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LRB093 04336 LRD 43145 a

1 AMENDMENT TO HOUSE BILL 600

2 AMENDMENT NO. _____. Amend House Bill 600 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Illinois Pension Code is amended by
5 changing Sections 5-129.1, 5-132, 5-167.2, 5-167.4, 5-168,
6 6-111, 6-128, 6-128.2, 6-128.4, 6-142, 6-143, 6-151.1, 6-160,
7 6-164, 6-165, 6-210.1, 6-211, 6-222, 8-137, 8-150.1, 8-167,
8 8-172, 8-174, 8-174.1, 8-192, 11-134.1, 11-145.1, 11-163,
9 11-167, 11-170.1, 11-178, 11-181, 12-133, and 12-149 and adding
10 Sections 6-124.1, 6-141.2, 6-210.2, 6-210.3, 8-138.4, 8-138.5,
11 8-172.1, 11-133.3, 11-133.4, 12-133.6, and 12-133.7 as
12 follows:

13 (40 ILCS 5/5-129.1)

14 Sec. 5-129.1. Withdrawal at mandatory retirement age -
15 amount of annuity.

16 (a) In lieu of any annuity provided in the other provisions
17 of this Article, a policeman who is required to withdraw from
18 service on or after January 1, 2000 due to attainment of
19 mandatory retirement age and has at least 10 but less than 20
20 years of service credit may elect to receive an annuity equal
21 to 30% of average salary for the first 10 years of service plus
22 2% of average salary for each completed year of service or
23 fraction thereof in excess of 10, but not to exceed a maximum
24 of 48% of average salary.

1 (b) For the purpose of this Section, "average salary" means
2 the average of the highest 4 consecutive years of salary within
3 the last 10 years of service, or such shorter period as may be
4 used to calculate a minimum retirement annuity under Section
5 5-132.

6 (c) For the purpose of qualifying for the annual increases
7 provided in Section 5-167.1, a policeman whose retirement
8 annuity is calculated under this Section shall be deemed to
9 qualify for a minimum annuity.

10 (d) A policeman with less than 20 years of service credit
11 who was required to withdraw from service on or after January
12 1, 2000 but before June 28, 2002 due to attainment of mandatory
13 retirement age is also entitled to have his or her retirement
14 annuity calculated in accordance with this Section. If payment
15 of the annuity has already begun, the annuity shall be
16 recalculated. The resulting increase, if any, shall accrue from
17 the starting date of the annuity; the amount of the increase
18 relating to the period before the annuity is recalculated shall
19 be paid to the annuitant in a lump sum, without interest.

20 (Source: P.A. 92-599, eff. 6-28-02.)

21 (40 ILCS 5/5-132) (from Ch. 108 1/2, par. 5-132)

22 Sec. 5-132. Minimum annuity. Any policeman who withdraws on
23 or after July 8, 1957, or any policeman transferred to the
24 police service of the city under the Exchange of Functions Act
25 of 1957 who withdraws on or after July 17, 1959, after
26 completing at least 20 years of service, for whom the annuity
27 otherwise provided in this Article is less than that stated in
28 this Section has a right to receive annuity as follows:

29 (a) If he is age 55 or more on withdrawal, his annuity
30 after such withdrawal, shall be equal to 2% of the average
31 salary for 4 consecutive years of highest salaries within the
32 last 10 years of service before withdrawal, for each year of
33 service, together with 1/6 of 1% of such average salary for

1 each complete month of service of each fractional year, but not
2 in excess of 75% of the average annual salary.

3 (b) If he is age 50 or more but less than age 55 on
4 withdrawal, his annuity shall be equal to 2% of the average
5 salary for the 4 highest consecutive years of the last 10 years
6 of service for each year of service, together with 1/16 of 1%
7 of such average salary for each month of each fractional year
8 of service, reduced by 1/2 of 1% for each month that he is less
9 than age 55.

10 (c) If he is less than age 50 on withdrawal, he may, upon
11 attainment of age 50 or over, become entitled to the annuity
12 provided in this Section or, he may, upon application before
13 age 50, receive a refund of the deductions from salary, plus
14 interest at 1 1/2% per annum if he is entitled to refund under
15 Section 5-163.

16 (d) In lieu of the annuity provided in the foregoing
17 provisions of this Section 5-132 any policeman who withdraws
18 from the service after December 31, 1973, after having attained
19 age 53 in the service with 23 or more years of service credit
20 shall be entitled to an annuity computed as follows if such
21 annuity is greater than that provided in the foregoing
22 paragraphs of this Section 5-132: An annuity equal to 50% of
23 the average salary for the 4 highest consecutive years of the
24 last 10 years of service plus additional annuity equal to 2% of
25 such average salary for each completed year of service or
26 fraction thereof rendered after his attainment of age 53 and
27 the completion of 23 years of service.

28 Any policeman who has completed 23 years of service prior
29 to his attainment of age 53 in the service and continues in the
30 service until his attainment of age 53 shall have added to his
31 annuity, computed as provided in the immediately preceding
32 paragraph, an additional annuity equal to 1% of such average
33 salary for each completed year of service or fraction thereof
34 in excess of 23 years up to age 53.

1 (e) In lieu of the annuity provided in the foregoing
2 provisions of this Section any policeman who withdraws from the
3 service either (i) after December 31, 1983 with at least 22
4 years of service credit and having attained age 52 in the
5 service, or (ii) after December 31, 1984 with at least 21 years
6 of service credit and having attained age 51 in the service, or
7 (iii) after December 31, 1985 with at least 20 years of service
8 credit and having attained age 50 in the service, or (iv) after
9 December 31, 1990, with at least 20 years of service credit
10 regardless of age, shall be entitled to an annuity to begin not
11 earlier than upon attainment of age 50 if under such age at
12 withdrawal, computed as follows: an annuity equal to 50% of the
13 average salary for the 4 highest consecutive years of the last
14 10 years of service, plus additional annuity equal to 2% of
15 such average salary for each completed year of service or
16 fraction thereof rendered after his completion of the minimum
17 number of years of service required for him to be eligible
18 under this subsection (e). In lieu of any annuity provided in
19 the foregoing provisions of this Section, any policeman who
20 withdraws from the service after December 31, 2003, with at
21 least 20 years of service credit regardless of age, shall be
22 entitled to an annuity to begin not earlier than upon
23 attainment of age 50, if under that age at withdrawal, equal to
24 2.5% of the average salary for the 4 highest consecutive years
25 of the last 10 years of service for each completed year of
26 service or fraction thereof. However, the annuity provided
27 under this subsection (e) may not exceed 75% of such average
28 salary.

29 (f) A policeman withdrawing after September 1, 1969, may,
30 in addition, be entitled to the benefits provided by Section
31 5-167.1 of this Article if he so qualifies under that Section.

32 If, on withdrawal, total service is less than 20 years, the
33 policeman shall not be entitled to an annuity under this
34 Section but may receive an annuity under the other provisions

1 of this Article or, if entitled thereto under Section 5--163, a
2 refund of the deductions from salary, including, in the case of
3 policemen transferred to the police service of the city under
4 the Exchange of Functions Act of 1957, the additional
5 contribution paid on salary received from August 1, 1957, to
6 July 17, 1959, as provided in the Park Policemen's Annuity Act,
7 together with interest at 1 1/2% per annum.

8 Moneys voluntarily contributed under the Policemen's
9 Annuity and Benefit Fund Act of the Illinois Municipal Code, or
10 the Park Policemen's Annuity Act, shall be refunded to the
11 contributing policemen who were in service on January 1, 1954,
12 or in the case of policemen transferred to the police service
13 of the city under the Exchange of Functions Act of 1957, who
14 were in service on July 17, 1959.

15 The age and service annuity formula in this Section shall
16 not apply to any policeman who, having retired before July 8,
17 1957, or before July 17, 1959, in the case of a policeman
18 transferred under the provisions of the Exchange of Functions
19 Act of 1957, re-enters the police service after such dates,
20 whichever are applicable.

21 (Source: P.A. 86-1488.)

22 (40 ILCS 5/5-167.2) (from Ch. 108 1/2, par. 5-167.2)

23 Sec. 5-167.2. Retirement before September 1, 1967. A
24 retired policeman, qualifying for minimum annuity or who
25 retired from service with 20 or more years of service, before
26 September 1, 1967, shall, in January of the year following the
27 year he attains the age of 65, or in January of the year 1970,
28 if then more than 65 years of age, have his then fixed and
29 payable monthly annuity increased by an amount equal to 2% of
30 the original grant of annuity, for each year the policeman was
31 in receipt of annuity payments after the year in which he
32 attains, or did attain the age of 63. An additional 2% increase
33 in such then fixed and payable original granted annuity shall

1 accrue in each January thereafter. Beginning January 1, 1986,
2 the rate of such increase shall be 3% instead of 2%.

3 The provisions of the preceding paragraph of this Section
4 apply only to a retired policeman eligible for such increases
5 in his annuity who contributes to the Fund a sum equal to \$5
6 for each full year of credited service upon which his annuity
7 was computed. All such sums contributed shall be placed in a
8 Supplementary Payment Reserve and shall be used for the
9 purposes of such Fund account.

10 Beginning with the monthly annuity payment due in July,
11 1982, the fixed and granted monthly annuity payment for any
12 policeman who retired from the service, before September 1,
13 1976, at age 50 or over with 20 or more years of service and
14 entitled to an annuity on January 1, 1974, shall be not less
15 than \$400. It is the intent of the General Assembly that the
16 change made in this Section by this amendatory Act of 1982
17 shall apply retroactively to July 1, 1982.

18 Beginning with the monthly annuity payment due on January
19 1, 1986, the fixed and granted monthly annuity payment for any
20 policeman who retired from the service before January 1, 1986,
21 at age 50 or over with 20 or more years of service, or any
22 policeman who retired from service due to termination of
23 disability and who is entitled to an annuity on January 1,
24 1986, shall be not less than \$475.

25 Beginning with the monthly annuity payment due on January
26 1, 1992, the fixed and granted monthly annuity payment for any
27 policeman who retired from the service before January 1, 1992,
28 at age 50 or over with 20 or more years of service, and for any
29 policeman who retired from service due to termination of
30 disability and who is entitled to an annuity on January 1,
31 1992, shall be not less than \$650.

32 Beginning with the monthly annuity payment due on January
33 1, 1993, the fixed and granted monthly annuity payment for any
34 policeman who retired from the service before January 1, 1993,

1 at age 50 or over with 20 or more years of service, and for any
2 policeman who retired from service due to termination of
3 disability and who is entitled to an annuity on January 1,
4 1993, shall be not less than \$750.

5 Beginning with the monthly annuity payment due on January
6 1, 1994, the fixed and granted monthly annuity payment for any
7 policeman who retired from the service before January 1, 1994,
8 at age 50 or over with 20 or more years of service, and for any
9 policeman who retired from service due to termination of
10 disability and who is entitled to an annuity on January 1,
11 1994, shall be not less than \$850.

12 Beginning with the monthly annuity payment due on January
13 1, 2004, the fixed and granted monthly annuity payment for any
14 policeman who retired from the service before January 1, 2004,
15 at age 50 or over with 20 or more years of service, and for any
16 policeman who retired from service due to termination of
17 disability and who is entitled to an annuity on January 1,
18 2004, shall be not less than \$950.

19 Beginning with the monthly annuity payment due on January
20 1, 2005, the fixed and granted monthly annuity payment for any
21 policeman who retired from the service before January 1, 2005,
22 at age 50 or over with 20 or more years of service, and for any
23 policeman who retired from service due to termination of
24 disability and who is entitled to an annuity on January 1,
25 2005, shall be not less than \$1,050.

26 The difference in amount between the original fixed and
27 granted monthly annuity of any such policeman on the date of
28 his retirement from the service and the monthly annuity
29 provided for in the immediately preceding paragraph shall be
30 paid as a supplement in the manner set forth in the immediately
31 following paragraph.

32 To defray the annual cost of the increases indicated in the
33 preceding part of this Section, the annual interest income
34 accruing from investments held by this Fund, exclusive of gains

1 or losses on sales or exchanges of assets during the year, over
2 and above 4% a year shall be used to the extent necessary and
3 available to finance the cost of such increases for the
4 following year and such amount shall be transferred as of the
5 end of each year beginning with the year 1969 to a Fund account
6 designated as the Supplementary Payment Reserve from the
7 Interest and Investment Reserve set forth in Section 5-207.

8 In the event the funds in the Supplementary Payment Reserve
9 in any year arising from: (1) the interest income accruing in
10 the preceding year above 4% a year and (2) the contributions by
11 retired persons are insufficient to make the total payments to
12 all persons entitled to the annuity specified in this Section
13 and (3) any interest earnings over 4% a year beginning with the
14 year 1969 which were not previously used to finance such
15 increases and which were transferred to the Prior Service
16 Annuity Reserve, may be used to the extent necessary and
17 available to provide sufficient funds to finance such increases
18 for the current year and such sums shall be transferred from
19 the Prior Service Annuity Reserve. In the event the total money
20 available in the Supplementary Payment Reserve from such
21 sources are insufficient to make the total payments to all
22 persons entitled to such increases for the year, a
23 proportionate amount computed as the ratio of the money
24 available to the total of the total payments specified for that
25 year shall be paid to each person for that year.

26 The Fund shall be obligated for the payment of the
27 increases in annuity as provided for in this Section only to
28 the extent that the assets for such purpose are available.

29 (Source: P.A. 91-357, eff. 7-29-99.)

30 (40 ILCS 5/5-167.4) (from Ch. 108 1/2, par. 5-167.4)

31 Sec. 5-167.4. Widow annuitant minimum annuity.

32 (a) Notwithstanding any other provision of this Article,
33 beginning January 1, 1996, the minimum amount of widow's

1 annuity payable to any person who is entitled to receive a
2 widow's annuity under this Article is \$700 per month, without
3 regard to whether the deceased policeman is in service on or
4 after the effective date of this amendatory Act of 1995.

5 Notwithstanding any other provision of this Article,
6 beginning January 1, 1999, the minimum amount of widow's
7 annuity payable to any person who is entitled to receive a
8 widow's annuity under this Article is \$800 per month, without
9 regard to whether the deceased policeman is in service on or
10 after the effective date of this amendatory Act of 1998.

11 Notwithstanding any other provision of this Article,
12 beginning January 1, 2004, the minimum amount of widow's
13 annuity payable to any person who is entitled to receive a
14 widow's annuity under this Article is \$900 per month, without
15 regard to whether the deceased policeman is in service on or
16 after the effective date of this amendatory Act of the 93rd
17 General Assembly.

18 Notwithstanding any other provision of this Article,
19 beginning January 1, 2005, the minimum amount of widow's
20 annuity payable to any person who is entitled to receive a
21 widow's annuity under this Article is \$1,000 per month, without
22 regard to whether the deceased policeman is in service on or
23 after the effective date of this amendatory Act of the 93rd
24 General Assembly.

25 (b) Effective January 1, 1994, the minimum amount of
26 widow's annuity shall be \$700 per month for the following
27 classes of widows, without regard to whether the deceased
28 policeman is in service on or after the effective date of this
29 amendatory Act of 1993: (1) the widow of a policeman who dies
30 in service with at least 10 years of service credit, or who
31 dies in service after June 30, 1981; and (2) the widow of a
32 policeman who withdraws from service with 20 or more years of
33 service credit and does not withdraw a refund, provided that
34 the widow is married to the policeman before he withdraws from

1 service.

2 (c) The city, in addition to the contributions otherwise
3 made by it under the other provisions of this Article, shall
4 make such contributions as are necessary for the minimum
5 widow's annuities provided under this Section in the manner
6 prescribed in Section 5-175.

7 (Source: P.A. 89-12, eff. 4-20-95; 90-766, eff. 8-14-98.)

8 (40 ILCS 5/5-168) (from Ch. 108 1/2, par. 5-168)
9 Sec. 5-168. Financing.

10 (a) Except as expressly provided in this Section, the city
11 shall levy a tax annually upon all taxable property therein for
12 the purpose of providing revenue for the fund.

13 The tax shall be at a rate that will produce a sum which,
14 when added to the amounts deducted from the policemen's
15 salaries and the amounts deposited in accordance with
16 subsection (g), is sufficient for the purposes of the fund.

17 For the years 1968 and 1969, the city council shall levy a
18 tax annually at a rate on the dollar of the assessed valuation
19 of all taxable property that will produce, when extended, not
20 to exceed \$9,700,000. Beginning with the year 1970 and each
21 year thereafter the city council shall levy a tax annually at a
22 rate on the dollar of the assessed valuation of all taxable
23 property that will produce when extended an amount not to
24 exceed the total amount of contributions by the policemen to
25 the Fund made in the calendar year 2 years before the year for
26 which the applicable annual tax is levied, multiplied by 1.40
27 for the tax levy year 1970; by 1.50 for the year 1971; by 1.65
28 for 1972; by 1.85 for 1973; by 1.90 for 1974; by 1.97 for 1975
29 through 1981; by 2.00 for 1982 and for each year thereafter.

30 (b) The tax shall be levied and collected in like manner
31 with the general taxes of the city, and is in addition to all
32 other taxes which the city is now or may hereafter be
33 authorized to levy upon all taxable property therein, and is

1 exclusive of and in addition to the amount of tax the city is
2 now or may hereafter be authorized to levy for general purposes
3 under any law which may limit the amount of tax which the city
4 may levy for general purposes. The county clerk of the county
5 in which the city is located, in reducing tax levies under
6 Section 8-3-1 of the Illinois Municipal Code, shall not
7 consider the tax herein authorized as a part of the general tax
8 levy for city purposes, and shall not include the tax in any
9 limitation of the percent of the assessed valuation upon which
10 taxes are required to be extended for the city.

11 (c) On or before January 10 of each year, the board shall
12 notify the city council of the requirement that the tax herein
13 authorized be levied by the city council for that current year.
14 The board shall compute the amounts necessary for the purposes
15 of this fund to be credited to the reserves established and
16 maintained within the fund; shall make an annual determination
17 of the amount of the required city contributions; and shall
18 certify the results thereof to the city council.

19 As soon as any revenue derived from the tax is collected it
20 shall be paid to the city treasurer of the city and shall be
21 held by him for the benefit of the fund in accordance with this
22 Article.

23 (d) If the funds available are insufficient during any year
24 to meet the requirements of this Article, the city may issue
25 tax anticipation warrants against the tax levy for the current
26 fiscal year.

27 (e) The various sums, including interest, to be contributed
28 by the city, shall be taken from the revenue derived from such
29 tax or otherwise as expressly provided in this Section. Any
30 moneys of the city derived from any source other than the tax
31 herein authorized shall not be used for any purpose of the fund
32 nor the cost of administration thereof, unless applied to make
33 the deposit expressly authorized in this Section or the
34 additional city contributions required under subsection (h).

1 (f) If it is not possible or practicable for the city to
2 make its contributions at the time that salary deductions are
3 made, the city shall make such contributions as soon as
4 possible thereafter, with interest thereon to the time it is
5 made.

