16 (h) Subject to the limitation in subsection (i), a State 17 policeman or investigator for the Secretary of State may elect to establish eligible creditable service for up to 12 years of 18 19 his service as a policeman under Article 5, by filing a written election with the Board on or before January 31, 1992, and 20 paying to the System by January 31, 1994 an amount to be 21 22 determined by the Board, equal to (i) the difference between 23 the amount of employee and employer contributions transferred to the System under Section 5-236, and the amounts that would 24 25 have been contributed had such contributions been made at the rates applicable to State policemen, plus (ii) interest 26

1

2

SB1518

thereon at the effective rate for each year, compounded annually, from the date of service to the date of payment.

Subject to the limitation in subsection (i), a State 3 policeman, conservation police officer, or investigator for 4 5 the Secretary of State may elect to establish eligible creditable service for up to 10 years of service as a sheriff's 6 7 law enforcement employee under Article 7, by filing a written election with the Board on or before January 31, 1993, and 8 9 paying to the System by January 31, 1994 an amount to be 10 determined by the Board, equal to (i) the difference between 11 the amount of employee and employer contributions transferred 12 to the System under Section 7-139.7, and the amounts that would have been contributed had such contributions been made 13 14 at the rates applicable to State policemen, plus (ii) interest 15 thereon at the effective rate for each year, compounded 16 annually, from the date of service to the date of payment.

17 Subject to the limitation in subsection (i), a State policeman, conservation police officer, or investigator for 18 19 the Secretary of State may elect to establish eligible 20 creditable service for up to 5 years of service as a police officer under Article 3, a policeman under Article 5, a 21 22 sheriff's law enforcement employee under Article 7, a member 23 of the county police department under Article 9, or a police officer under Article 15 by filing a written election with the 24 25 Board and paying to the System an amount to be determined by 26 the Board, equal to (i) the difference between the amount of

employee and employer contributions transferred to the System under Section 3-110.6, 5-236, 7-139.8, 9-121.10, or 15-134.4 and the amounts that would have been contributed had such contributions been made at the rates applicable to State policemen, plus (ii) interest thereon at the effective rate for each year, compounded annually, from the date of service to the date of payment.

8 the limitation in subsection (i), Subject to an 9 investigator for the Office of the Attorney General, or an 10 investigator for the Department of Revenue, may elect to 11 establish eligible creditable service for up to 5 years of 12 service as a police officer under Article 3, a policeman under Article 5, a sheriff's law enforcement employee under Article 13 14 7, or a member of the county police department under Article 9 15 by filing a written election with the Board within 6 months 16 after August 25, 2009 (the effective date of Public Act 17 96-745) and paying to the System an amount to be determined by the Board, equal to (i) the difference between the amount of 18 19 employee and employer contributions transferred to the System under Section 3-110.6, 5-236, 7-139.8, or 9-121.10 and the 20 have been contributed 21 amounts that would had such 22 contributions been made at the rates applicable to State 23 policemen, plus (ii) interest thereon at the actuarially 24 assumed rate for each year, compounded annually, from the date 25 of service to the date of payment.

26

Subject to the limitation in subsection (i), a State

policeman, conservation police officer, investigator for the 1 2 Office of the Attorney General, an investigator for the 3 Department of Revenue, or investigator for the Secretary of State may elect to establish eligible creditable service for 4 5 up to 5 years of service as a person employed by a participating municipality to perform police duties, or law 6 7 enforcement officer employed on a full-time basis by a forest 8 preserve district under Article 7, a county corrections 9 officer, or a court services officer under Article 9, by 10 filing a written election with the Board within 6 months after 11 August 25, 2009 (the effective date of Public Act 96-745) and 12 paying to the System an amount to be determined by the Board, 13 equal to (i) the difference between the amount of employee and 14 employer contributions transferred to the System under 15 Sections 7-139.8 and 9-121.10 and the amounts that would have 16 been contributed had such contributions been made at the rates 17 applicable to State policemen, plus (ii) interest thereon at the actuarially assumed rate for each year, compounded 18 19 annually, from the date of service to the date of payment.

