

1 AN ACT in relation to 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 Section 7-144.3 as follows:

6 (40 ILCS 5/7-144.3) (from Ch. 108 1/2, par. 7-144.3)  
7 Sec. 7-144.3. Supplemental benefit payment.

8 (a) A supplemental benefit payment, consisting of a sum  
9 calculated as provided in subsection (c), shall be payable to  
10 each eligible retirement annuitant and surviving spouse  
11 annuitant on July 1, 1993, and on each subsequent July 1;  
12 except that if this Code is amended to change the  
13 un compounded annual increase in retirement annuity granted in  
14 subsection (c) of Section 7-142 to a compounded annual  
15 increase, no supplemental benefit shall be paid under this  
16 Section on any July 1 occurring on or after the effective  
17 date of that amendment. The amount of the supplemental  
18 benefit payment, and a person's eligibility to receive the  
19 supplemental benefit payment, shall be redetermined for each  
20 year in which the benefit is payable.

21 (b) To be eligible to receive a supplemental benefit  
22 payment, a person must be entitled to receive a retirement  
23 annuity or surviving spouse annuity from the Fund on the July  
24 1 supplemental benefit payment date, and must have been  
25 receiving that annuity during each of the 12 months  
26 immediately preceding that date; except that a surviving  
27 spouse annuitant whose surviving spouse annuity began less  
28 than one year before the July 1 supplemental benefit payment  
29 date shall be eligible if the deceased spouse received a  
30 retirement annuity from the Fund during the period from the  
31 previous July 1 until the start of the surviving spouse

1 annuity.

2 (c) The amount of the supplemental benefit payment shall  
3 be determined by the Board as follows:

4 (1) The total amount available for the payment of  
5 supplemental benefit payments under this Section in any  
6 year before the year 2004 shall be 0.62% of the last  
7 annual participating payroll for all participating  
8 municipalities and participating instrumentalities in the  
9 Fund, as determined and reconciled by the Fund. The  
10 total amount available for the payment of supplemental  
11 benefit payments under this Section in the year 2004 and  
12 in each year thereafter shall be 0.80% of the last annual  
13 participating payroll for all participating  
14 municipalities and participating instrumentalities in the  
15 Fund, as determined and reconciled by the Fund.

16 (2) The amount of the supplemental benefit payment  
17 to each eligible person shall be a portion of the total  
18 amount available under paragraph (1), equal to that  
19 portion of the total amount payable by the Fund to all  
20 eligible persons for retirement and surviving spouse  
21 annuities in the June preceding the July 1 supplemental  
22 benefit payment date, that is payable to the eligible  
23 person in that month.

24 (3) Notwithstanding paragraph (2), the amount of  
25 any supplemental benefit payment paid to an annuitant  
26 under this Section shall not exceed any benefit  
27 limitations established by the federal government for  
28 qualified public pension plans.

29 (Source: P.A. 87-850.)

30 Section 90. The State Mandates Act is amended by adding  
31 Section 8.27 as follows:

32 (30 ILCS 805/8.27 new)

1       Sec. 8.27. Exempt mandate. Notwithstanding Sections 6  
2       and 8 of this Act, no reimbursement by the State is required  
3       for the implementation of any mandate created by this  
4       amendatory Act of the 93rd General Assembly.

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