6 (g) In lieu of levying all or a portion of the tax required
7 under this Section in any year, the city may deposit with the
8 city treasurer no later than March 1 of that year for the
9 benefit of the fund, to be held in accordance with this
10 Article, an amount that, together with the taxes levied under
11 this Section for that year, is not less than the amount of the
12 city contributions for that year as certified by the board to
13 the city council. The deposit may be derived from any source
14 legally available for that purpose, including, but not limited
15 to, the proceeds of city borrowings. The making of a deposit
16 shall satisfy fully the requirements of this Section for that
17 year to the extent of the amounts so deposited. Amounts
18 deposited under this subsection may be used by the fund for any
19 of the purposes for which the proceeds of the tax levied under
20 this Section may be used, including the payment of any amount
21 that is otherwise required by this Article to be paid from the
22 proceeds of that tax.

23 (h) In addition to the contributions required under the
24 other provisions of this Article, by November 1 of the
25 following specified years, the city shall deposit with the city
26 treasurer for the benefit of the fund, to be held and used in
27 accordance with this Article, the following specified amounts:
28 \$6,300,000 in 1999; \$5,880,000 in 2000; \$5,460,000 in 2001;
29 \$5,040,000 in 2002; and \$4,620,000 in 2003; ~~\$4,200,000 in 2004;~~
30 ~~\$3,780,000 in 2005; \$3,360,000 in 2006; \$2,940,000 in 2007;~~
31 ~~\$2,520,000 in 2008; \$2,100,000 in 2009; \$1,680,000 in 2010;~~
32 ~~\$1,260,000 in 2011; \$840,000 in 2012; and \$420,000 in 2013.~~

33 The additional city contributions required under this
34 subsection are intended to decrease the unfunded liability of

1 the fund and shall not decrease the amount of the city
2 contributions required under the other provisions of this
3 Article. The additional city contributions made under this
4 subsection may be used by the fund for any of its lawful
5 purposes.

6 (Source: P.A. 89-12, eff. 4-20-95; 90-766, eff. 8-14-98.)

7 (40 ILCS 5/6-111) (from Ch. 108 1/2, par. 6-111)

8 Sec. 6-111. Salary. "Salary": Subject to Section 6-211, the
9 annual salary of a fireman, as follows:

10 (a) For age and service annuity, minimum annuity, and
11 disability benefits, the actual amount of the annual salary,
12 except as otherwise provided in this Article.

13 (b) For prior service annuity, widow's annuity, widow's
14 prior service annuity and child's annuity to and including
15 August 31, 1957, the amount of the annual salary up to a
16 maximum of \$3,000.

17 (c) Except as otherwise provided in Section 6-141.1, for
18 widow's annuity, beginning September 1, 1957, the amount of
19 annual salary up to a maximum of \$6,000.

20 (d) "Salary" means the actual amount of the annual salary
21 attached to the permanent career service rank held by the
22 fireman, except as provided in subsection (e).

23 (e) In the case of a fireman who holds an exempt position
24 above career service rank:

25 (1) For the purpose of computing employee and city
26 contributions, "salary" means the actual salary attached
27 to the exempt rank position held by the fireman.

28 (2) For the purpose of computing benefits: "salary"
29 means the actual salary attached to the exempt rank
30 position held by the fireman, if (i) the contributions
31 specified in Section 6-211 have been made, (ii) the fireman
32 has held one or more exempt positions for at least 5
33 consecutive years and has held the rank of battalion chief

1 or field officer for at least 5 years during the exempt
2 period, and (iii) the fireman was born before 1955;
3 otherwise, "salary" means the salary attached to the
4 permanent career service rank held by the fireman, as
5 provided in subsection (d).

6 (f) Beginning on the effective date of this amendatory Act
7 of the 93rd General Assembly, and for any prior periods for
8 which contributions have been paid under subsection (g) of this
9 Section, all salary payments made to any active or former
10 fireman who holds or previously held the permanent assigned
11 position or classified career service rank, grade, or position
12 of ambulance commander shall be included as salary for all
13 purposes under this Article.

14 (g) Any active or former fireman who held the permanent
15 assigned position or classified career service rank, grade, or
16 position of ambulance commander may elect to have the full
17 amount of the salary attached to that permanent assigned
18 position or classified career service rank, grade, or position
19 included in the calculation of his or her salary for any period
20 during which the fireman held the permanent assigned position
21 or classified career service rank, grade, or position of
22 ambulance commander by applying in writing and making all
23 employee and employer contributions, without interest, related
24 to the actual salary payments corresponding to the permanent
25 assigned position or classified career service rank, grade, or
26 position of ambulance commander for all periods beginning on or
27 after January 1, 1995. All applicable contributions must be
28 paid in full to the Fund before January 1, 2006 before the
29 payment of any benefit under this subsection (g) will made
30 made.

31 Any former fireman or widow of a fireman who (i) held the
32 permanent assigned position or classified career service rank,
33 grade, or position of ambulance commander, (ii) is in receipt
34 of annuity on the effective date of this amendatory Act of the

1 93rd General Assembly, and (iii) pays to the Fund contributions
2 under this subsection (g) for salary payments at the permanent
3 assigned position or classified career service rank, grade, or
4 position of ambulance commander shall have his or her annuity
5 recalculated to reflect the ambulance commander salary and the
6 resulting increase shall become payable on the next annuity
7 payment date following the date the contribution is received by
8 the Fund.

9 In the case of an active or former fireman who (i) dies
10 before January 1, 2006 without making an election under this
11 subsection and (ii) was eligible to make an election under this
12 subsection at the time of death (or would have been eligible
13 had the death occurred after the effective date of this
14 amendatory Act), any surviving spouse, child, or parent of the
15 fireman who is eligible to receive a benefit under this Article
16 based on the fireman's salary may make that election and pay
17 the required contributions on behalf of the deceased fireman.
18 If the death occurs within the 30 days immediately preceding
19 January 1, 2006, the deadline for application and payment is
20 extended to January 31, 2006.

21 Any portion of the compensation received for service as an
22 ambulance commander for which the corresponding contributions
23 have not been paid shall not be included in the calculation of
24 salary.

25 (h) Beginning January 1, 1999, with respect to a fireman
26 who is licensed by the State as an Emergency Medical
27 Technician, references in this Article to the fireman's salary
28 or the salary attached to or appropriated for the permanent
29 assigned position or classified career service rank, grade, or
30 position of the fireman shall be deemed to include any
31 additional compensation payable to the fireman by virtue of
32 being licensed as an Emergency Medical Technician, as provided
33 under a collective bargaining agreement with the city.

34 (i) Beginning on the effective date of this amendatory Act

1 of the 93rd General Assembly (and for any period prior to that
2 date for which contributions have been paid under subsection
3 (j) of this Section), the salary of a fireman, as calculated
4 for any purpose under this Article, shall include any duty
5 availability pay received by the fireman (i) pursuant to a
6 collective bargaining agreement or (ii) pursuant to an
7 appropriation ordinance in an amount equivalent to the amount
8 of duty availability pay received by other firemen pursuant to
9 a collective bargaining agreement, and references in this
10 Article to the salary attached to or appropriated for the
11 permanent assigned position or classified career service rank,
12 grade, or position of the fireman shall be deemed to include
13 that duty availability pay.

14 (j) An active or former fireman who received duty
15 availability pay at any time after December 31, 1994 and before
16 the effective date of this amendatory Act of the 93rd General
17 Assembly and who either (1) retired during that period or (2)
18 had attained age 46 and at least 16 years of service by the
19 effective date of this amendatory Act may elect to have that
20 duty availability pay included in the calculation of his or her
21 salary for any portion of that period for which the pay was
22 received, by applying in writing and paying to the Fund, before
23 January 1, 2006, the corresponding employee contribution,
24 without interest.

25 In the case of an applicant who is receiving an annuity at
26 the time the application and contribution are received by the
27 Fund, the annuity shall be recalculated and the resulting
28 increase shall become payable on the next annuity payment date
29 following the date the contribution is received by the Fund.

30 In the case of an active or former fireman who (i) dies
31 before January 1, 2006 without making an election under this
32 subsection and (ii) was eligible to make an election under this
33 subsection at the time of death (or would have been eligible
34 had the death occurred after the effective date of this

1 amendatory Act), any surviving spouse, child, or parent of the
2 fireman who is eligible to receive a benefit under this Article
3 based on the fireman's salary may make that election and pay
4 the required contribution on behalf of the deceased fireman. If
5 the death occurs within the 30 days immediately preceding
6 January 1, 2006, the deadline for application and payment is
7 extended to January 31, 2006.

8 Any duty availability pay for which the corresponding
9 employee contribution has not been paid shall not be included
10 in the calculation of salary.

11 (k) The changes to this Section made by this amendatory Act
12 of the 93rd General Assembly are not limited to firemen in
13 service on or after the effective date of this amendatory Act.

14 (Source: P.A. 83-1362.)

15 (40 ILCS 5/6-124.1 new)

16 Sec. 6-124.1. Withdrawal at compulsory retirement age -
17 amount of annuity.

18 (a) In lieu of any annuity provided in the other provisions
19 of this Article, a fireman who is required to withdraw from
20 service due to attainment of compulsory retirement age and has
21 at least 10 but less than 20 years of service credit may elect
22 to receive an annuity equal to 30% of average salary for the
23 first 10 years of service plus 2% of average salary for each
24 completed year of service or remaining fraction thereof in
25 excess of 10, but not to exceed a maximum of 50% of average
26 salary.

27 (b) For the purpose of this Section, "average salary" means
28 the average of the fireman's highest 4 consecutive years of
29 salary within the last 10 years of service.

30 (c) For the purpose of qualifying for the annual increases
31 provided in Section 6-164, a fireman whose retirement annuity
32 is calculated under this Section shall be deemed to qualify for
33 a minimum annuity.

1 (40 ILCS 5/6-128) (from Ch. 108 1/2, par. 6-128)

2 Sec. 6-128. (a) A future entrant who withdraws on or after
3 July 21, 1959, after completing at least 23 years of service,
4 and for whom the annuity otherwise provided in this Article is
5 less than that stated in this Section, has a right to receive
6 annuity as follows:

7 If he is age 53 or more on withdrawal, his annuity after
8 withdrawal, shall be equal to 50% of his average salary
9 ~~determined by striking an average of 4 consecutive highest~~
10 ~~years of salary within the last 10 years of service immediately~~
11 ~~preceding the date of withdrawal.~~

12 An employee who reaches compulsory retirement age and who
13 has less than 23 years of service shall be entitled to a
14 minimum annuity equal to an amount determined by the product of
15 (1) his years of service and (2) 2% of his average salary ~~for~~
16 ~~the 4 consecutive highest years of salary within the last 10~~
17 ~~years of service immediately prior to his reaching compulsory~~
18 ~~retirement age.~~

19 An employee who remains in service after qualifying for
20 annuity under this Section shall have added to this annuity an
21 additional 1% of average salary for each completed year of
22 service or fraction thereof rendered until July 21, 1959, and
23 an additional 1% for a total of 2% of average salary from July
24 21, 1959. Each future entrant who has completed 23 years of
25 service before reaching age 53 shall have added to this annuity
26 1% of average salary for each completed year of service or
27 fraction thereof in excess of 23 years up to age 53. ~~"Salary"~~
28 ~~as referred to in this paragraph shall be determined by~~
29 ~~striking an average of the 4 consecutive highest years of~~
30 ~~salary within the last 10 years of service immediately~~
31 ~~preceding withdrawal.~~

32 (b) In lieu of the annuity provided in the foregoing
33 provisions of this Section any future entrant who withdraws

1 from the service either (i) after December 31, 1983 with at
2 least 22 years of service credit and having attained age 52 in
3 the service, or (ii) after December 31, 1984 with at least 21
4 years of service credit and having attained age 51 in the
5 service, or (iii) after December 31, 1985 with at least 20
6 years of service credit and having attained age 50 in the
7 service, or (iv) after December 31, 1990 with at least 20 years
8 of service regardless of age, may elect to receive an annuity,
9 to begin not earlier than upon attainment of age 50 if under
10 that age at withdrawal, computed as follows: an annuity equal
11 to 50% of ~~the~~ average salary ~~for the 4 highest consecutive~~
12 ~~years of the last 10 years of service~~, plus additional annuity
13 equal to 2% of ~~such~~ average salary for each completed year of
14 service or fraction thereof rendered after his completion of
15 the minimum number of years of service required for him to be
16 eligible under this subsection (b). However, the annuity
17 provided under this subsection (b) may not exceed 75% of ~~such~~
18 average salary.

19 (c) In lieu of the annuity provided in any other provision
20 of this Section, a future entrant who withdraws from service
21 after the effective date of this amendatory Act of the 93rd
22 General Assembly with at least 20 years of service may elect to
23 receive an annuity, to begin no earlier than upon attainment of
24 age 50 if under that age at withdrawal, equal to 50% of average
25 salary plus 2.5% of average salary for each completed year of
26 service or fraction thereof over 20, but not to exceed 75% of
27 average salary.

28 (d) For the purpose of this Section, "average salary" means
29 the average of the highest 4 consecutive years of salary within
30 the last 10 years of service.

31 (Source: P.A. 86-1488.)

32 (40 ILCS 5/6-128.2) (from Ch. 108 1/2, par. 6-128.2)

33 Sec. 6-128.2. Minimum retirement annuities.

1 (a) Beginning with the monthly payment due in January,
2 1988, the monthly annuity payment for any person who is
3 entitled to receive a retirement annuity under this Article in
4 January, 1990 and has retired from service at age 50 or over
5 with 20 or more years of service, and for any person who
6 retires from service on or after January 24, 1990 at age 50 or
7 over with 20 or more years of service, shall not be less than
8 \$475 per month. The \$475 minimum annuity is exclusive of any
9 automatic annual increases provided by Sections 6-164 and
10 6-164.1, but not exclusive of previous raises in the minimum
11 annuity as provided by any Section of this Article.

12 Beginning January 1, 1992, the minimum retirement annuity
13 payable to any person who has retired from service at age 50 or
14 over with 20 or more years of service and is entitled to
15 receive a retirement annuity under this Article on that date,
16 or who retires from service at age 50 or over with 20 or more
17 years of service after that date, shall be \$650 per month.

18 Beginning January 1, 1993, the minimum retirement annuity
19 payable to any person who has retired from service at age 50 or
20 over with 20 or more years of service and is entitled to
21 receive a retirement annuity under this Article on that date,
22 or who retires from service at age 50 or over with 20 or more
23 years of service after that date, shall be \$750 per month.

24 Beginning January 1, 1994, the minimum retirement annuity
25 payable to any person who has retired from service at age 50 or
26 over with 20 or more years of service and is entitled to
27 receive a retirement annuity under this Article on that date,
28 or who retires from service at age 50 or over with 20 or more
29 years of service after that date, shall be \$850 per month.

30 Beginning January 1, 2004, the minimum retirement annuity
31 payable to any person who has retired from service at age 50 or
32 over with 20 or more years of service and is entitled to
33 receive a retirement annuity under this Article on that date,
34 or who retires from service at age 50 or over with 20 or more

1 years of service after that date, shall be \$950 per month.

2 Beginning January 1, 2005, the minimum retirement annuity
3 payable to any person who has retired from service at age 50 or
4 over with 20 or more years of service and is entitled to
5 receive a retirement annuity under this Article on that date,
6 or who retires from service at age 50 or over with 20 or more
7 years of service after that date, shall be \$1,050 per month.

8 The minimum annuities established by this subsection (a) do
9 include previous raises in the minimum annuity as provided by
10 any Section of this Article, but do not include any sums which
11 have been added or will be added to annuity payments by the
12 automatic annual increases provided by Sections 6-164 and
13 6-164.1. Such annual increases shall be paid in addition to the
14 minimum amounts specified in this subsection.

15 (b) Notwithstanding any other provision of this Article,
16 beginning January 1, 1990, the minimum retirement annuity
17 payable to any person who is entitled to receive a retirement
18 annuity under this Article on that date shall be \$475 per
19 month.

20 (c) The changes made to this Section by this amendatory Act
21 of the 93rd General Assembly shall apply to all persons
22 receiving a retirement annuity under this Article, without
23 regard to whether the retirement of the fireman occurred prior
24 to the effective date of this amendatory Act ~~of 1993~~.

25 (Source: P.A. 86-273; 86-1027; 86-1028; 86-1475; 87-849;
26 87-1265.)

27 (40 ILCS 5/6-128.4) (from Ch. 108 1/2, par. 6-128.4)

28 Sec. 6-128.4. Minimum widow's annuities.

29 (a) Notwithstanding any other provision of this Article,
30 beginning January 1, 1996, the minimum amount of widow's
31 annuity payable to any person who is entitled to receive a
32 widow's annuity under this Article is \$700 per month, without
33 regard to whether the deceased fireman is in service on or

1 after the effective date of this amendatory Act of 1995.

2 (b) Notwithstanding Section 6-128.3, beginning January 1,
3 1994, the minimum widow's annuity under this Article shall be
4 \$700 per month for (1) all persons receiving widow's annuities
5 on that date who are survivors of employees who retired at age
6 50 or over with at least 20 years of service, and (2) persons
7 who become eligible for widow's annuities and are survivors of
8 employees who retired at age 50 or over with at least 20 years
9 of service.

10 (c) Notwithstanding Section 6-128.3, beginning January 1,
11 1999, the minimum widow's annuity under this Article shall be
12 \$800 per month for (1) all persons receiving widow's annuities
13 on that date who are survivors of employees who retired at age
14 50 or over with at least 20 years of service, and (2) persons
15 who become eligible for widow's annuities and are survivors of
16 employees who retired at age 50 or over with at least 20 years
17 of service.

18 (d) Notwithstanding Section 6-128.3, beginning January 1,
19 2004, the minimum widow's annuity under this Article shall be
20 \$900 per month for all persons receiving widow's annuities on
21 or after that date, without regard to whether the deceased
22 fireman is in service on or after the effective date of this
23 amendatory Act of the 93rd General Assembly.

24 (e) Notwithstanding Section 6-128.3, beginning January 1,
25 2005, the minimum widow's annuity under this Article shall be
26 \$1,000 per month for all persons receiving widow's annuities on
27 or after that date, without regard to whether the deceased
28 fireman is in service on or after the effective date of this
29 amendatory Act of the 93rd General Assembly.

30 (Source: P.A. 89-136, eff. 7-14-95; 90-766, eff. 8-14-98.)

31 (40 ILCS 5/6-141.2 new)

32 Sec. 6-141.2. Minimum annuity for certain widows.
33 Notwithstanding the other provisions of this Article, the

1 widow's annuity payable to the widow of a fireman who dies on
2 or after July 1, 1997 while an active fireman with at least 10
3 years of creditable service shall be no less than 50% of the
4 retirement annuity that the deceased fireman would have been
5 eligible to receive if he had attained age 50 and 20 years of
6 service on the day before his death and retired on that day. In
7 the case of a widow's annuity that is payable on the effective
8 date of this amendatory Act of the 93rd General Assembly, the
9 increase provided by this Section, if any, shall begin to
10 accrue on the first annuity payment date following that
11 effective date.