Subject to the limitation in subsection (i), a State policeman, arson investigator, or Commerce Commission police officer may elect to establish eligible creditable service for up to 5 years of service as a person employed by a participating municipality to perform police duties under Article 7, a county corrections officer, a court services officer under Article 9, or a firefighter under Article 4 by

filing a written election with the Board within 6 months after 1 2 July 30, 2021 (the effective date of Public Act 102-210) and paying to the System an amount to be determined by the Board 3 equal to (i) the difference between the amount of employee and 4 5 employer contributions transferred to the System under Sections 4-108.8, 7-139.8, and 9-121.10 and the amounts that 6 would have been contributed had such contributions been made 7 8 at the rates applicable to State policemen, plus (ii) interest 9 thereon at the actuarially assumed rate for each year, 10 compounded annually, from the date of service to the date of 11 payment.

12 the limitation in subsection (i), Subject to а 13 conservation police officer may elect to establish eligible 14 creditable service for up to 5 years of service as a person 15 employed by a participating municipality to perform police duties under Article 7, a county corrections officer, or a 16 17 court services officer under Article 9 by filing a written election with the Board within 6 months after July 30, 2021 18 (the effective date of Public Act 102-210) and paying to the 19 20 System an amount to be determined by the Board equal to (i) the 21 difference between the amount of employee and employer 22 contributions transferred to the System under Sections 7-139.8 23 and 9-121.10 and the amounts that would have been contributed had such contributions been made at the rates applicable to 24 25 State policemen, plus (ii) interest thereon at the actuarially 26 assumed rate for each year, compounded annually, from the date

1 of service to the date of payment.

2 Notwithstanding the limitation in subsection (i), a State policeman or conservation police officer may elect to convert 3 service credit earned under this Article to eligible 4 5 creditable service, as defined by this Section, by filing a written election with the board within 6 months after July 30, 6 7 2021 (the effective date of Public Act 102-210) and paying to 8 the System an amount to be determined by the Board equal to (i) 9 the difference between the amount of employee contributions 10 originally paid for that service and the amounts that would 11 have been contributed had such contributions been made at the 12 rates applicable to State policemen, plus (ii) the difference between the employer's normal cost of the credit prior to the 13 conversion authorized by Public Act 102-210 and the employer's 14 15 normal cost of the credit converted in accordance with Public 16 Act 102-210, plus (iii) interest thereon at the actuarially 17 assumed rate for each year, compounded annually, from the date of service to the date of payment. 18

(i) The total amount of eligible creditable service established by any person under subsections (g), (h), (j), (k), (l), (l-5), (o), and (p), and (q) of this Section shall not exceed 12 years.

(j) Subject to the limitation in subsection (i), an investigator for the Office of the State's Attorneys Appellate Prosecutor or a controlled substance inspector may elect to establish eligible creditable service for up to 10 years of

his service as a policeman under Article 3 or a sheriff's law 1 2 enforcement employee under Article 7, by filing a written 3 election with the Board, accompanied by payment of an amount to be determined by the Board, equal to (1) the difference 4 5 between the amount of employee and employer contributions transferred to the System under Section 3-110.6 or 7-139.8, 6 and the amounts that would have been contributed had such 7 8 contributions been made at the rates applicable to State 9 policemen, plus (2) interest thereon at the effective rate for 10 each year, compounded annually, from the date of service to 11 the date of payment.

12 (k) Subject to the limitation in subsection (i) of this Section, an alternative formula employee may elect 13 to establish eligible creditable service for periods spent as a 14 full-time law enforcement officer or full-time corrections 15 16 officer employed by the federal government or by a state or 17 local government located outside of Illinois, for which credit is not held in any other public employee pension fund or 18 19 retirement system. To obtain this credit, the applicant must 20 file a written application with the Board by March 31, 1998, accompanied by evidence of eligibility acceptable to the Board 21 22 and payment of an amount to be determined by the Board, equal 23 employee contributions for credit to (1)the being 24 established, based upon the applicant's salary on the first 25 day as an alternative formula employee after the employment 26 for which credit is being established and the rates then

applicable to alternative formula employees, plus (2) an amount determined by the Board to be the employer's normal cost of the benefits accrued for the credit being established, plus (3) regular interest on the amounts in items (1) and (2) from the first day as an alternative formula employee after the employment for which credit is being established to the date of payment.