12 (40 ILCS 5/6-142) (from Ch. 108 1/2, par. 6-142)

13 Sec. 6-142. Wives and widows not entitled to annuities.

14 (A) Except as provided in subsection (B), the following
15 wives or widows have no right to annuity from the fund:

16 (a) A wife or widow married subsequent to the effective
17 date of a fireman who dies in service if she was not married to
18 him before he attained age 63;

19 (b) A wife or widow of a fireman who withdraws, whether or
20 not he enters upon annuity, and dies while out of service, if
21 the marriage occurred after the effective date and she was not
22 his wife while he was in service and before he attained age 63;

23 (c) A wife or widow of a fireman who (1) has served 10 or
24 more years, (2) dies out of service after he has withdrawn from
25 service, and (3) has withdrawn or applied for refund of the
26 sums to his credit for annuity to which he had a right to
27 refund;

28 (d) A wife or widow of a fireman who dies out of service
29 after he has withdrawn before age 63, and who has not served at
30 least 10 years;

31 (e) A wife whose marriage was dissolved or widow of a
32 fireman whose judgment of dissolution of marriage from her
33 fireman husband is annulled, vacated or set aside by

1 proceedings in court subsequent to the death of the fireman,
2 unless (1) such proceedings are filed within 5 years after the
3 date of the dissolution of marriage and within one year after
4 the death of the fireman and (2) the board is made a party to
5 the proceedings;

6 (f) A wife or widow who married the fireman while he was in
7 receipt of disability benefit or disability pension from this
8 fund, unless he returned to the service subsequent to the
9 marriage and remained therein for a period or periods
10 aggregating one year, or died while in service.

11 (B) Beginning on the effective date of this amendatory Act
12 of the 93rd General Assembly, the limitation on marriage after
13 withdrawal under subdivision (A)(b) and the limitation on
14 marriage during disability under subdivision (A)(f) no longer
15 apply to a widow who was married to the deceased fireman before
16 the fireman begins to receive a retirement annuity and for at
17 least one year immediately preceding the date of death,
18 regardless of whether the deceased fireman is in service on or
19 after the effective date of this amendatory Act of the 93rd
20 General Assembly; except that this subsection (B) does not
21 apply to the widow of a fireman who received a refund of
22 contributions for widow's annuity under Section 6-160, unless
23 the refund is repaid to the Fund, with interest at the rate of
24 4% per year, compounded annually, from the date of the refund
25 to the date of repayment. If the widow of a fireman who died
26 before the effective date of this amendatory Act becomes
27 eligible for a widow's annuity because of this amendatory Act,
28 the annuity shall begin to accrue on the date of application
29 for the annuity, but in no event sooner than the effective date
30 of this amendatory Act.

31 (Source: P.A. 81-230.)

32 (40 ILCS 5/6-143) (from Ch. 108 1/2, par. 6-143)

33 Sec. 6-143. Widow's remarriage.

1 (a) Beginning on the effective date of this amendatory Act
2 of the 93rd General Assembly, a widow's annuity shall no longer
3 be subject to termination or suspension under this Section due
4 to remarriage. Any widow's annuity that was previously
5 terminated or suspended under this Section by reason of
6 remarriage shall, upon application, be resumed as of the date
7 of the application, but in no event sooner than the effective
8 date of this amendatory Act. The resumption shall not be
9 retroactive. This subsection (a) applies regardless of whether
10 or not the deceased fireman was in service on or after the
11 effective date of this amendatory Act.

12 (b) This subsection (b) does not apply on or after the
13 effective date of this amendatory Act of the 93rd General
14 Assembly.

15 Any annuity granted to a widow who remarries on or after
16 December 31, 1989 shall be suspended when she remarries, unless
17 (i) she remarries after attaining the age of 60 regardless of
18 whether or not the deceased fireman was in service on or after
19 the effective date of this amendatory Act of 1995 or (ii) she
20 has been granted a Section 6-140 annuity as the widow of a
21 fireman killed in performance of duty. An annuity suspended
22 under this Section shall, upon application, be resumed if the
23 subsequent marriage ends by dissolution of marriage,
24 declaration of invalidity of marriage, or the death of the
25 husband; this resumption shall not be retroactive.

26 If a widow remarries after attaining age 60 or after she
27 has been granted an annuity under Section 6-140 and the
28 remarriage takes place after December 31, 1989, regardless of
29 whether or not the deceased fireman was in service on or after
30 the effective date of this amendatory Act of 1995, the widow's
31 annuity shall continue without interruption.

32 Any widow's annuity that was previously terminated by
33 reason of remarriage prior to December 31, 1989 or suspended
34 shall, upon application, be resumed, as of the date of the

1 application, if the subsequent marriage ended by dissolution of
2 marriage, declaration of invalidity of marriage, or the death
3 of the husband, regardless of whether or not the deceased
4 fireman was in service on the effective date of this amendatory
5 Act of 1995; this resumption shall not be retroactive.

6 When a widow dies, if she has not received, in the form of
7 an annuity, an amount equal to the accumulated employee
8 contributions for widow's annuity, the difference between such
9 accumulated contributions and the sum received by her, along
10 with any part of the accumulated contributions for age and
11 service annuity remaining in the fund at her death, shall be
12 refunded to the fireman's children, in equal parts to each;
13 except that if a child is less than age 18, the part of any such
14 amount that is required to pay an annuity to the child shall be
15 transferred to the child's annuity reserve. If no children or
16 descendants thereof survive the fireman, the refund shall be
17 paid to the estate of the fireman. In making refunds under this
18 Section, no interest shall be considered upon either the total
19 of annuity payments made or the amounts subject to refund.

20 (Source: P.A. 89-136, eff. 7-14-95.)

21 (40 ILCS 5/6-151.1) (from Ch. 108 1/2, par. 6-151.1)

22 Sec. 6-151.1. The General Assembly finds and declares that
23 service in the Fire Department requires that firemen, in times
24 of stress and danger, must perform unusual tasks; that by
25 reason of their occupation, firemen are subject to exposure to
26 great heat and to extreme cold in certain seasons while in
27 performance of their duties; that by reason of their employment
28 firemen are required to work in the midst of and are subject to
29 heavy smoke fumes, and carcinogenic, poisonous, toxic or
30 chemical gases from fires; and that in the course of their
31 rescue and paramedic duties firemen are exposed to disabling
32 infectious diseases, including AIDS, hepatitis C, and stroke.

33 The General Assembly further finds and declares that all the

1 aforementioned conditions exist and arise out of or in the
2 course of such employment.

3 Any active fireman who has completed 7 ~~ten~~ or more years of
4 service and is unable to perform his duties in the Fire
5 Department by reason of heart disease, tuberculosis, ~~or~~ any
6 disease of the lungs or respiratory tract, AIDS, hepatitis C,
7 or stroke resulting ~~solely~~ from his service as a fireman, shall
8 be entitled to receive an occupational disease disability
9 benefit during any period of such disability for which he does
10 not have a right to receive salary.

11 Any active fireman who has completed 7 ~~ten~~ or more years of
12 service and is unable to perform his duties in the fire
13 department by reason of a disabling cancer, which develops or
14 manifests itself during a period while the fireman is in the
15 service of the department, shall be entitled to receive an
16 occupational disease disability benefit during any period of
17 such disability for which he does not have a right to receive
18 salary. In order to receive this occupational disease
19 disability benefit, the type of cancer involved must be a type
20 which may be caused by exposure to heat, radiation or a known
21 carcinogen as defined by the International Agency for Research
22 on Cancer.

23 Any fireman who shall enter the service after the effective
24 date of this amendatory Act shall be examined by one or more
25 practicing physicians appointed by the Board, and if that said
26 examination discloses impairment of the heart, lungs, ~~or~~
27 respiratory tract, or the existence of AIDS, hepatitis C,
28 stroke, or any cancer, then the ~~such~~ fireman shall not be
29 entitled to receive an occupational disease disability benefit
30 unless and until a subsequent examination reveals no such
31 impairment, AIDS, hepatitis C, stroke, or cancer.

32 The occupational disease disability benefit shall be 65% of
33 the fireman's salary at the time of his removal from the
34 Department payroll. However, beginning January 1, 1994, no

1 occupational disease disability benefit that has been payable
2 under this Section for at least 10 years shall be less than 50%
3 of the current salary attached from time to time to the rank
4 and grade held by the fireman at the time of his removal from
5 the Department payroll, regardless of whether that removal
6 occurred before the effective date of this amendatory Act of
7 1993.

8 Such fireman also shall have a right to receive child's
9 disability benefit of \$30 per month on account of each
10 unmarried child who is less than 18 years of age or
11 handicapped, dependent upon the fireman for support, and either
12 the issue of the fireman or legally adopted by him. The total
13 amount of child's disability benefit payable to the fireman,
14 when added to his occupational disease disability benefit,
15 shall not exceed 75% of the amount of salary which he was
16 receiving at the time of the grant of occupational disease
17 disability benefit.

18 The first payment of occupational disease disability
19 benefit or child's disability benefit shall be made not later
20 than one month after the benefit is granted. Each subsequent
21 payment shall be made not later than one month after the date
22 of the latest payment.

23 Occupational disease disability benefit shall be payable
24 during the period of the disability until the fireman reaches
25 the age of compulsory retirement. Child's disability benefit
26 shall be paid to such a fireman during the period of disability
27 until such child or children attain age 18 or marry, whichever
28 event occurs first; except that attainment of age 18 by a child
29 who is so physically or mentally handicapped as to be dependent
30 upon the fireman for support, shall not render the child
31 ineligible for child's disability benefit. The fireman
32 thereafter shall receive such annuity or annuities as are
33 provided for him in accordance with other provisions of this
34 Article.

1 (Source: P.A. 88-528.)

2 (40 ILCS 5/6-160) (from Ch. 108 1/2, par. 6-160)

3 Sec. 6-160. Refund - Widow's annuity contributions. When a
4 fireman attains age 63 in service and is not then married, or
5 when an unmarried fireman withdraws before age 63 and enters
6 upon annuity, his contributions for widow's annuity shall then
7 be refunded to him, upon request. A refund under this Section
8 may be repaid as provided in Section 6-142(B).

9 (Source: P.A. 81-1536.)

10 (40 ILCS 5/6-164) (from Ch. 108 1/2, par. 6-164)

11 Sec. 6-164. Automatic annual increase; retirement after
12 September 1, 1959.

13 (a) A fireman qualifying for a minimum annuity who retires
14 from service after September 1, 1959 shall, upon either the
15 first of the month following the first anniversary of his date
16 of retirement if he is age 60 (age 55 if born before January 1,
17 1955 ~~1945~~) or over on that anniversary date, or upon the first
18 of the month following his attainment of age 60 (age 55 if born
19 before January 1, 1955 ~~1945~~) if that occurs after the first
20 anniversary of his retirement date, have his then fixed and
21 payable monthly annuity increased by 1 1/2%, and such first
22 fixed annuity as granted at retirement increased by an
23 additional 1 1/2% in January of each year thereafter up to a
24 maximum increase of 30%. Beginning July 1, 1982 for firemen
25 born before January 1, 1930, and beginning January 1, 1990 for
26 firemen born after December 31, 1929 and before January 1,
27 1940, and beginning January 1, 1996 for firemen born after
28 December 31, 1939 but before January 1, 1945, and beginning
29 January 1, 2004, for firemen born after December 31, 1944 but
30 before January 1, 1955, such increases shall be 3% and such
31 firemen shall not be subject to the 30% maximum increase.

32 Any fireman born before January 1, 1945 who qualifies for a

1 minimum annuity and retires after September 1, 1967 but has not
2 received the initial increase under this subsection before
3 January 1, 1996 is entitled to receive the initial increase
4 under this subsection on (1) January 1, 1996, (2) the first
5 anniversary of the date of retirement, or (3) attainment of age
6 55, whichever occurs last. The changes to this Section made by
7 this amendatory Act of 1995 apply beginning January 1, 1996 and
8 apply without regard to whether the fireman or annuitant
9 terminated service before the effective date of this amendatory
10 Act of 1995.

11 Any fireman born before January 1, 1955 who qualifies for a
12 minimum annuity and retires after September 1, 1967 but has not
13 received the initial increase under this subsection before
14 January 1, 2004 is entitled to receive the initial increase
15 under this subsection on (1) January 1, 2004, (2) the first
16 anniversary of the date of retirement, or (3) attainment of age
17 55, whichever occurs last. The changes to this Section made by
18 this amendatory Act of the 93rd General Assembly apply without
19 regard to whether the fireman or annuitant terminated service
20 before the effective date of this amendatory Act.

21 (b) Subsection (a) of this Section is not applicable to an
22 employee receiving a term annuity.

23 (c) To help defray the cost of such increases in annuity,
24 there shall be deducted, beginning September 1, 1959, from each
25 payment of salary to a fireman, 1/8 of 1% of each such salary
26 payment and an additional 1/8 of 1% beginning on September 1,
27 1961, and September 1, 1963, respectively, concurrently with
28 and in addition to the salary deductions otherwise made for
29 annuity purposes.

30 Each such additional 1/8 of 1% deduction from salary which
31 shall, on September 1, 1963, result in a total increase of 3/8
32 of 1% of salary, shall be credited to the Automatic Increase
33 Reserve, to be used, together with city contributions as
34 provided in this Article, to defray the cost of the 1 1/2%

1 annuity increments herein specified. Any balance in such
2 reserve as of the beginning of each calendar year shall be
3 credited with interest at the rate of 3% per annum.

4 The salary deductions provided in this Section are not
5 subject to refund, except to the fireman himself, in any case
6 in which a fireman withdraws prior to qualification for minimum
7 annuity and applies for refund, or applies for annuity, and
8 also where a term annuity becomes payable. In such cases, the
9 total of such salary deductions shall be refunded to the
10 fireman, without interest, and charged to the aforementioned
11 reserve.

12 (Source: P.A. 89-136, eff. 7-14-95.)

13 (40 ILCS 5/6-165) (from Ch. 108 1/2, par. 6-165)

14 Sec. 6-165. Financing; tax.

15 (a) Except as expressly provided in this Section, each city
16 shall levy a tax annually upon all taxable property therein for
17 the purpose of providing revenue for the fund. For the years
18 prior to the year 1960, the tax rate shall be as provided for
19 in the "Firemen's Annuity and Benefit Fund of the Illinois
20 Municipal Code". The tax, from and after January 1, 1968 to and
21 including the year 1971, shall not exceed .0863% of the value,
22 as equalized or assessed by the Department of Revenue, of all
23 taxable property in the city. Beginning with the year 1972 and
24 each year thereafter the city shall levy a tax annually at a
25 rate on the dollar of the value, as equalized or assessed by
26 the Department of Revenue of all taxable property within such
27 city that will produce, when extended, not to exceed an amount
28 equal to the total amount of contributions by the employees to
29 the fund made in the calendar year 2 years prior to the year
30 for which the annual applicable tax is levied, multiplied by
31 2.23 through the calendar year 1981, and by 2.26 for the year
32 1982 and for each year thereafter.

33 To provide revenue for the ordinary death benefit

1 established by Section 6-150 of this Article, in addition to
2 the contributions by the firemen for this purpose, the city
3 council shall for the year 1962 and each year thereafter
4 annually levy a tax, which shall be in addition to and
5 exclusive of the taxes authorized to be levied under the
6 foregoing provisions of this Section, upon all taxable property
7 in the city, as equalized or assessed by the Department of
8 Revenue, at such rate per cent of the value of such property as
9 shall be sufficient to produce for each year the sum of
10 \$142,000.

11 The amounts produced by the taxes levied annually, together
12 with the deposit expressly authorized in this Section, shall be
13 sufficient, when added to the amounts deducted from the
14 salaries of firemen and applied to the fund, to provide for the
15 purposes of the fund.

16 (b) The taxes shall be levied and collected in like manner
17 with the general taxes of the city, and shall be in addition to
18 all other taxes which the city may levy upon all taxable
19 property therein and shall be exclusive of and in addition to
20 the amount of tax the city may levy for general purposes under
21 Section 8-3-1 of the Illinois Municipal Code, approved May 29,
22 1961, as amended, or under any other law or laws which may
23 limit the amount of tax which the city may levy for general
24 purposes.

25 (c) The amounts of the taxes to be levied in each year
26 shall be certified to the city council by the board.

27 (d) As soon as any revenue derived from such taxes is
28 collected, it shall be paid to the city treasurer and held for
29 the benefit of the fund, and all such revenue shall be paid
30 into the fund in accordance with the provisions of this
31 Article.

32 (e) If the funds available are insufficient during any year
33 to meet the requirements of this Article, the city may issue
34 tax anticipation warrants, against the tax levies herein

1 authorized for the current fiscal year.

2 (f) The various sums, hereinafter stated, including
3 interest, to be contributed by the city, shall be taken from
4 the revenue derived from the taxes or otherwise as expressly
5 provided in this Section. Except for defraying the cost of
6 administration of the fund during the calendar year in which a
7 city first attains a population of 500,000 and comes under the
8 provisions of this Article and the first calendar year
9 thereafter, any money of the city derived from any source other
10 than these taxes or the sale of tax anticipation warrants shall
11 not be used to provide revenue for the fund, nor to pay any
12 part of the cost of administration thereof, unless applied to
13 make the deposit expressly authorized in this Section or the
14 additional city contributions required under subsection (h).

15 (g) In lieu of levying all or a portion of the tax required
16 under this Section in any year, the city may deposit with the
17 city treasurer no later than March 1 of that year for the
18 benefit of the fund, to be held in accordance with this
19 Article, an amount that, together with the taxes levied under
20 this Section for that year, is not less than the amount of the
21 city contributions for that year as certified by the board to
22 the city council. The deposit may be derived from any source
23 legally available for that purpose, including, but not limited
24 to, the proceeds of city borrowings. The making of a deposit
25 shall satisfy fully the requirements of this Section for that
26 year to the extent of the amounts so deposited. Amounts
27 deposited under this subsection may be used by the fund for any
28 of the purposes for which the proceeds of the taxes levied
29 under this Section may be used, including the payment of any
30 amount that is otherwise required by this Article to be paid
31 from the proceeds of those taxes.

32 (h) In addition to the contributions required under the
33 other provisions of this Article, by November 1 of the
34 following specified years, the city shall deposit with the city

1 treasurer for the benefit of the fund, to be held and used in
2 accordance with this Article, the following specified amounts:
3 \$6,300,000 in 1999; \$5,880,000 in 2000; \$5,460,000 in 2001;
4 \$5,040,000 in 2002; and \$4,620,000 in 2003; ~~\$4,200,000 in 2004;~~
5 ~~\$3,780,000 in 2005; \$3,360,000 in 2006; \$2,940,000 in 2007;~~
6 ~~\$2,520,000 in 2008; \$2,100,000 in 2009; \$1,680,000 in 2010;~~
7 ~~\$1,260,000 in 2011; \$840,000 in 2012; and \$420,000 in 2013.~~

8 The additional city contributions required under this
9 subsection are intended to decrease the unfunded liability of
10 the fund and shall not decrease the amount of the city
11 contributions required under the other provisions of this
12 Article. The additional city contributions made under this
13 subsection may be used by the fund for any of its lawful
14 purposes.

15 (Source: P.A. 89-136, eff. 7-14-95; 90-766, eff. 8-14-98.)

16 (40 ILCS 5/6-210.1) (from Ch. 108 1/2, par. 6-210.1)

17 Sec. 6-210.1. Credit for former employment with the fire
18 department.

19 (a) Any fireman who (1) accumulated service credit in the
20 Article 8 fund for service as an employee of the Chicago Fire
21 Department and (2) has terminated that Article 8 service credit
22 and received a refund of contributions therefor, may establish
23 service credit in this Fund for all or any part of that period
24 of service under the Article 8 fund by making written
25 application to the Board by January 1, 2000 and paying to this
26 Fund (i) employee contributions based upon the actual salary
27 received and the rates in effect for members of this Fund at
28 the time of such service, plus (ii) interest thereon calculated
29 as follows:

30 (1) For applications received by the Board before July
31 14, ~~the effective date of this amendatory Act of 1995,~~
32 interest shall be calculated on the amount of employee
33 contributions determined under item (i) above, at the rate

1 of 4% per annum, compounded annually, from the date of
2 termination of such service to the date of payment.

3 (2) For applications received by the Board on or after
4 July 14, the effective date of this amendatory Act of 1995,
5 interest shall be calculated on the amount of employee
6 contributions determined under item (i) above, at the rate
7 of 4% per annum, compounded annually, from the first date
8 of the period for which credit is being established under
9 this subsection (a) to the date of payment.

10 (b) A fireman who, at any time during the period 1970
11 through 1983, was an employee of the Chicago Fire Department
12 but did not participate in any pension fund subject to this
13 Code with respect to that employment may establish service
14 credit in this Fund for all or any part of that employment by
15 making written application to the Board by January 1, 2005 ~~2000~~
16 and paying to this Fund (i) employee contributions based upon
17 the actual salary received and the rates in effect for members
18 of this Fund at the time of that employment, plus (ii) interest
19 thereon calculated at the rate of 4% per annum, compounded
20 annually, from the first date of the employment for which
21 credit is being established under this subsection (b) to the
22 date of payment.

23 (c) A fireman may pay the contributions required for
24 service credit under this Section established on or after July
25 14, the effective date of this amendatory Act of 1995 in the
26 form of payroll deductions, in accordance with such procedures
27 and limitations as may be established by Board rule and any
28 applicable rules or ordinances of the employer.

29 (d) Employer contributions shall be transferred as
30 provided in Sections 6-210.2 and 8-172.1. The employer shall
31 not be responsible for making any additional employer
32 contributions for any credit established under this Section.

33 (Source: P.A. 89-136, eff. 7-14-95.)

1 (40 ILCS 5/6-210.2 new)

2 Sec. 6-210.2. City contributions for paramedics.
3 Municipality credits computed and credited under Article 8 for
4 all firemen who (1) accumulated service credit in the Article 8
5 fund for service as a paramedic, (2) have terminated that
6 Article 8 service credit and received a refund of
7 contributions, and (3) are participants in this Article 6 fund
8 on the effective date of this amendatory Act of the 93rd
9 General Assembly shall be transferred by the Article 8 fund to
10 this Fund, together with interest at the rate of 11% per annum,
11 compounded annually, to the date of the transfer, as provided
12 in Section 8-172.1 of this Code. These city contributions shall
13 be credited to the individual fireman only if he or she pays
14 for prior service as a paramedic in full to this Fund.

15 (40 ILCS 5/6-210.3 new)

16 Sec. 6-210.3. Payments and rollovers.

17 (a) The Board may adopt rules prescribing the manner of
18 repaying refunds and purchasing any other credits permitted
19 under this Article. The rules may prescribe the manner of
20 calculating interest when payments or repayments are made in
21 installments.

22 (b) Rollover contributions from other retirement plans
23 qualified under the Internal Revenue Code of 1986 may be used
24 to purchase any optional credit or repay any refund permitted
25 under this Article.

26 (40 ILCS 5/6-211) (from Ch. 108 1/2, par. 6-211)

27 Sec. 6-211. Permanent and temporary positions; exempt
28 positions above career service rank.

29 (a) Except as specified in subsection (b), no annuity,
30 pension or other benefit shall be paid to a fireman or widow,
31 under this Article, based upon any salary paid by virtue of a
32 temporary appointment, ~~and~~ all contributions, annuities and

1 benefits shall be related to the salary which attaches to the
2 permanent position of the fireman.

3 Any fireman temporarily serving in a position or rank other
4 than that to which he has received permanent appointment shall
5 be considered, while so serving, as though he were in his
6 permanent position or rank, except that no increase in any
7 pension, annuity or other benefit hereunder shall accrue to him
8 by virtue of any service performed by him subsequent to
9 attaining the compulsory retirement age provided by law or
10 ordinance.

11 This Section does ~~shall~~ not apply to any person certified
12 to the fire department by the civil service commission of the
13 city, during the period of probationary service.

14 A fireman who holds a position at the will of the Fire
15 Commissioner or other appointing authority, whether or not such
16 position is an "exempt" position, shall be deemed to hold a
17 temporary position, ~~and such employee's contributions and~~
18 ~~benefits shall be based upon the employee's permanent career~~
19 ~~service salary. The provisions of this paragraph shall be~~
20 ~~retroactive to January 1, 1976.~~

21 (b) Beginning on the effective date of this amendatory Act
22 of the 93rd General Assembly, for service in an exempt position
23 above career service rank, employee contributions shall be
24 based on the actual full salary attached to the exempt rank
25 position held by the fireman.

26 For service in an exempt position above career service
27 rank, benefit computations under this Article shall be based on
28 the actual full salary attached to the exempt rank position
29 held by the fireman if and only if:

30 (1) employee contributions have been paid on the actual
31 full salary attached to the exempt rank position held by
32 the fireman for all service on or after January 1, 1994 in
33 an exempt position above career service rank;

34 (2) the fireman has held one or more exempt positions

1 for at least 5 consecutive years (or, in the case of a
2 fireman who retired due to attainment of compulsory
3 retirement age before December 1, 2003, held one or more
4 exempt positions for a consecutive period of at least 3
5 years and 9 months and made the payment required under
6 subsection (c) for a period of at least 5 years) and has
7 held the rank of battalion chief or field officer for at
8 least 5 years (at least 3 years and 9 months in the case of
9 a fireman who retired due to attainment of compulsory
10 retirement age before December 1, 2003) during the exempt
11 period; and

12 (3) the fireman was born before 1955.

13 (c) For service prior to the effective date of this
14 amendatory Act of the 93rd General Assembly in an exempt
15 position above career service rank for which contributions have
16 been paid only on the salary attached to the fireman's
17 permanent career service rank, a fireman may make the
18 contributions required under subsection (b) by paying to the
19 Fund before the later of the date of retirement or 6 months
20 after the effective date of this amendatory Act, but in no
21 event later than July 1, 2005, an amount equal to the
22 difference between the employee contributions actually made
23 for that service and the employee contributions that would have
24 been made based on the actual full salary attached to the
25 exempt rank position held by the fireman on or after January 1,
26 1994, plus interest thereon at the rate of 4% per year,
27 compounded annually, from the date of the service to the date
28 of payment (or to the date of retirement if retirement is
29 before the effective date of this amendatory Act). In the case
30 of a fireman who retired in an exempt rank position after
31 January 1, 1994 and before January 1, 1999 and in the case of a
32 fireman who retired due to attaining compulsory retirement age
33 before December 1, 2003, the payment under this subsection (c)
34 shall be for a period of at least 5 years.

1 If a fireman dies while eligible to make the contributions
2 required under subsection (b) but before the contributions are
3 paid, the fireman's widow may elect to make the contributions.

4 (d) Subsection (e) of Section 6-111 and the changes made to
5 this Section by this amendatory Act of the 93rd General
6 Assembly apply to a fireman who retires (or becomes disabled)
7 on or after January 1, 1994. In the case of a benefit payable
8 on the effective date of this amendatory Act, the resulting
9 increase in benefit shall begin to accrue with the first
10 benefit payment period commencing after the required
11 contributions are paid.

12 (e) If a fireman or his survivors do not qualify to have
13 benefits computed on the full amount of salary received for
14 service in an exempt position as provided in subsection (b),
15 benefits shall be computed on the basis of the salary attached
16 to the permanent career service rank, and a refund of any
17 employee contributions paid on the difference between the
18 actual salary and the salary attached to the permanent career
19 service rank shall be payable to the fireman upon termination
20 of service, or to the fireman's widow or estate upon the
21 fireman's death.

22 (f) The tax levy computed under Section 6-165 shall be
23 based on employee contributions, including the payments of
24 employee contributions under subsections (a), (b), and (c) of
25 this Section 6-211.

26 (g) The city shall pay to the Fund on an annual basis, in
27 addition to the usual city contributions, an amount at least
28 equal to the sum of (1) the increase in normal cost resulting
29 from subsection (e) of Section 6-111 and the changes made to
30 this Section by this amendatory Act of the 93rd General
31 Assembly, plus (2) amortization (over a period of 30 years from
32 the effective date of this amendatory Act) of the initial
33 unfunded liability resulting from subsection (e) of Section
34 6-111 and the changes made to this Section by this amendatory

1 Act of the 93rd General Assembly. The payment required under
2 this subsection shall be no less than \$400,000 per year.
3 Payment shall begin with the first calendar year commencing
4 after the effective date of this amendatory Act and shall be in
5 addition to the tax levy otherwise calculated under Section
6 6-165. The city may increase that tax levy by the amount of the
7 payment required under this subsection, or it may utilize any
8 funds appropriated for this purpose.

9 (Source: P.A. 83-16.)

10 (40 ILCS 5/6-222) (from Ch. 108 1/2, par. 6-222)

11 Sec. 6-222. Administrative review.

12 (a) The provisions of the Administrative Review Law, and
13 all amendments and modifications thereof and the rules adopted
14 pursuant thereto shall apply to and govern all proceedings for
15 the judicial review of final administrative decisions of the
16 retirement board hereunder. The term "administrative decision"
17 is as defined in Section 3-101 of the Code of Civil Procedure.

18 (b) If any fireman whose application for either a duty
19 disability benefit under Section 6-151 or for an occupational
20 disease disability benefit under Section 6-151.1 has been
21 denied by the Retirement Board brings an action for
22 administrative review challenging the denial of disability
23 benefits and the fireman prevails in the action in
24 administrative review, then the prevailing fireman shall be
25 entitled to recover from the Fund court costs and litigation
26 expenses, including reasonable attorney's fees, as part of the
27 costs of the action.

28 (Source: P.A. 82-783.)

29 (40 ILCS 5/8-137) (from Ch. 108 1/2, par. 8-137)

30 Sec. 8-137. Automatic increase in annuity.

31 (a) An employee who retired or retires from service after
32 December 31, 1959 and before January 1, 1987, having attained

1 age 60 or more, shall, in January of the year after the year in
2 which the first anniversary of retirement occurs, have the
3 amount of his then fixed and payable monthly annuity increased
4 by 1 1/2%, and such first fixed annuity as granted at
5 retirement increased by a further 1 1/2% in January of each
6 year thereafter. Beginning with January of the year 1972, such
7 increases shall be at the rate of 2% in lieu of the aforesaid
8 specified 1 1/2%, and beginning with January of the year 1984
9 such increases shall be at the rate of 3%. Beginning in January
10 of 1999, such increases shall be at the rate of 3% of the
11 currently payable monthly annuity, including any increases
12 previously granted under this Article. An employee who retires
13 on annuity after December 31, 1959 and before January 1, 1987,
14 but before age 60, shall receive such increases beginning in
15 January of the year after the year in which he attains age 60.

16 An employee who retires from service on or after January 1,
17 1987 shall, upon the first annuity payment date following the
18 first anniversary of the date of retirement, or upon the first
19 annuity payment date following attainment of age 60, whichever
20 occurs later, have his then fixed and payable monthly annuity
21 increased by 3%, and such annuity shall be increased by an
22 additional 3% of the original fixed annuity on the same date
23 each year thereafter. Beginning in January of 1999, such
24 increases shall be at the rate of 3% of the currently payable
25 monthly annuity, including any increases previously granted
26 under this Article.

27 (a-5) Notwithstanding the provisions of subsection (a),
28 upon the first annuity payment date following (1) the third
29 anniversary of retirement, (2) the attainment of age 53, or (3)
30 January 1, 2002, ~~the date 60 days after the effective date of~~
31 ~~this amendatory Act of the 92nd General Assembly,~~ whichever
32 occurs latest, the monthly annuity of an employee who retires
33 on annuity prior to the attainment of age 60 and ~~who~~ has not
34 received an increase under subsection (a) shall be increased by

1 3%, and the ~~such~~ annuity shall be increased by an additional 3%
2 of the current payable monthly annuity, including any ~~such~~
3 increases previously granted under this Article, on the same
4 date each year thereafter. The increases provided under this
5 subsection are in lieu of the increases provided in subsection
6 (a).

7 (a-6) Notwithstanding the provisions of subsections (a)
8 and (a-5), for all calendar years following the year in which
9 this amendatory Act of the 93rd General Assembly takes effect,
10 an increase in annuity under this Section that would otherwise
11 take effect at any time during the year shall instead take
12 effect in January of that year.

13 (b) Subsections (a), ~~and~~ (a-5), and (a-6) are not
14 applicable to an employee retiring and receiving a term
15 annuity, as herein defined, nor to any otherwise qualified
16 employee who retires before he makes employee contributions (at
17 the 1/2 of 1% rate as provided in this Act) for this additional
18 annuity for not less than the equivalent of one full year. Such
19 employee, however, shall make arrangement to pay to the fund a
20 balance of such 1/2 of 1% contributions, based on his final
21 salary, as will bring such 1/2 of 1% contributions, computed
22 without interest, to the equivalent of or completion of one
23 year's contributions.

24 Beginning with January, 1960, each employee shall
25 contribute by means of salary deductions 1/2 of 1% of each
26 salary payment, concurrently with and in addition to the
27 employee contributions otherwise made for annuity purposes.

28 Each such additional contribution shall be credited to an
29 account in the prior service annuity reserve, to be used,
30 together with city contributions, to defray the cost of the
31 specified annuity increments. Any balance in such account at
32 the beginning of each calendar year shall be credited with
33 interest at the rate of 3% per annum.

34 Such additional employee contributions are not refundable,

1 except to an employee who withdraws and applies for refund
2 under this Article, and in cases where a term annuity becomes
3 payable. In such cases his contributions shall be refunded,
4 without interest, and charged to such account in the prior
5 service annuity reserve.

6 (Source: P.A. 92-599, eff. 6-28-02; 92-609, eff. 7-1-02;
7 revised 8-26-02.)

8 (40 ILCS 5/8-138.4 new)

9 Sec. 8-138.4. Early retirement incentive.

10 (a) To be eligible for the benefits provided in this
11 Section, an employee must:

12 (1) have been a contributor to the Fund who (i) on
13 October 15, 2003, was in active payroll status as an
14 employee; (ii) returns to active payroll status from an
15 approved leave of absence prior to December 15, 2003; (iii)
16 on October 15, 2003, is receiving ordinary or duty
17 disability benefits under Section 8-160 or 8-161; or (iv)
18 has been subjected to an involuntary termination or layoff
19 by the employer and restored to service by his or her
20 employer prior to January 31, 2004;

21 (2) have not previously retired under this Article;

22 (3) file with the Board on or before January 30, 2004,
23 a written election requesting the benefits provided in this
24 Section;

25 (4) withdraw from service on or after January 31, 2004
26 and on or before February 29, 2004 (or the date established
27 under subsection (a-5), if applicable); and

28 (5) by the date of withdrawal or by February 29, 2004,
29 whichever is earlier, have attained age 50 with at least 10
30 years of creditable service in this Fund, without including
31 any creditable service established under this Section, and
32 a total of at least 70 combined years of age and creditable
33 service, without including any creditable service

1 established under this Section, in one or more of the
2 participating systems under the Retirement Systems
3 Reciprocal Act.

4 A person is not eligible for the benefits provided in this
5 Section if the person (i) elects to receive the alternative
6 annuity for city officers under Section 8-243.2, or (ii) elects
7 to receive a retirement annuity calculated under the
8 alternative formula formerly set forth in Section 20-122.

9 (a-5) To ensure that the efficient operation of employers
10 under this Article is not jeopardized by the simultaneous
11 retirement of large numbers of critical personnel, each
12 employer may, for its critical employees, extend the February
13 29, 2004 deadline for terminating employment under this Article
14 established in subdivision (a) (4) of this Section to a date not
15 later than May 31, 2004 by so notifying the Fund by January 31,
16 2004.

17 (b) An eligible employee may establish up to 5 years of
18 creditable service under this Section, in increments of one
19 month, by making the contributions specified in subsection (d).
20 In addition, for each month of creditable service established
21 under this Section, a person's age at retirement shall be
22 deemed to be one month older than it actually is, except for
23 determination of eligibility for automatic annual increases
24 under Sections 8-137 and 8-137.1. Furthermore, an eligible
25 employee must establish at least the amount of age and
26 creditable service necessary to bring his or her age and total
27 creditable service, including service in this Fund, service
28 established under this Section, and service in any of the other
29 participating systems under the Retirement Systems Reciprocal
30 Act, to a minimum that will satisfy the requirements of Section
31 8-138.

32 The creditable service under this Section may be used for
33 all purposes under this Article and the Retirement Systems
34 Reciprocal Act, except for the computation of average annual

1 salary and the determination of salary, earnings, or
2 compensation under this or any other Article of this Code.

3 (c) An eligible employee shall be entitled to have his or
4 her retirement annuity calculated in accordance with the
5 formula provided in Section 8-138, except that the annuity
6 shall not be subject to reduction because of withdrawal or
7 commencement of the annuity before attainment of age 60.

8 (d) For each month of creditable service established under
9 this Section, the employee must pay to the Fund an employee
10 contribution, to be calculated by the Fund, equal to 4.25% of
11 the member's monthly salary rate on October 15, 2003. The
12 employee may elect to pay the entire contribution before the
13 retirement annuity commences, or to have it deducted from the
14 annuity over a period not longer than 24 months. If the retired
15 employee dies before the contribution has been paid in full,
16 the unpaid installments may be deducted from any annuity or
17 other benefit payable to the employee's survivors.