8 Subject to the limitation in subsection (i), a (1) 9 security employee of the Department of Corrections may elect, 10 not later than July 1, 1998, to establish eligible creditable 11 service for up to 10 years of his or her service as a policeman 12 under Article 3, by filing a written election with the Board, 13 accompanied by payment of an amount to be determined by the Board, equal to (i) the difference between the amount of 14 15 employee and employer contributions transferred to the System under Section 3-110.5, and the amounts that would have been 16 17 contributed had such contributions been made at the rates applicable to security employees of the Department of 18 Corrections, plus (ii) interest thereon at the effective rate 19 20 for each year, compounded annually, from the date of service 21 to the date of payment.

(1-5) Subject to the limitation in subsection (i) of this Section, a State policeman may elect to establish eligible creditable service for up to 5 years of service as a full-time law enforcement officer employed by the federal government or by a state or local government located outside of Illinois for

which credit is not held in any other public employee pension 1 2 fund or retirement system. To obtain this credit, the applicant must file a written application with the Board no 3 later than 3 years after January 1, 2020 (the effective date of 4 5 Public Act 101-610), accompanied by evidence of eligibility acceptable to the Board and payment of an amount to be 6 determined by the Board, equal to (1) employee contributions 7 8 for the credit being established, based upon the applicant's 9 salary on the first day as an alternative formula employee 10 after the employment for which credit is being established and 11 the rates then applicable to alternative formula employees, 12 plus (2) an amount determined by the Board to be the employer's 13 normal cost of the benefits accrued for the credit being 14 established, plus (3) regular interest on the amounts in items 15 (1) and (2) from the first day as an alternative formula 16 employee after the employment for which credit is being 17 established to the date of payment.

(m) The amendatory changes to this Section made by Public 18 19 Act 94-696 apply only to: (1) security employees of the 20 Department of Juvenile Justice employed by the Department of Corrections before June 1, 2006 (the effective date of Public 21 22 Act 94-696) and transferred to the Department of Juvenile 23 Justice by Public Act 94-696; and (2) persons employed by the Department of Juvenile Justice on or after June 1, 2006 (the 24 25 effective date of Public Act 94-696) who are required by subsection (b) of Section 3-2.5-15 of the Unified Code of 26

1 Corrections to have any bachelor's or advanced degree from an 2 accredited college or university or, in the case of persons 3 who provide vocational training, who are required to have 4 adequate knowledge in the skill for which they are providing 5 the vocational training.

(n) A person employed in a position under subsection (b) 6 7 of this Section who has purchased service credit under subsection (j) of Section 14-104 or subsection (b) of Section 8 9 14-105 in any other capacity under this Article may convert up 10 to 5 years of that service credit into service credit covered 11 under this Section by paying to the Fund an amount equal to (1) 12 the additional employee contribution required under Section 14-133, plus (2) the additional employer contribution required 13 under Section 14-131, plus (3) interest on items (1) and (2) at 14 15 the actuarially assumed rate from the date of the service to 16 the date of payment.

17 Subject to the limitation in subsection (i), a  $(\circ)$ conservation police officer, investigator for the Secretary of 18 State, Commerce Commission police officer, investigator for 19 20 the Department of Revenue or the Illinois Gaming Board, or arson investigator subject to subsection (g) of Section 1-160 21 22 may elect to convert up to 8 years of service credit 23 established before January 1, 2020 (the effective date of 101-610) as a conservation police officer, 24 Public Act 25 investigator for the Secretary of State, Commerce Commission 26 police officer, investigator for the Department of Revenue or

the Illinois Gaming Board, or arson investigator under this 1 2 Article into eligible creditable service by filing a written 3 election with the Board no later than one year after January 1, 2020 (the effective date of Public Act 101-610), accompanied 4 5 by payment of an amount to be determined by the Board equal to 6 (i) the difference between the amount of the employee 7 contributions actually paid for that service and the amount of 8 the employee contributions that would have been paid had the 9 employee contributions been made as a noncovered employee 10 serving in a position in which eligible creditable service, as 11 defined in this Section, may be earned, plus (ii) interest 12 thereon at the effective rate for each year, compounded annually, from the date of service to the date of payment. 13