18 All employee contributions paid under this Section shall
19 not be deemed contributions made by employees for annuity
20 purposes under Section 8-173, and shall be made and credited to
21 a special reserve, without interest. Employee contributions
22 paid under this Section may be refunded under the same terms
23 and conditions as are applicable to other employee
24 contributions for retirement annuity.

25 (e) Notwithstanding Section 8-165, an annuitant who
26 reenters service under this Article after receiving a
27 retirement annuity based on benefits provided under this
28 Section thereby forfeits the right to continue to receive those
29 benefits, and shall have his or her retirement annuity
30 recalculated at the appropriate time without the benefits
31 provided in this Section.

32 (f) No employer action in declaring an employee to be a
33 critical employee pursuant to subsection (a-5) shall be
34 construed as an impairment of any pension benefit or

1 entitlement. No early retirement option or resultant benefit
2 conferred under this Section shall, in any manner, vest for any
3 employee until the earlier date of the employer's decision to
4 release the employee from service or May 31, 2004.

5 (40 ILCS 5/8-138.5 new)

6 Sec. 8-138.5. Early retirement incentive for employees who
7 have earned maximum pension benefits.

8 (a) A person who is eligible for the benefits provided
9 under Section 8-138.4 and who, if he or she had retired on or
10 before February 29, 2004, would have been entitled to a pension
11 equal to 80% of his or her highest average annual salary for
12 any 4 consecutive years within the last 10 years of service
13 immediately preceding February 29, 2004 without receiving the
14 benefits provided in Section 8-138.4, may elect, by filing
15 written election with the Fund by January 30, 2004, to receive
16 a lump sum from the Fund equal to 100% of his or her salary on
17 February 29, 2004 or the date of withdrawal, whichever is
18 earlier. To be eligible to receive the benefit provided under
19 this Section, the person must withdraw from service on or after
20 January 31, 2004 and on or before February 29, 2004 (or the
21 date established under subsection (b), if applicable). If a
22 person elects to receive the benefit provided under this
23 Section, his or her retirement annuity otherwise payable under
24 Section 8-138 shall be reduced by an amount equal to the
25 actuarial equivalent of the lump sum.

26 (b) To ensure that the efficient operation of employers
27 under this Article is not jeopardized by the simultaneous
28 retirement of large numbers of critical personnel, each
29 employer may, for its critical employees, extend the February
30 29, 2004 deadline for terminating employment under this Article
31 established in subdivision (a) of this Section to a date not
32 later than May 31, 2004 by so notifying the Fund by January 31,
33 2004.

1 (40 ILCS 5/8-150.1) (from Ch. 108 1/2, par. 8-150.1)

2 Sec. 8-150.1. Minimum annuities for widows. The widow
3 (otherwise eligible for widow's annuity under other Sections of
4 this Article 8) of an employee hereinafter described, who
5 retires from service or dies while in the service subsequent to
6 the effective date of this amendatory provision, and for which
7 widow the amount of widow's annuity and widow's prior service
8 annuity combined, fixed or provided for such widow under other
9 provisions of this Article is less than the amount provided in
10 this Section, shall, from and after the date her otherwise
11 provided annuity would begin, in lieu of such otherwise
12 provided widow's and widow's prior service annuity, be entitled
13 to the following indicated amount of annuity:

14 (a) The widow of any employee who dies while in service on
15 or after the date on which he attains age 60 if the death
16 occurs before July 1, 1990, or on or after the date on which he
17 attains age 55 if the death occurs on or after July 1, 1990,
18 with at least 20 years of service, or on or after the date on
19 which he attains age 50 if the death occurs on or after the
20 effective date of this amendatory Act of 1997 with at least 30
21 years of service, shall be entitled to an annuity equal to
22 one-half of the amount of annuity which her deceased husband
23 would have been entitled to receive had he withdrawn from the
24 service on the day immediately preceding the date of his death,
25 conditional upon such widow having attained the age of 60 or
26 more years on such date if the death occurs before July 1,
27 1990, or age 55 or more if the death occurs on or after July 1,
28 1990, or age 50 or more if the death occurs on or after January
29 1, 1998 and the employee is age 50 or over with at least 30
30 years of service or age 55 or over with at least 25 years of
31 service. Except as provided in subsection (k), this widow's
32 annuity shall not, however, exceed the sum of \$500 a month if
33 the employee's death in service occurs before January 23, 1987.

1 The widow's annuity shall not be limited to a maximum dollar
2 amount if the employee's death in service occurs on or after
3 January 23, 1987.

4 If the employee dies in service before July 1, 1990, and if
5 such widow of such described employee shall not be 60 or more
6 years of age on such date of death, the amount provided in the
7 immediately preceding paragraph for a widow 60 or more years of
8 age, shall, in the case of such younger widow, be reduced by
9 0.25% for each month that her then attained age is less than 60
10 years if the employee was born before January 1, 1936 or dies
11 in service on or after January 1, 1988, or by 0.5% for each
12 month that her then attained age is less than 60 years if the
13 employee was born on or after July 1, 1936 and dies in service
14 before January 1, 1988.

15 If the employee dies in service on or after July 1, 1990,
16 and if the widow of the employee has not attained age 55 on or
17 before the employee's date of death, the amount otherwise
18 provided in this subsection (a) shall be reduced by 0.25% for
19 each month that her then attained age is less than 55 years;
20 except that if the employee dies in service on or after January
21 1, 1998 at age 50 or over with at least 30 years of service or
22 at age 55 or over with at least 25 years of service, there
23 shall be no reduction due to the widow's age if she has
24 attained age 50 on or before the employee's date of death, and
25 if the widow has not attained age 50 on or before the
26 employee's date of death the amount otherwise provided in this
27 subsection (a) shall be reduced by 0.25% for each month that
28 her then attained age is less than 50 years.

29 (b) The widow of any employee who dies subsequent to the
30 date of his retirement on annuity, and who so retired on or
31 after the date on which he attained the age of 60 or more years
32 if retirement occurs before July 1, 1990, or on or after the
33 date on which he attained age 55 if retirement occurs on or
34 after July 1, 1990, with at least 20 years of service, or on or

1 after the date on which he attained age 50 if the retirement
2 occurs on or after the effective date of this amendatory Act of
3 1997 with at least 30 years of service, shall be entitled to an
4 annuity equal to one-half of the amount of annuity which her
5 deceased husband received as of the date of his retirement on
6 annuity, conditional upon such widow having attained the age of
7 60 or more years on the date of her husband's retirement on
8 annuity if retirement occurs before July 1, 1990, or age 55 or
9 more if retirement occurs on or after July 1, 1990, or age 50
10 or more if the retirement on annuity occurs on or after January
11 1, 1998 and the employee is age 50 or over with at least 30
12 years of service or age 55 or over with at least 25 years of
13 service. Except as provided in subsection (k), this widow's
14 annuity shall not, however, exceed the sum of \$500 a month if
15 the employee's death occurs before January 23, 1987. The
16 widow's annuity shall not be limited to a maximum dollar amount
17 if the employee's death occurs on or after January 23, 1987,
18 regardless of the date of retirement; provided that, if
19 retirement was before January 23, 1987, the employee or
20 eligible spouse repays the excess spouse refund with interest
21 at the effective rate from the date of refund to the date of
22 repayment.

23 If the date of the employee's retirement on annuity is
24 before July 1, 1990, and if such widow of such described
25 employee shall not have attained such age of 60 or more years
26 on such date of her husband's retirement on annuity, the amount
27 provided in the immediately preceding paragraph for a widow 60
28 or more years of age on the date of her husband's retirement on
29 annuity, shall, in the case of such then younger widow, be
30 reduced by 0.25% for each month that her then attained age was
31 less than 60 years if the employee was born before January 1,
32 1936 or withdraws from service on or after January 1, 1988, or
33 by 0.5% for each month that her then attained age is less than
34 60 years if the employee was born on or after January 1, 1936

1 and withdraws from service before January 1, 1988.

2 If the date of the employee's retirement on annuity is on
3 or after July 1, 1990, and if the widow of the employee has not
4 attained age 55 by the date of the employee's retirement on
5 annuity, the amount otherwise provided in this subsection (b)
6 shall be reduced by 0.25% for each month that her then attained
7 age is less than 55 years; except that if the employee retires
8 on annuity on or after January 1, 1998 at age 50 or over with at
9 least 30 years of service or at age 55 or over with at least 25
10 years of service, there shall be no reduction due to the
11 widow's age if she has attained age 50 on or before the
12 employee's date of death, and if the widow has not attained age
13 50 on or before the employee's date of death the amount
14 otherwise provided in this subsection (b) shall be reduced by
15 0.25% for each month that her then attained age is less than 50
16 years.

17 (c) The foregoing provisions relating to minimum annuities
18 for widows shall not apply to the widow of any former municipal
19 employee receiving an annuity from the fund on August 9, 1965
20 or on the effective date of this amendatory provision, who
21 re-enters service as a municipal employee, unless such employee
22 renders at least 3 years of additional service after the date
23 of re-entry.

24 (d) In computing the amount of annuity which the husband
25 specified in the foregoing paragraphs (a) and (b) of this
26 Section would have been entitled to receive, or received, such
27 amount shall be the annuity to which such husband would have
28 been, or was entitled, before reduction in the amount of his
29 annuity for the purposes of the voluntary optional reversionary
30 annuity provided for in Section 8-139 of this Article, if such
31 option was elected.

32 (e) (Blank).

33 (f) (Blank).

34 (g) The amendatory provisions of this amendatory Act of

1 1985 relating to annuity discount because of age for widows of
2 employees born before January 1, 1936, shall apply only to
3 qualifying widows of employees withdrawing or dying in service
4 on or after July 18, 1985.

5 (h) Beginning on January 1, 1999, the minimum amount of
6 widow's annuity shall be \$800 per month for life for the
7 following classes of widows, without regard to the fact that
8 the death of the employee occurred prior to the effective date
9 of this amendatory Act of 1998:

10 (1) any widow annuitant alive and receiving a life
11 annuity on the effective date of this amendatory Act of
12 1998, except a reciprocal annuity;

13 (2) any widow annuitant alive and receiving a term
14 annuity on the effective date of this amendatory Act of
15 1998, except a reciprocal annuity;

16 (3) any widow annuitant alive and receiving a
17 reciprocal annuity on the effective date of this amendatory
18 Act of 1998, whose employee spouse's service in this fund
19 was at least 5 years;

20 (4) the widow of an employee with at least 10 years of
21 service in this fund who dies after retirement, if the
22 retirement occurred prior to the effective date of this
23 amendatory Act of 1998;

24 (5) the widow of an employee with at least 10 years of
25 service in this fund who dies after retirement, if
26 withdrawal occurs on or after the effective date of this
27 amendatory Act of 1998;

28 (6) the widow of an employee who dies in service with
29 at least 5 years of service in this fund, if the death in
30 service occurs on or after the effective date of this
31 amendatory Act of 1998.

32 The increases granted under items (1), (2), (3) and (4) of
33 this subsection (h) shall not be limited by any other Section
34 of this Act.

1 (i) The widow of an employee who retired or died in service
2 on or after January 1, 1985 and before July 1, 1990, at age 55
3 or older, and with at least 35 years of service credit, shall
4 be entitled to have her widow's annuity increased, effective
5 January 1, 1991, to an amount equal to 50% of the retirement
6 annuity that the deceased employee received on the date of
7 retirement, or would have been eligible to receive if he had
8 retired on the day preceding the date of his death in service,
9 provided that if the widow had not attained age 60 by the date
10 of the employee's retirement or death in service, the amount of
11 the annuity shall be reduced by 0.25% for each month that her
12 then attained age was less than age 60 if the employee's
13 retirement or death in service occurred on or after January 1,
14 1988, or by 0.5% for each month that her attained age is less
15 than age 60 if the employee's retirement or death in service
16 occurred prior to January 1, 1988. However, in cases where a
17 refund of excess contributions for widow's annuity has been
18 paid by the Fund, the increase in benefit provided by this
19 subsection (i) shall be contingent upon repayment of the refund
20 to the Fund with interest at the effective rate from the date
21 of refund to the date of payment.

22 (j) If a deceased employee is receiving a retirement
23 annuity at the time of death and that death occurs on or after
24 June 27, 1997, the widow may elect to receive, in lieu of any
25 other annuity provided under this Article, 50% of the deceased
26 employee's retirement annuity at the time of death reduced by
27 0.25% for each month that the widow's age on the date of death
28 is less than 55; except that if the employee dies on or after
29 January 1, 1998 and withdrew from service on or after June 27,
30 1997 at age 50 or over with at least 30 years of service or at
31 age 55 or over with at least 25 years of service, there shall
32 be no reduction due to the widow's age if she has attained age
33 50 on or before the employee's date of death, and if the widow
34 has not attained age 50 on or before the employee's date of

1 death the amount otherwise provided in this subsection (j)
2 shall be reduced by 0.25% for each month that her age on the
3 date of death is less than 50 years. However, in cases where a
4 refund of excess contributions for widow's annuity has been
5 paid by the Fund, the benefit provided by this subsection (j)
6 is contingent upon repayment of the refund to the Fund with
7 interest at the effective rate from the date of refund to the
8 date of payment.

9 (k) For widows of employees who died before January 23,
10 1987 after retirement on annuity or in service, the maximum
11 dollar amount limitation on widow's annuity shall cease to
12 apply, beginning with the first annuity payment after the
13 effective date of this amendatory Act of 1997; except that if a
14 refund of excess contributions for widow's annuity has been
15 paid by the Fund, the increase resulting from this subsection
16 (k) shall not begin before the refund has been repaid to the
17 Fund, together with interest at the effective rate from the
18 date of the refund to the date of repayment.

19 (l) In lieu of any other annuity provided in this Article,
20 an eligible spouse of an employee who dies in service on or
21 after January 1, 2002 (regardless of whether that death in
22 service occurs prior to ~~at least 60 days after~~ the effective
23 date of this amendatory Act of the 93rd ~~92nd~~ General Assembly)
24 with at least 10 years of service shall be entitled to an
25 annuity of 50% of the minimum formula annuity earned and
26 accrued to the credit of the employee at the date of death. For
27 the purposes of this subsection, the minimum formula annuity
28 earned and accrued to the credit of the employee is equal to
29 2.40% for each year of service of the highest average annual
30 salary for any 4 consecutive years within the last 10 years of
31 service immediately preceding the date of death, up to a
32 maximum of 80% of the highest average annual salary. This
33 annuity shall not be reduced due to the age of the employee or
34 spouse. In addition to any other eligibility requirements under

1 this Article, the spouse is eligible for this annuity only if
2 the marriage was in effect for 10 full years or more.

3 (Source: P.A. 92-599, eff. 6-28-02.)

4 (40 ILCS 5/8-167) (from Ch. 108 1/2, par. 8-167)

5 Sec. 8-167. Restoration of rights. An employee who has
6 withdrawn as a refund the amounts credited for annuity
7 purposes, and who (i) re-enters service of the employer and
8 serves for periods comprising at least 90 days ~~2 years~~ after
9 the date of the last refund paid to him or (ii) has completed
10 at least 2 years of service under a participating system (as
11 defined in the Retirement Systems Reciprocal Act) other than
12 this Fund after the date of the last refund, shall have his
13 annuity rights restored by compliance with the following
14 provisions:

15 (a) After that 90 day or ~~such~~ 2 year period, whichever
16 applies, he shall repay in full to the fund, while in service,
17 ~~in full~~ all refunds received, together with interest at the
18 effective rate from the dates of refund to the date of
19 repayment. ~~or~~

20 (b) If payment is not made in a single sum, the repayment
21 may be made in installments by deductions from salary or
22 otherwise in such manner and amounts and manner as the board,
23 by rule, may prescribe, with interest at the effective rate
24 accruing on unpaid balances. ~~or~~

25 (c) If the employee withdraws from service or dies in
26 service before full repayment is made, service credit shall be
27 restored in accordance with Section 8-230.3(b).

28 (d) If the employee repays the refund while participating
29 in a participating system (as defined in the Retirement Systems
30 Reciprocal Act) other than this Fund, the service credit
31 restored must be used for a proportional annuity calculated in
32 accordance with the Retirement Systems Reciprocal Act. If not
33 so used, the restored service credit shall be forfeited and the

1 amount of the repayment shall be refunded, without interest. 7
2 ~~such rights shall not be restored, but the amount, including~~
3 ~~interest, repaid by him, but without any further interest~~
4 ~~otherwise normally credited, shall be refunded to him or to his~~
5 ~~widow, or in the manner provided by the refund provisions of~~
6 ~~this Article if no widow survives.~~

7 This Section applies also to any person who received a
8 refund from any annuity and benefit fund or pension fund which
9 was merged into and superseded by the annuity and benefit fund
10 provided for in this Article on or after December 31, 1959.
11 Upon repayment such person shall receive credit for all annuity
12 purposes in the annuity and benefit fund provided for in this
13 Article for the period of service covered by the repayment ~~such~~
14 ~~refund.~~

15 The amount of refund repayment is considered as salary
16 deductions for age and service annuity and widow's annuity
17 purposes in the case of a male person. In the latter case the
18 amount of refund repayment is allocated in the applicable
19 proportion for age and service and widow's annuity purposes.
20 Such person shall also be credited with city contributions for
21 age and service annuity, and widow's annuity if a male
22 employee, in the amount which would have been credited and
23 accrued if such person had been a participant in and
24 contributor to the annuity and benefit fund provided for in
25 this Article during the period of such service on the basis of
26 his salary during such period.

27 (Source: P.A. 81-1536.)

28 (40 ILCS 5/8-172) (from Ch. 108 1/2, par. 8-172)

29 Sec. 8-172. Refunds - Transfer of city contributions.
30 Whenever any amount is refunded as provided in Sections 8-168
31 and 8-169, except in the case of a male employee who becomes a
32 widower while in service after he becomes age 65, the amounts
33 to the credit of the male employee from contributions by the

1 city shall be transferred to the prior service annuity
2 reserve. Thereafter, except as otherwise provided in Section
3 8-172.1, any such amounts shall become a credit to the city
4 and, with interest thereon at the effective rate, be used to
5 reduce the amount which the city would otherwise pay during a
6 succeeding year.

7 (Source: Laws 1963, p. 161 database correction 9-24-03.)

8 (40 ILCS 5/8-172.1 new)

9 Sec. 8-172.1. Transfer of city contributions for
10 paramedics.

11 (a) Municipality credits computed and credited under this
12 Article 8 for all persons who (1) accumulated service credit in
13 this Article 8 fund for service as a paramedic, (2) have
14 terminated that Article 8 service credit and received a refund
15 of contributions, and (3) are participants in the Article 6
16 fund on the effective date of this amendatory Act of the 93rd
17 General Assembly shall be transferred by this Article 8 fund to
18 the Article 6 fund together with interest at the rate of 11%
19 per annum, compounded annually, to the date of transfer. The
20 city shall not be responsible for making any additional
21 employer contributions to the Fund to replace the amounts
22 transferred under this Section.

23 (b) Municipality credits computed and credited under this
24 Article 8 for all persons who (1) accumulated service credit in
25 this Article 8 fund for service as a paramedic, (2) have
26 terminated that Article 8 service credit and received a refund
27 of contributions, and (3) are not participants in the Article 6
28 fund on the effective date of this amendatory Act of the 93rd
29 General Assembly shall be used as provided in Section 8-172.

30 (40 ILCS 5/8-174) (from Ch. 108 1/2, par. 8-174)

31 Sec. 8-174. Contributions for age and service annuities for
32 present employees and future entrants. (a) Beginning on the

1 effective date and prior to July 1, 1947, 3 1/4%; and beginning
2 on July 1, 1947 and prior to July 1, 1953, 5%; and beginning
3 July 1, 1953, and prior to January 1, 1972, 6%; and beginning
4 January 1, 1972, 6-1/2% of each payment of the salary of each
5 present employee and future entrant shall be contributed to the
6 fund as a deduction from salary for age and service annuity.

7 Such deductions beginning on the effective date and prior
8 to July 1, 1947 shall be made for a future entrant while he is
9 in the service until he attains age 65 and for a present
10 employee while he is in the service until the amount so
11 deducted from his salary with the amount deducted from his
12 salary or paid by him according to law to any municipal pension
13 fund in force on the effective date with interest on both such
14 amounts at 4% per annum equals the sum that would have been to
15 his credit from sums deducted from his salary if deductions at
16 the rate herein stated had been made during his entire service
17 until he attained age 65 with interest at 4% per annum for the
18 period subsequent to his attainment of age 65. Such deductions
19 beginning July 1, 1947 shall be made and continued for
20 employees while in the service.

21 (b) Concurrently with each employee contribution beginning
22 on the effective date and prior to July 1, 1947 the city shall
23 contribute 5 3/4%; and beginning on July 1, 1947 and prior to
24 July 1, 1953, 7%; and beginning July 1, 1953, 6% of each
25 payment of such salary until the employee attains age 65.
26 Notwithstanding any provision of this subsection (b) to the
27 contrary, the city shall not make a contribution for any credit
28 established by an employee under subsection (b) of Section
29 8-138.4.

30 (c) Each employee contribution made prior to the date the
31 age and service annuity for an employee is fixed and each
32 corresponding city contribution shall be credited to the
33 employee and allocated to the account of the employee for whose
34 benefit it is made.

1 (Source: P.A. 81-1536.)

2 (40 ILCS 5/8-174.1) (from Ch. 108 1/2, par. 8-174.1)

3 Sec. 8-174.1. Employer contributions on behalf of
4 employees.

5 (a) The employer may make and may incur an obligation to
6 make contributions on behalf of its employees in an amount not
7 to exceed the employee contributions required by Sections
8 8-137, 8-161, 8-174, 8-182 and 8-182.1 for all salary earned
9 after December 31, 1981. If such employee contributions are not
10 made or an obligation to make such contributions is not
11 incurred by the employer on behalf of its employees, the amount
12 that could have been contributed shall continue to be deducted
13 from salary. If employee contributions are made by the employer
14 on behalf of its employees, they shall be treated as employer
15 contributions in determining tax treatment under the United
16 States Internal Revenue Code; however, each city shall continue
17 to withhold Federal and State income taxes based upon these
18 contributions until the Internal Revenue Service or the Federal
19 courts rule that pursuant to Section 414(h) of the United
20 States Internal Revenue Code, these contributions shall not be
21 included as gross income of the employee until such time as
22 they are distributed or made available. The employer may make
23 these contributions on behalf of its employees by a reduction
24 in the cash salary of the employee or by an offset against a
25 future salary increase or by a combination of a reduction in
26 salary and offset against a future salary increase. The
27 employer shall pay these employee contributions from the same
28 source of funds used in paying salary to the employee or, if
29 the employer is a Board of Education, it may also or
30 alternatively pay such contributions in whole or in part from
31 the proceeds of the pension contribution liability tax
32 authorized by Section 34-60.1 of the School Code, as amended.
33 If such a tax is levied with respect to any fiscal year of a

1 Board of Education, that portion of the contributions to be
2 paid by the Board of Education on behalf of its employees for
3 that fiscal year from the proceeds of such a tax shall not be
4 due and payable into the Fund until the collection, in the
5 calendar year following the calendar year in which such levy
6 was made, of the actual tax bills extending the second
7 installment of real estate taxes for the Board of Education for
8 that calendar year, pursuant to Section 21-30 of the Property
9 Tax Code, and such Board of Education shall not be required to
10 pay those contributions to be paid from the proceeds of such a
11 tax into the Fund except as collected from the extension of the
12 actual tax bills. If employee contributions are made by the
13 employer on behalf of its employees, they shall be treated for
14 all purposes of this Article 8, including Section 8-173, in the
15 same manner and to the same extent as employee contributions
16 made by employees and deducted from salary; provided, however,
17 that contributions which are made by a Board of Education on
18 behalf of its employees shall not be treated as a pension or
19 retirement obligation of the Board of Education for purposes of
20 Section 12 of "An Act in relation to State revenue sharing with
21 local governmental entities", approved July 31, 1969, as
22 amended. For purposes of Section 8-173, contributions made by a
23 Board of Education on behalf of its employees shall be treated
24 as contributions made by or on behalf of employees to the Fund
25 for the fiscal year for which the Board of Education incurred
26 the obligation to make such contributions.

27 (b) Subject to the requirements of federal law and the
28 rules of the Board, the Fund may allow the employee to elect to
29 have the employer make on behalf of the employee the optional
30 contributions that the employee has elected to pay to the Fund,
31 and the contributions so made on the employee's behalf shall be
32 treated as employer contributions for the purpose of
33 determining federal tax treatment. The employer shall make
34 contributions on behalf of an employee by a reduction in the

1 cash salary of the employee and shall pay contributions from
2 the same source of funds that is used to pay earnings of the
3 employee. The election to have the contributions made on the
4 employee's behalf is irrevocable, and the optional
5 contributions may not thereafter be prepaid, by direct payment
6 or otherwise.

7 If the provision authorizing the optional contribution
8 requires payment by a stated date (rather than the date of
9 withdrawal or retirement), the requirement will be deemed to
10 have been satisfied if (i) on or before the stated date the
11 employee executes a valid irrevocable election to have the
12 contributions made on his or her behalf under this subsection,
13 and (ii) the contributions made on his or her behalf are in
14 fact paid to the Fund as provided in the election.

15 If employee contributions are made by the employer on the
16 employee's behalf under this subsection, they shall be treated
17 for all purposes of this Article 8, including Section 8-173, in
18 the same manner and to the same extent as optional employee
19 contributions made prior to the date made on the employee's
20 behalf.

21 (Source: P.A. 88-670, eff. 12-2-94.)

22 (40 ILCS 5/8-192) (from Ch. 108 1/2, par. 8-192)

23 Sec. 8-192. Board created. A board of 5 members shall
24 constitute a Board of Trustees authorized to carry out the
25 provisions of this Article. The board shall be known as the
26 Retirement Board of the Municipal Employees', Officers', and
27 Officials' Annuity and Benefit Fund of the city, or for the
28 sake of brevity may also be known and referred to as the
29 Retirement Board of the Municipal Employees' Annuity and
30 Benefit Fund of such city. The board shall consist of the city
31 comptroller, the city treasurer, and 3 members who shall be
32 employees, to be elected as follows:

33 Within 30 days after the effective date, the mayor of the

1 city shall arrange for and hold an election.

2 One employee shall be elected for a term ending on the
3 first day in the month of December of the first year next
4 following the effective date; one for a term ending December
5 1st of the following year; and one for a term ending on
6 December 1st of the second following year.

7 The city comptroller, with the approval of the board, may
8 appoint a designee from among employees of the city who are
9 versed in the affairs of the comptroller's office to act in the
10 absence of the comptroller on all matters pertaining to
11 administering the provisions of this Article.

12 The members of a Retirement Board of a municipal
13 employees', officers', and officials' annuity and benefit fund
14 holding office in a city at the time this Article becomes
15 effective, including elective and ex-officio members, shall
16 continue in office until the expiration of their terms and
17 until their respective successors are elected or appointed and
18 have qualified.

19 An employee member who takes advantage of the early
20 retirement incentives provided under this amendatory Act of the
21 93rd General Assembly may continue as a member until the end of
22 his or her term.

23 (Source: P.A. 85-964.)

24 (40 ILCS 5/11-133.3 new)

25 Sec. 11-133.3. Early retirement incentive.

26 (a) To be eligible for the benefits provided in this
27 Section, an employee must:

28 (1) have been a contributor to the Fund who (i) on
29 October 15, 2003, was in active payroll status as an
30 employee; (ii) returns to active payroll status from an
31 approved leave of absence prior to December 15, 2003; (iii)
32 on October 15, 2003, is receiving ordinary or duty
33 disability benefits under Section 11-155 or 11-156 or (iv)

1 has been subjected to an involuntary termination or layoff
2 by the employer and restored to service by his or her
3 employer prior to January 31, 2004;

4 (2) have not previously retired under this Article;

5 (3) file with the Board on or before January 30, 2004,
6 a written election requesting the benefits provided in this
7 Section;

8 (4) withdraw from service on or after January 31, 2004
9 and on or before February 29, 2004 (or the date established
10 under subsection (a-5), if applicable); and

11 (5) by the date of withdrawal or by January 31, 2004,
12 whichever is earlier, have attained age 50 with at least 10
13 years of creditable service in this Fund, without including
14 any creditable service established under this Section, and
15 a total of at least 70 combined years of age and creditable
16 service, without including any creditable service
17 established under this Section, in one or more of the
18 participating systems under the Retirement Systems
19 Reciprocal Act.

20 A person is not eligible for the benefits provided in this
21 Section if the person elects to receive a retirement annuity
22 calculated under the alternative formula formerly set forth in
23 Section 20-122.

24 (a-5) To ensure that the efficient operation of employers
25 under this Article is not jeopardized by the simultaneous
26 retirement of large numbers of critical personnel, each
27 employer may, for its critical employees, extend the February
28 29, 2004 deadline for terminating employment under this Article
29 established in subdivision (a) (4) of this Section to a date not
30 later than May 31, 2004 by so notifying the Fund by January 31,
31 2004.

32 (b) An eligible employee may establish up to 5 years of
33 creditable service under this Section, in increments of one
34 month, by making the contributions specified in subsection (d).

1 In addition, for each month of creditable service established
2 under this Section, a person's age at retirement shall be
3 deemed to be one month older than it actually is, except for
4 determination of eligibility for automatic annual increases
5 under Sections 11-134.1 and 11-134.3. Furthermore, an eligible
6 employee must establish at least the amount of age and
7 creditable service necessary to bring his or her age and total
8 creditable service, including service in this Fund, service
9 established under this Section, and service in any of the other
10 participating systems under the Retirement Systems Reciprocal
11 Act, to a minimum that will satisfy the requirements of Section
12 11-134.

13 The creditable service under this Section may be used for
14 all purposes under this Article and the Retirement Systems
15 Reciprocal Act, except for the computation of average annual
16 salary and the determination of salary, earnings, or
17 compensation under this or any other Article of this Code.

18 (c) An eligible employee shall be entitled to have his or
19 her retirement annuity calculated in accordance with the
20 formula provided in Section 11-134, except that the annuity
21 shall not be subject to reduction because of withdrawal or
22 commencement of the annuity before attainment of age 60.

23 (d) For each month of creditable service established under
24 this Section, the employee must pay to the Fund an employee
25 contribution, to be calculated by the Fund, equal to 4.25% of
26 the member's monthly salary rate on October 15, 2003. The
27 employee may elect to pay the entire contribution before the
28 retirement annuity commences, or to have it deducted from the
29 annuity over a period not longer than 24 months. If the retired
30 employee dies before the contribution has been paid in full,
31 the unpaid installments may be deducted from any annuity or
32 other benefit payable to the employee's survivors.

33 All employee contributions paid under this Section shall
34 not be deemed contributions made by employees for annuity

1 purposes under Section 11-169, and shall be made and credited
2 to a special reserve, without interest. Employee contributions
3 paid under this Section may be refunded under the same terms
4 and conditions as are applicable to other employee
5 contributions for retirement annuity.

6 (e) Notwithstanding Section 11-161, an annuitant who
7 reenters service under this Article after receiving a
8 retirement annuity based on benefits provided under this
9 Section thereby forfeits the right to continue to receive those
10 benefits, and shall have his or her retirement annuity
11 recalculated at the appropriate time without the benefits
12 provided in this Section.

13 (f) No employer action in declaring an employee to be a
14 critical employee pursuant to subsection (a-5) shall be
15 construed as an impairment of any pension benefit or
16 entitlement. No early retirement option or resultant benefit
17 conferred under this Section shall, in any manner, vest for any
18 employee until the earlier date of the employer's decision to
19 release the employee from service or May 31, 2004.

20 (40 ILCS 5/11-133.4 new)

21 Sec. 11-133.4. Early retirement incentive for employees
22 who have earned maximum pension benefits.

23 (a) A person who is eligible for the benefits provided
24 under Section 11-133.3 and who, if he or she had retired on or
25 before February 29, 2004, would have been entitled to a pension
26 equal to 80% of his or her highest average annual salary for
27 any 4 consecutive years within the last 10 years of service
28 immediately preceding February 29, 2004 without receiving the
29 benefits provided in Section 11-133.3, may elect, by filing a
30 written election with the Fund by January 30, 2004, to receive
31 a lump sum from the Fund equal to 100% of his or her salary on
32 February 29, 2004 or the date of withdrawal, whichever is
33 earlier. To be eligible to receive the benefit provided under

1 this Section, the person must withdraw from service on or after
2 January 31, 2004 and on or before February 29, 2004 (or the
3 date established under subsection (b), if applicable). If a
4 person elects to receive the benefit provided under this
5 Section, his or her retirement annuity otherwise payable under
6 Section 11-134 shall be reduced by an amount equal to the
7 actuarial equivalent of the lump sum.

8 (b) To ensure that the efficient operation of employers
9 under this Article is not jeopardized by the simultaneous
10 retirement of large numbers of critical personnel, each
11 employer may, for its critical employees, extend the February
12 29, 2004 deadline for terminating employment under this Article
13 established in subdivision (a) of this Section to a date not
14 later than May 31, 2004 by so notifying the Fund by January 31,
15 2004.

16 (40 ILCS 5/11-134.1) (from Ch. 108 1/2, par. 11-134.1)

17 Sec. 11-134.1. Automatic increase in annuity.

18 (a) An employee who retired or retires from service after
19 December 31, 1963, and before January 1, 1987, having attained
20 age 60 or more, shall, in the month of January of the year
21 following the year in which the first anniversary of retirement
22 occurs, have the amount of his then fixed and payable monthly
23 annuity increased by 1 1/2%, and such first fixed annuity as
24 granted at retirement increased by a further 1 1/2% in January
25 of each year thereafter. Beginning with January of the year
26 1972, such increases shall be at the rate of 2% in lieu of the
27 aforesaid specified 1 1/2%. Beginning January, 1984, such
28 increases shall be at the rate of 3%. Beginning in January of
29 1999, such increases shall be at the rate of 3% of the
30 currently payable monthly annuity, including any increases
31 previously granted under this Article. An employee who retires
32 on annuity after December 31, 1963 and before January 1, 1987,
33 but prior to age 60, shall receive such increases beginning

1 with January of the year immediately following the year in
2 which he attains the age of 60 years.

3 An employee who retires from service on or after January 1,
4 1987 shall, upon the first annuity payment date following the
5 first anniversary of the date of retirement, or upon the first
6 annuity payment date following attainment of age 60, whichever
7 occurs later, have his then fixed and payable monthly annuity
8 increased by 3%, and such annuity shall be increased by an
9 additional 3% of the original fixed annuity on the same date
10 each year thereafter. Beginning in January of 1999, such
11 increases shall be at the rate of 3% of the currently payable
12 monthly annuity, including any increases previously granted
13 under this Article.

14 (a-5) Notwithstanding the provisions of subsection (a),
15 upon the first annuity payment date following (1) the third
16 anniversary of retirement, (2) the attainment of age 53, or (3)
17 January 1, 2002, ~~the date 60 days after the effective date of~~
18 ~~this amendatory Act of the 92nd General Assembly,~~ whichever
19 occurs latest, the monthly annuity of an employee who retires
20 on annuity prior to the attainment of age 60 and ~~who~~ has not
21 received an increase under subsection (a) shall be increased by
22 3%, and the ~~such~~ annuity shall be increased by an additional 3%
23 of the current payable monthly annuity, including any ~~such~~
24 increases previously granted under this Article, on the same
25 date each year thereafter. The increases provided under this
26 subsection are in lieu of the increases provided in subsection
27 (a).

28 (a-6) Notwithstanding the provisions of subsections (a)
29 and (a-5), for all calendar years following the year in which
30 this amendatory Act of the 93rd General Assembly takes effect,
31 an increase in annuity under this Section that would otherwise
32 take effect at any time during the year shall instead take
33 effect in January of that year.

34 (b) Subsections (a), ~~and~~ (a-5), and (a-6) are not

1 applicable to an employee retiring and receiving a term
2 annuity, as defined in this Article, nor to any otherwise
3 qualified employee who retires before he shall have made
4 employee contributions (at the 1/2 of 1% rate as hereinafter
5 provided) for the purposes of this additional annuity for not
6 less than the equivalent of one full year. Such employee,
7 however, shall make arrangement to pay to the fund a balance of
8 such 1/2 of 1% contributions, based on his final salary, as
9 will bring such 1/2 of 1% contributions, computed without
10 interest, to the equivalent of or completion of one year's
11 contributions.

12 Beginning with the month of January, 1964, each employee
13 shall contribute by means of salary deductions 1/2 of 1% of
14 each salary payment, concurrently with and in addition to the
15 employee contributions otherwise made for annuity purposes.

16 Each such additional employee contribution shall be
17 credited to an account in the prior service annuity reserve, to
18 be used, together with city contributions, to defray the cost
19 of the specified annuity increments. Any balance as of the
20 beginning of each calendar year existing in such account shall
21 be credited with interest at the rate of 3% per annum.

22 Such employee contributions shall not be subject to refund,
23 except to an employee who resigns or is discharged and applies
24 for refund under this Article, and also in cases where a term
25 annuity becomes payable.

26 In such cases the employee contributions shall be refunded
27 him, without interest, and charged to the aforementioned
28 account in the prior service annuity reserve.

29 (Source: P.A. 92-599, eff. 6-28-02; 92-609, eff. 7-1-02;
30 revised 8-26-02.)