14 (p) Subject to the limitation in subsection (i), an 15 investigator for the Office of the Attorney General subject to 16 subsection (g) of Section 1-160 may elect to convert up to 8 17 years of service credit established before the effective date of this amendatory Act of the 102nd General Assembly as an 18 investigator for the Office of the Attorney General under this 19 20 Article into eligible creditable service by filing a written election with the Board no later than one year after the 21 22 effective date of this amendatory Act of the 102nd General 23 Assembly, accompanied by payment of an amount to be determined 24 by the Board equal to (i) the difference between the amount of 25 the employee contributions actually paid for that service and 26 the amount of the employee contributions that would have been

paid had the employee contributions been made as a noncovered employee serving in a position in which eligible creditable service, as defined in this Section, may be earned, plus (ii) interest thereon at the effective rate for each year, compounded annually, from the date of service to the date of payment.

(q) Subject to the limitation in subsection (i), a 7 8 security employee of the Department of Human Services who is 9 subject to subsection (g) of Section 1-160 may elect to 10 convert up to 8 years of service credit established before the 11 effective date of this amendatory Act of the 103rd General 12 Assembly as a security employee of the Department of Human 13 Services to eligible creditable service by filing a written 14 election with the Board no later than 6 years after the effective date of this amendatory Act of the 103rd General 15 16 Assembly, accompanied by payment of an amount, to be 17 determined by the Board, equal to (i) the difference between the amount of the employee contributions actually paid for 18 19 that service and the amount of the employee contributions that 20 would have been paid had the employee contributions been made 21 as a covered employee serving in a position in which eligible 22 creditable service, as defined in this Section, may be earned, 23 plus (ii) interest thereon at the effective rate for each 24 year, compounded annually, from the date of service to the 25 date of payment.

26 (Source: P.A. 101-610, eff. 1-1-20; 102-210, eff. 7-30-21;

- 120 - LRB103 28796 RPS 55181 b

1 102-538, eff. 8-20-21; 102-956, eff. 5-27-22.)

2 (40 ILCS 5/14-152.1)

3 Sec. 14-152.1. Application and expiration of new benefit 4 increases.

5 (a) As used in this Section, "new benefit increase" means an increase in the amount of any benefit provided under this 6 7 Article, or an expansion of the conditions of eligibility for any benefit under this Article, that results from an amendment 8 to this Code that takes effect after June 1, 2005 (the 9 10 effective date of Public Act 94-4). "New benefit increase", 11 however, does not include any benefit increase resulting from 12 the changes made to Article 1 or this Article by Public Act 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 15 102-210, Public Act 102-856, Public Act 102-956, or this 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 any subsequent amendment to this Code, every new benefit increase is subject to this Section and shall be deemed to be granted only in conformance with and contingent upon compliance with the provisions of this Section.

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

1 increase in cost to the System as it accrues.

2 Every new benefit increase is contingent upon the General 3 Assembly providing the additional funding required under this subsection. The Commission on Government Forecasting and 4 5 Accountability shall analyze whether adequate additional funding has been provided for the new benefit increase and 6 7 shall report its analysis to the Public Pension Division of 8 the Department of Insurance. A new benefit increase created by 9 a Public Act that does not include the additional funding 10 required under this subsection is null and void. If the Public 11 Pension Division determines that the additional funding 12 provided for a new benefit increase under this subsection is or has become inadequate, it may so certify to the Governor and 13 14 the State Comptroller and, in the absence of corrective action 15 by the General Assembly, the new benefit increase shall expire 16 at the end of the fiscal year in which the certification is 17 made.

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

(e) Except as otherwise provided in the language creating
the new benefit increase, a new benefit increase that expires
under this Section continues to apply to persons who applied

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

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

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