31 (40 ILCS 5/11-145.1) (from Ch. 108 1/2, par. 11-145.1)

32 Sec. 11-145.1. Minimum annuities for widows.

33 The widow otherwise eligible for widow's annuity under

1 other Sections of this Article 11, of an employee hereinafter
2 described, who retires from service or dies while in the
3 service subsequent to the effective date of this amendatory
4 provision, and for which widow the amount of widow's annuity
5 and widow's prior service annuity combined, fixed or provided
6 for such widow under other provisions of said Article 11 is
7 less than the amount hereinafter provided in this section,
8 shall, from and after the date her otherwise provided annuity
9 would begin, in lieu of such otherwise provided widow's and
10 widow's prior service annuity, be entitled to the following
11 indicated amount of annuity:

12 (a) The widow of any employee who dies while in service on
13 or after the date on which he attains age 60 if the death
14 occurs before July 1, 1990, or on or after the date on which he
15 attains age 55 if the death occurs on or after July 1, 1990,
16 with at least 20 years of service, or on or after the date on
17 which he attains age 50 if the death occurs on or after the
18 effective date of this amendatory Act of 1997 with at least 30
19 years of service, shall be entitled to an annuity equal to
20 one-half of the amount of annuity which her deceased husband
21 would have been entitled to receive had he withdrawn from the
22 service on the day immediately preceding the date of his death,
23 conditional upon such widow having attained age 60 on or before
24 such date if the death occurs before July 1, 1990, or age 55 if
25 the death occurs on or after July 1, 1990, or age 50 if the
26 death occurs on or after January 1, 1998 and the employee is
27 age 50 or over with at least 30 years of service or age 55 or
28 over with at least 25 years of service. Except as provided in
29 subsection (j), the widow's annuity shall not, however, exceed
30 the sum of \$500 a month if the employee's death in service
31 occurs before January 23, 1987. The widow's annuity shall not
32 be limited to a maximum dollar amount if the employee's death
33 in service occurs on or after January 23, 1987.

34 If the employee dies in service before July 1, 1990, and if

1 such widow of such described employee shall not be 60 or more
2 years of age on such date of death, the amount provided in the
3 immediately preceding paragraph for a widow 60 or more years of
4 age, shall, in the case of such younger widow, be reduced by
5 0.25% for each month that her then attained age is less than 60
6 years if the employee was born before January 1, 1936, or dies
7 in service on or after January 1, 1988, or 0.5% for each month
8 that her then attained age is less than 60 years if the
9 employee was born on or after January 1, 1936 and dies in
10 service before January 1, 1988.

11 If the employee dies in service on or after July 1, 1990,
12 and if the widow of the employee has not attained age 55 on or
13 before the employee's date of death, the amount otherwise
14 provided in this subsection (a) shall be reduced by 0.25% for
15 each month that her then attained age is less than 55 years;
16 except that if the employee dies in service on or after January
17 1, 1998 at age 50 or over with at least 30 years of service or
18 at age 55 or over with at least 25 years of service, there
19 shall be no reduction due to the widow's age if she has
20 attained age 50 on or before the employee's date of death, and
21 if the widow has not attained age 50 on or before the
22 employee's date of death the amount otherwise provided in this
23 subsection (a) shall be reduced by 0.25% for each month that
24 her then attained age is less than 50 years.

25 (b) The widow of any employee who dies subsequent to the
26 date of his retirement on annuity, and who so retired on or
27 after the date on which he attained age 60 if retirement occurs
28 before July 1, 1990, or on or after the date on which he
29 attained age 55 if retirement occurs on or after July 1, 1990,
30 with at least 20 years of service, or on or after the date on
31 which he attained age 50 if the retirement occurs on or after
32 the effective date of this amendatory Act of 1997 with at least
33 30 years of service, shall be entitled to an annuity equal to
34 one-half of the amount of annuity which her deceased husband

1 received as of the date of his retirement on annuity,
2 conditional upon such widow having attained age 60 on or before
3 the date of her husband's retirement on annuity if retirement
4 occurs before July 1, 1990, or age 55 if retirement occurs on
5 or after July 1, 1990, or age 50 if the retirement on annuity
6 occurs on or after January 1, 1998 and the employee is age 50
7 or over with at least 30 years of service or age 55 or over with
8 at least 25 years of service. Except as provided in subsection
9 (j), this widow's annuity shall not, however, exceed the sum of
10 \$500 a month if the employee's death occurs before January 23,
11 1987. The widow's annuity shall not be limited to a maximum
12 dollar amount if the employee's death occurs on or after
13 January 23, 1987, regardless of the date of retirement;
14 provided that, if retirement was before January 23, 1987, the
15 employee or eligible spouse repays the excess spouse refund
16 with interest at the effective rate from the date of refund to
17 the date of repayment.

18 If the date of the employee's retirement on annuity is
19 before July 1, 1990, and if such widow of such described
20 employee shall not have attained such age of 60 or more years
21 on such date of her husband's retirement on annuity, the amount
22 provided in the immediately preceding paragraph for a widow 60
23 or more years of age on the date of her husband's retirement on
24 annuity, shall, in the case of such then younger widow, be
25 reduced by 0.25% for each month that her then attained age was
26 less than 60 years if the employee was born before January 1,
27 1936, or withdraws from service on or after January 1, 1988, or
28 0.5% for each month that her then attained age was less than 60
29 years if the employee was born on or after January 1, 1936 and
30 withdraws from service before January 1, 1988.

31 If the date of the employee's retirement on annuity is on
32 or after July 1, 1990, and if the widow of the employee has not
33 attained age 55 by the date of the employee's retirement on
34 annuity, the amount otherwise provided in this subsection (b)

1 shall be reduced by 0.25% for each month that her then attained
2 age is less than 55 years; except that if the employee retires
3 on annuity on or after January 1, 1998 at age 50 or over with at
4 least 30 years of service or at age 55 or over with at least 25
5 years of service, there shall be no reduction due to the
6 widow's age if she has attained age 50 on or before the
7 employee's date of death, and if the widow has not attained age
8 50 on or before the employee's date of death the amount
9 otherwise provided in this subsection (b) shall be reduced by
10 0.25% for each month that her then attained age is less than 50
11 years.

12 (c) The foregoing provisions relating to minimum annuities
13 for widows shall not apply to the widow of any former employee
14 receiving an annuity from the fund on August 2, 1965 or on the
15 effective date of this amendatory provision, who re-enters
16 service as a former employee, unless such employee renders at
17 least 3 years of additional service after the date of re-entry.

18 (d) (Blank).

19 (e) (Blank).

20 (f) The amendments to this Section by this amendatory Act
21 of 1985, relating to changing the discount because of age from
22 1/2 of 1% to 0.25% per month for widows of employees born
23 before January 1, 1936, shall apply only to qualifying widows
24 whose husbands die while in the service on or after August 16,
25 1985 or withdraw and enter on annuity on or after August 16,
26 1985.

27 (g) Beginning on January 1, 1999, the minimum amount of
28 widow's annuity shall be \$800 per month for life for the
29 following classes of widows, without regard to the fact that
30 the death of the employee occurred prior to the effective date
31 of this amendatory Act of 1998:

32 (1) any widow annuitant alive and receiving a term
33 annuity on the effective date of this amendatory Act of
34 1998, except a reciprocal annuity;

1 (2) any widow annuitant alive and receiving a life
2 annuity on the effective date of this amendatory Act of
3 1998, except a reciprocal annuity;

4 (3) any widow annuitant alive and receiving a
5 reciprocal annuity on the effective date of this amendatory
6 Act of 1998, whose employee spouse's service in this fund
7 was at least 5 years;

8 (4) the widow of an employee with at least 10 years of
9 service in this fund who dies after retirement, if the
10 retirement occurred prior to the effective date of this
11 amendatory Act of 1998;

12 (5) the widow of an employee with at least 10 years of
13 service in this fund who dies after retirement, if
14 withdrawal occurs on or after the effective date of this
15 amendatory Act of 1998;

16 (6) the widow of an employee who dies in service with
17 at least 5 years of service in this fund, if the death in
18 service occurs on or after the effective date of this
19 amendatory Act of 1998.

20 The increases granted under items (1), (2), (3) and (4) of
21 this subsection (g) shall not be limited by any other Section
22 of this Act.

23 (h) The widow of an employee who retired or died in service
24 on or after January 1, 1985 and before July 1, 1990, at age 55
25 or older, and with at least 35 years of service credit, shall
26 be entitled to have her widow's annuity increased, effective
27 January 1, 1991, to an amount equal to 50% of the retirement
28 annuity that the deceased employee received on the date of
29 retirement, or would have been eligible to receive if he had
30 retired on the day preceding the date of his death in service,
31 provided that if the widow had not attained age 60 by the date
32 of the employee's retirement or death in service, the amount of
33 the annuity shall be reduced by 0.25% for each month that her
34 then attained age was less than age 60 if the employee's

1 retirement or death in service occurred on or after January 1,
2 1988, or by 0.5% for each month that her attained age is less
3 than age 60 if the employee's retirement or death in service
4 occurred prior to January 1, 1988. However, in cases where a
5 refund of excess contributions for widow's annuity has been
6 paid by the Fund, the increase in benefit provided by this
7 subsection (h) shall be contingent upon repayment of the refund
8 to the Fund with interest at the effective rate from the date
9 of refund to the date of payment.

10 (i) If a deceased employee is receiving a retirement
11 annuity at the time of death and that death occurs on or after
12 June 27, 1997, the widow may elect to receive, in lieu of any
13 other annuity provided under this Article, 50% of the deceased
14 employee's retirement annuity at the time of death reduced by
15 0.25% for each month that the widow's age on the date of death
16 is less than 55; except that if the employee dies on or after
17 January 1, 1998 and withdrew from service on or after June 27,
18 1997 at age 50 or over with at least 30 years of service or at
19 age 55 or over with at least 25 years of service, there shall
20 be no reduction due to the widow's age if she has attained age
21 50 on or before the employee's date of death, and if the widow
22 has not attained age 50 on or before the employee's date of
23 death the amount otherwise provided in this subsection (i)
24 shall be reduced by 0.25% for each month that her age on the
25 date of death is less than 50 years. However, in cases where a
26 refund of excess contributions for widow's annuity has been
27 paid by the Fund, the benefit provided by this subsection (i)
28 is contingent upon repayment of the refund to the Fund with
29 interest at the effective rate from the date of refund to the
30 date of payment.

31 (j) For widows of employees who died before January 23,
32 1987 after retirement on annuity or in service, the maximum
33 dollar amount limitation on widow's annuity shall cease to
34 apply, beginning with the first annuity payment after the

1 effective date of this amendatory Act of 1997; except that if a
2 refund of excess contributions for widow's annuity has been
3 paid by the Fund, the increase resulting from this subsection
4 (j) shall not begin before the refund has been repaid to the
5 Fund, together with interest at the effective rate from the
6 date of the refund to the date of repayment.

7 (k) In lieu of any other annuity provided in this Article,
8 an eligible spouse of an employee who dies in service on or
9 after January 1, 2002 (regardless of whether that death in
10 service occurs prior to ~~at least 60 days after~~ the effective
11 date of this amendatory Act of the 93rd ~~92nd~~ General Assembly)
12 with at least 10 years of service shall be entitled to an
13 annuity of 50% of the minimum formula annuity earned and
14 accrued to the credit of the employee at the date of death. For
15 the purposes of this subsection, the minimum formula annuity
16 earned and accrued to the credit of the employee is equal to
17 2.40% for each year of service of the highest average annual
18 salary for any 4 consecutive years within the last 10 years of
19 service immediately preceding the date of death, up to a
20 maximum of 80% of the highest average annual salary. This
21 annuity shall not be reduced due to the age of the employee or
22 spouse. In addition to any other eligibility requirements under
23 this Article, the spouse is eligible for this annuity only if
24 the marriage was in effect for 10 full years or more.

25 (Source: P.A. 92-599, eff. 6-28-02.)

26 (40 ILCS 5/11-163) (from Ch. 108 1/2, par. 11-163)

27 Sec. 11-163. Restoration of rights. An employee who has
28 withdrawn as a refund the amounts credited for annuity
29 purposes, and who (i) re-enters service of the employer and
30 serves for periods comprising at least 90 days ~~2 years~~ after
31 the date of the last refund paid to him or (ii) has completed
32 at least 2 years of service under a participating system (as
33 defined in the Retirement Systems Reciprocal Act) other than

1 this Fund after the date of the last refund, shall have his
2 annuity rights restored by making application to the board in
3 writing for the privilege of re-instating such rights and by
4 compliance with the following provisions:

5 (a) After that 90 day or 2 year period, whichever
6 applies, he shall repay in full to the Fund, while in
7 service, ~~in full~~ all refunds received, together with
8 interest at the effective rate from the application dates
9 of such refund or refunds to the date of repayment.~~†~~

10 (b) If payment is not made in a single sum, repayment
11 may be made in installments by deductions from salary or
12 otherwise, in such manner and amounts as the board, by
13 rule, may prescribe, with interest at the effective rate
14 accruing on the unpaid balance ~~employee may elect~~. The
15 employee shall be credited with interest at the effective
16 rate from the date of each installment until full repayment
17 is made.

18 (c) If the employee withdraws from service or dies in
19 service before full repayment is made, service credit shall
20 be restored in accordance with Section 11-221.2(b).

21 (d) If the employee withdraws from service or dies in
22 service ~~or~~ during the required 90 day or 2 year period, any
23 repayments made shall be refunded, without interest
24 thereon and in accordance with the refund provisions of
25 this Article.

26 (e) If the employee repays the refund while
27 participating in a participating system (as defined in the
28 Retirement Systems Reciprocal Act) other than this Fund,
29 the service credit restored must be used for a proportional
30 annuity calculated in accordance with the Retirement
31 Systems Reciprocal Act. If not so used, the restored
32 service credit shall be forfeited and the amount of the
33 repayment shall be refunded, without interest.

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

1 (40 ILCS 5/11-167) (from Ch. 108 1/2, par. 11-167)

2 Sec. 11-167. Refunds in lieu of annuity. In lieu of an
3 annuity, an employee who withdraws, and whose annuity would
4 amount to less than \$800 a month for life may elect to receive
5 a refund of the total sum accumulated to his credit from
6 employee contributions for annuity purposes.

7 The widow of any employee, eligible for annuity upon the
8 death of her husband, whose annuity would amount to less than
9 \$800 a month for life, may, in lieu of a widow's annuity, elect
10 to receive a refund of the accumulated contributions for
11 annuity purposes, based on the amounts contributed by her
12 deceased employee husband, but reduced by any amounts
13 theretofore paid to him in the form of an annuity or refund out
14 of such accumulated contributions.

15 Accumulated contributions shall mean the amounts including
16 interest credited thereon contributed by the employee for age
17 and service and widow's annuity to the date of his withdrawal
18 or death, whichever first occurs, and including the
19 accumulations from any amounts contributed for him as salary
20 deductions while receiving duty disability benefits; provided
21 that such amounts contributed by the city after December 31,
22 1983 while the employee is receiving duty disability benefits
23 and amounts credited to the employee for annuity purposes by
24 the fund after December 31, 2000 while the employee is
25 receiving ordinary disability benefits shall not be included.

26 The acceptance of such refund in lieu of widow's annuity,
27 on the part of a widow, shall not deprive a child or children
28 of the right to receive a child's annuity as provided for in
29 Sections 11-153 and 11-154 of this Article, and neither shall
30 the payment of a child's annuity in the case of such refund to
31 a widow reduce the amount herein set forth as refundable to
32 such widow electing a refund in lieu of widow's annuity.

33 (Source: P.A. 91-887, eff. 7-6-00; 92-599, eff. 6-28-02SEE

1 GROUP 24 TEXT FOR DRAFTING PURPOSES ONLY - NOT FOR REVISORY
2 BILL.)

3 (40 ILCS 5/11-170.1) (from Ch. 108 1/2, par. 11-170.1)

4 Sec. 11-170.1. Pickup of employee contributions.

5 (a) The employer may pick up the employee contributions
6 required by Sections 11-156, 11-170, 11-174 and 11-175.1 for
7 salary earned after December 31, 1981. If employee
8 contributions are not picked up, the amount that would have
9 been picked up under this amendatory Act of 1980 shall continue
10 to be deducted from salary. If contributions are picked up they
11 shall be treated as employer contributions in determining tax
12 treatment under the United States Internal Revenue Code;
13 however, the employer shall continue to withhold Federal and
14 state income taxes based upon these contributions until the
15 Internal Revenue Service or the Federal courts rule that
16 pursuant to Section 414(h) of the United States Internal
17 Revenue Code, these contributions shall not be included as
18 gross income of the employee until such time as they are
19 distributed or made available. The employer shall pay these
20 employee contributions from the same source of funds which is
21 used in paying salary to the employee. The employer may pick up
22 these contributions by a reduction in the cash salary of the
23 employee or by an offset against a future salary increase or by
24 a combination of a reduction in salary and offset against a
25 future salary increase. If employee contributions are picked up
26 they shall be treated for all purposes of this Article 11,
27 including Section 11-169, in the same manner and to the same
28 extent as employee contributions made prior to the date picked
29 up.

30 (b) Subject to the requirements of federal law and the
31 rules of the Board, the Fund may allow the employee to elect to
32 have the employer pick up the optional contributions that the
33 employee has elected to pay to the Fund, and the contributions

1 so picked up shall be treated as employer contributions for the
2 purpose of determining federal tax treatment. The employer
3 shall pick up the contributions by a reduction in the cash
4 salary of the employee and shall pay contributions from the
5 same source of funds that is used to pay earnings of the
6 employee. The election to have the contributions picked up is
7 irrevocable, and the optional contributions may not thereafter
8 be prepaid, by direct payment or otherwise.

9 If the provision authorizing the optional contribution
10 requires payment by a stated date (rather than the date of
11 withdrawal or retirement), the requirement will be deemed to
12 have been satisfied if (i) on or before the stated date the
13 employee executes a valid irrevocable election to have the
14 contributions picked up under this subsection, and (ii) the
15 picked-up contributions are in fact paid to the Fund as
16 provided in the election.

17 If employee contributions are picked up under this
18 subsection, they shall be treated for all purposes of this
19 Article 11, including Section 11-169, in the same manner and to
20 the same extent as optional employee contributions made prior
21 to the date picked up.

22 (Source: P.A. 81-1536.)

23 (40 ILCS 5/11-178) (from Ch. 108 1/2, par. 11-178)

24 Sec. 11-178. Contributions by city for prior service
25 annuities and other benefits.

26 The city shall make contributions to provide prior service
27 and widow's prior service annuities, and other annuities and
28 benefits, as follows:

29 1. To credit to the city contribution reserve such amounts
30 required from the city but not contributed by it for age and
31 service and prior service annuities, and widow's annuities and
32 widows' prior service annuities;

33 2. To meet such part of any minimum annuity as shall be in

1 excess of the age and service annuity and prior service
2 annuity, and to meet such part of any minimum widow's annuity
3 in excess of the amount of widow's annuity and widow's prior
4 service annuity;

5 3. To provide a sufficient balance in the investment and
6 interest reserve to permit a transfer from that reserve to
7 other reserves of the fund. Whenever the balance of the
8 investment and interest reserve is not sufficient to permit a
9 transfer from that reserve to any other reserve, the city shall
10 contribute sums sufficient to make possible such transfer;

11 4. An amount equal to the difference between (1) the sum
12 produced by the tax levy stated in Section 11--169 and (2) all
13 sums required for the purposes of this Article 11 in accordance
14 with the provisions of this Article 11 except those stated in
15 this Section, shall be applied for purposes of this Section.

16 Provided that if in any year such total sums together with
17 all other sums required during such year for the other purposes
18 of the fund, are in excess of the total amount contributed by
19 the city during such year, the sums required for purposes other
20 than those stated in this section shall first be provided for.
21 The balance shall then be applied for the purposes stated in
22 this section.

23 All such contributions shall be credited to the prior
24 service annuity reserve. When the balance of this reserve
25 equals its liabilities (including in addition to all other
26 liabilities, the present values of all annuities, present or
27 prospective, according to the applicable mortality tables and
28 rates of interest, but excluding any liabilities arising under
29 Sections 11-133.3 and 11-133.4), the city shall cease to
30 contribute the sum stated in this section.

31 If annexation of territory and the employment by the city
32 of any person employed as a city laborer in any such territory
33 at the time of annexation, after the city has ceased to
34 contribute as herein provided, results in additional

1 liabilities for prior service annuity and widow's prior service
2 annuity for any such employee, contributions by the city for
3 such purposes shall be resumed.

4 Notwithstanding any provision in this Section to the
5 contrary, the city shall not make a contribution for credit
6 established by an employee under subsection (b) of Section
7 11-133.3.

8 (Source: Laws 1965, p. 2292.)

9 (40 ILCS 5/11-181) (from Ch. 108 1/2, par. 11-181)

10 Sec. 11-181. Board created. A board of 8 members shall
11 constitute the board of trustees authorized to carry out the
12 provisions of this Article. The board shall be known as the
13 Retirement Board of the Laborers' and Retirement Board
14 Employees' Annuity and Benefit Fund of the city. The board
15 shall consist of 5 persons appointed and 2 employees and one
16 annuitant elected in the manner hereinafter prescribed.

17 The appointed members of the board shall be appointed as
18 follows:

19 One member shall be appointed by the comptroller of the
20 city, who may be himself or anyone chosen from among employees
21 of the city who are versed in the affairs of the comptroller's
22 office; one member shall be appointed by the City Treasurer of
23 the city, who may be himself or a person chosen from among
24 employees of the city who are versed in the affairs of the City
25 Treasurer's office; one member shall be an employee of the city
26 appointed by the president of the local labor organization
27 representing a majority of the employees participating in the
28 Fund; and 2 members shall be appointed by the civil service
29 commission or the Department of Personnel of the city from
30 among employees of the city who are versed in the affairs of
31 the civil service commission's office or the Department of
32 Personnel.

33 The member appointed by the comptroller shall hold office

1 for a term ending on December 1st of the first year following
2 the year of appointment. The member appointed by the City
3 Treasurer shall hold office for a term ending on December 1st
4 of the second year following the year of appointment. The
5 member appointed by the civil service commission shall hold
6 office for a term ending on the first day in the month of
7 December of the third year following the year of appointment.
8 The additional member appointed by the civil service commission
9 under this amendatory Act of 1998 shall hold office for an
10 initial term ending on December 1, 2000, and the member
11 appointed by the labor organization president shall hold office
12 for an initial term ending on December 1, 2001. Thereafter each
13 appointive member shall be appointed by the officer or body
14 that appointed his predecessor, for a term of 3 years.

15 The 2 employee members of the board shall be elected as
16 follows:

17 Within 30 days from and after the appointive members have
18 been appointed and have qualified, the appointive members shall
19 arrange for and hold an election.

20 One employee shall be elected for a term ending on December
21 1st of the first year next following the effective date; one
22 for a term ending on December 1st of the following year.

23 An employee member who takes advantage of the early
24 retirement incentives provided under this amendatory Act of the
25 93rd General Assembly may continue as a member until the end of
26 his or her term.

27 The initial annuitant member shall be appointed by the
28 other members of the board for an initial term ending on
29 December 1, 1999. The annuitant member elected in 1999 shall be
30 deemed to have been elected for a 3-year term ending on
31 December 1, 2002. Thereafter, the annuitant member shall be
32 elected for a 3-year term ending on December 1st of the third
33 year following the election.

34 (Source: P.A. 90-766, eff. 8-14-98; 91-887, eff. 7-6-00.)

1 (40 ILCS 5/12-133) (from Ch. 108 1/2, par. 12-133)

2 Sec. 12-133. Fixed benefit retirement annuity.

3 (a) Subject to the provisions of paragraph (b) of this
4 Section, the retirement annuity for any employee who withdraws
5 from service on or after January 1, 1983 and before January 1,
6 1990, at age 60 or over, having at least 4 years of service,
7 shall be 1.70% for each of the first 10 years of service; 2.00%
8 for each of the next 10 years of service; 2.40% for each year
9 of service in excess of 20 but not exceeding 30; and 2.80% for
10 each year of service in excess of 30, with a pro-rated amount
11 for service of less than a full year, based upon the highest
12 average annual salary for any 4 consecutive years within the
13 last 10 years of service immediately preceding the date of
14 withdrawal, provided that: (1) if retirement of the employee
15 occurs below age 60, such annuity shall be reduced 1/2 of 1%
16 for each month or fraction thereof that the employee's age is
17 less than 60, except that an employee retiring at age 55 or
18 over but less than age 60, having at least 35 years of service,
19 shall not be subject to the reduction in his retirement annuity
20 because of retirement below age 60; (2) the annuity shall not
21 exceed 75% of such average annual salary; (3) the actual salary
22 shall be considered in the computation of this annuity.

23 The retirement annuity for any employee who withdraws from
24 service on or after January 1, 1990 and prior to December 31,
25 2003 at age 50 or over with at least 10 years of service, or at
26 age 60 or over with at least 4 years of service, shall be 1.90%
27 for each of the first 10 years of service, 2.20% for each of
28 the next 10 years of service, 2.40% for each of the next 10
29 years of service, and 2.80% for each year of service in excess
30 of 30, with a pro-rated amount for service of less than a full
31 year, based upon the highest average annual salary for any 4
32 consecutive years within the last 10 years of service
33 immediately preceding the date of withdrawal, provided that:

1 (1) if retirement of the employee occurs below age 60,
2 such annuity shall be reduced 1/4 of 1% (1/2 of 1% in the
3 case of withdrawal from service before January 1, 1991) for
4 each month or fraction thereof that the employee's age is
5 less than 60, except that an employee retiring at age 50 or
6 over having at least 30 years of service shall not be
7 subject to the reduction in retirement annuity because of
8 retirement below age 60;

9 (2) the annuity shall not exceed 80% of such average
10 annual salary; and

11 (3) the actual salary shall be considered in the
12 computation of this annuity.

13 An employee who withdraws from service on or after December
14 31, 2003, at age 50 or over with at least 10 years of service or
15 at age 60 or over with at least 4 years of service, shall
16 receive, in lieu of any other retirement annuity provided for
17 in this Section, a retirement annuity calculated as follows:
18 for each year of service immediately preceding the date of
19 withdrawal, 2.40% of the highest average annual salary for any
20 4 consecutive years within the last 10 years of service
21 immediately preceding the date of withdrawal, with a prorated
22 amount for service of less than a full year, provided that:

23 (1) if retirement of the employee occurs below age 60,
24 such annuity shall be reduced 1/4 of 1% for each month or
25 fraction thereof that the employee's age is less than 60,
26 except that an employee retiring at age 50 or over having
27 at least 30 years of service shall not be subject to the
28 reduction in retirement annuity because of retirement
29 below age 60;

30 (2) the annuity shall not exceed 80% of such average
31 annual salary; and

32 (3) the actual salary shall be considered in the
33 computation of this annuity.

34 Notwithstanding any other formula, the annuity for

1 employees retiring on or after January 31, 2004 and on or
2 before February 29, 2004 with at least 30 years of service
3 shall be 80% of average annual salary for any 4 consecutive
4 years within the last 10 years of service immediately preceding
5 the date of withdrawal.

6 (b) In lieu of the retirement annuity provided as an
7 actuarial equivalent of the total accumulations from
8 contributions by the employee, contributions by the employer,
9 and prior service annuity plus regular interest, an employee in
10 service prior to July 1, 1971 shall be entitled to the largest
11 applicable retirement annuity provided in this Section if the
12 same is larger than the annuity provided in other Sections of
13 this Article.

14 (c) The following schedule shall govern the computation of
15 service for the fixed benefit annuities provided by this
16 Section: Service during 9 months or more during any fiscal year
17 shall constitute a year of service; 6 to 8 months, inclusive,
18 3/4 of a year; 3 to 5 months, inclusive, 1/2 year; less than 3
19 months, 1/4 of a year; 15 days or more in any month, a month of
20 service.

21 (d) The other provisions of this Section shall not apply in
22 the case of any former employee who is receiving a retirement
23 annuity from the fund and who re-enters service as an employee,
24 unless the employee renders from and after the date of
25 re-entry, at least 3 years of additional service.

26 (Source: P.A. 86-272; 86-1488; 87-794.)

27 (40 ILCS 5/12-133.6 new)

28 Section 12-133.6. Early retirement incentive.

29 (a) To be eligible for the benefits provided in this
30 Section, a person must:

31 (1) have been, on November 1, 2003, an employee (i)
32 contributing to the Fund in active payroll status in a
33 position of employment under this Article, (ii) returning

1 to active payroll status from an approved leave of absence
2 prior to December 1, 2003, (iii) receiving ordinary or duty
3 disability benefits under Section 12-140, 12-142, or
4 12-143 or (iv) or have been subjected to an involuntary
5 termination or layoff by the employer and restored to
6 service by his or her employer prior to January 31, 2004;

7 (2) have not previously retired under this Article;

8 (3) file with the Board before January 31, 2004 a
9 written election requesting the benefits provided in this
10 Section;

11 (4) withdraw from service on or after January 31, 2004
12 and on or before February 29, 2004 (or the date established
13 under subsection (a-5), if applicable); and

14 (5) have, by the date of withdrawal or by February 29,
15 2004, whichever is earlier, attained age 50 with at least
16 10 years of creditable service in one or more participating
17 systems under the Retirement Systems Reciprocal Act,
18 without including any creditable service established under
19 this Section.

20 (a-5) To ensure that the efficient operation of employers
21 under this Article is not jeopardized by the simultaneous
22 retirement of large numbers of critical personnel, each
23 employer may, for its critical employees, extend the February
24 29, 2004 deadline for terminating employment under this Article
25 established in subdivision (a) (4) of this Section to a date not
26 later than May 31, 2004 by so notifying the Fund by January 31,
27 2004.

28 (b) An eligible person may establish up to 5 years of
29 creditable service under this Section, in increments of one
30 month, by making the contributions specified in subsection (c).
31 In addition, for each month of creditable service established
32 under this Section, a person's age at retirement shall be
33 deemed to be one month older than it actually is, except for
34 purposes of determining age under item (5) of subsection (a).

1 The creditable service established under this Section may
2 be used for all purposes under this Article and the Retirement
3 Systems Reciprocal Act, except for the computation of highest
4 average annual salary under Section 12-133 or the determination
5 of salary under this or any other Article of this Code.

6 (c) For each month of creditable service established under
7 this Section, the person must pay to the Fund an employee
8 contribution to be determined by the Fund, equal to 4.50% of
9 the person's monthly salary rate on the date of withdrawal from
10 service. Subject to the requirements of subsection (d), the
11 person may elect to pay the required employee contribution
12 before the retirement annuity commences or through deductions
13 from the retirement annuity over a period not longer than 24
14 months.

15 If a person who retires dies before all payments of the
16 employee contribution have been made, the remaining payments
17 shall be deducted from any survivor or death benefits payable
18 to the employee's surviving spouse or beneficiary.

19 Notwithstanding any provision in this Article to the
20 contrary, all employee contributions paid under this Section
21 shall not be deemed employee contributions for the purpose of
22 determining the tax levy under Section 12-149. Notwithstanding
23 any provision in this Article to the contrary, the employer
24 shall not make a contribution for any credit established by an
25 employee under subsection (b) of this Section. Employee
26 contributions made under this Section may be refunded under the
27 same terms and conditions as other employee contributions under
28 this Article.

29 (d) A person who retires under the provisions of this
30 Section shall be entitled to have his or her retirement annuity
31 calculated under the provisions of Section 12-133, except that
32 the retirement annuity shall not be subject to reduction for
33 retirement under age 60.

34 (e) Notwithstanding Section 12-146 of this Article, an

1 annuitant who reenters service under this Article after
2 receiving a retirement annuity based on additional benefits
3 provided under this Section thereby forfeits the right to
4 continue to receive those benefits, and upon again retiring
5 shall have his or her retirement annuity recalculated at the
6 appropriate time without the additional benefits provided in
7 this Section.

8 (f) No employer action in declaring an employee to be a
9 critical employee pursuant to subsection (a-5) shall be
10 construed as an impairment of any pension benefit or
11 entitlement. No early retirement option or resultant benefit
12 conferred under this Section shall, in any manner, vest for any
13 employee until the earlier date of the employer's decision to
14 release the employee from service or May 31, 2004.

15 (40 ILCS 5/12-133.7 new)

16 Sec. 12-133.7. Early retirement incentive for employees
17 who have earned maximum pension benefits. A person who is
18 eligible for the benefits provided under Section 12-133.6 and
19 who, if he or she had retired on or before February 29, 2004,
20 would have been entitled to a pension equal to 80% of his or
21 her highest average salary for any 4 consecutive years within
22 the last 10 years of service immediately preceding February 29,
23 2004 without receiving the benefits provided in Section
24 12-133.6 may elect, by filing a written election with the Fund
25 by January 30, 2004, to receive a lump sum from the Fund on his
26 or her last day of employment equal to 100% of his or her
27 salary for the year ending on February 29, 2004 or the date of
28 withdrawal, whichever is earlier. To be eligible to receive the
29 benefit provided under this Section, the person must withdraw
30 from service on or after January 31, 2004 and on or before
31 February 29, 2004. If a person elects to receive the benefit
32 provided under this Section, his or her retirement annuity
33 otherwise payable under Section 12-133 shall be reduced by an

1 amount equal to the actuarial equivalent of the lump sum. If a
2 person elects to receive the benefit provided under this
3 Section, the resulting reduction in retirement annuity under
4 this Section shall not affect the amount of any widow's service
5 annuity or widow's prior service annuity under Section 12-135
6 or any optional reversionary annuity for a surviving spouse
7 under Section 12-136.1.

8 (40 ILCS 5/12-149) (from Ch. 108 1/2, par. 12-149)

9 Sec. 12-149. Financing. The board of park commissioners of
10 any such park district shall annually levy a tax (in addition
11 to the taxes now authorized by law) upon all taxable property
12 embraced in the district, at the rate which, when added to the
13 employee contributions under this Article and applied to the
14 fund created hereunder, shall be sufficient to provide for the
15 purposes of this Article in accordance with the provisions
16 thereof. Such tax shall be levied and collected with and in
17 like manner as the general taxes of such district, and shall
18 not in any event be included within any limitations of rate for
19 general park purposes as now or hereafter provided by law, but
20 shall be excluded therefrom and be in addition thereto. The
21 amount of such annual tax to and including the year 1977 shall
22 not exceed .0275% of the value, as equalized or assessed by the
23 Department of Revenue, of all taxable property embraced within
24 the park district, provided that for the year 1978, and for
25 each year thereafter, the amount of such annual tax shall be at
26 a rate on the dollar of assessed valuation of all taxable
27 property that will produce, when extended, for the year 1978
28 the following sum: 0.825 times the amount of employee
29 contributions during the fiscal year 1976; for the year 1979,
30 0.85 times the amount of employee contributions during the
31 fiscal year 1977; for the year 1980, 0.90 times the amount of
32 employee contributions during the fiscal year 1978; for the
33 year 1981, 0.95 times the amount of employee contributions

1 during the fiscal year 1979; for the year 1982, 1.00 times the
2 amount of employee contributions during the fiscal year 1980;
3 for the year 1983, 1.05 times the amount of contributions made
4 on behalf of employees during the fiscal year 1981; and for the
5 year 1984 and each year thereafter, an amount equal to 1.10
6 times the employee contributions during the fiscal year 2-years
7 prior to the year for which the applicable tax is levied. As
8 used in this Section, the term "employee contributions" means
9 contributions by employees for retirement annuity, spouse's
10 annuity, automatic increase in retirement annuity, and death
11 benefit.

12 In respect to park district employees, other than
13 policemen, who are transferred to the employment of a city by
14 virtue of the "Exchange of Functions Act of 1957", the
15 corporate authorities of the city shall annually levy a tax
16 upon all taxable property embraced in the city, as equalized or
17 assessed by the Department of Revenue, at such rate per cent of
18 the value of such property as shall be sufficient, when added
19 to the amounts deducted from the salary or wages of such
20 employees, to provide the benefits to which such employees,
21 their dependents and beneficiaries are entitled under the
22 provisions of this Article. The park district shall not levy a
23 tax hereunder in respect to such employees. The tax levied by
24 the city under authority of this Article shall be in addition
25 to and exclusive of all other taxes authorized by law to be
26 levied by the city for corporate, annuity fund or other
27 purposes.

28 All moneys accruing from the levy and collection of taxes,
29 pursuant to this section, shall be remitted to the board by the
30 employers as soon as they are received. Where a city has levied
31 a tax pursuant to this Section in respect to park district
32 employees transferred to the employment of a city, the
33 treasurer of such city or other authorized officer shall remit
34 the moneys accruing from the levy and collection of such tax as

1 soon as they are received. Such remittances shall be made upon
2 a pro rata share basis, whereby each employer shall pay to the
3 board such employer's proportionate percentage of each payment
4 of taxes received by it, according to the ratio which its tax
5 levy for this fund bears to the total tax levy of such
6 employer.

7 Should any board of park commissioners included under the
8 provisions of this Article be without authority to levy the tax
9 provided in this Section the corporation authorities (meaning
10 the supervisor, clerk and assessor) of the town or towns for
11 which such board shall be the board of park commissioners shall
12 levy such tax.

13 Employer contributions to the Fund may be reduced by
14 \$5,000,000 for calendar years 2004 and 2005.

15 (Source: P.A. 81-1536.)

16 Section 90. The State Mandates Act is amended by adding
17 Section 8.28 as follows:

18 (30 ILCS 805/8.28 new)

19 Sec. 8.28. Exempt mandate. Notwithstanding Sections 6 and 8
20 of this Act, no reimbursement by the State is required for the
21 implementation of any mandate created by this amendatory Act of
22 the 93rd General Assembly.

23
24 Section 99. Effective date. This Act takes effect upon
25 becoming law."