

1 AN ACT in relation to public employee benefits.

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

4 Section 5. The Illinois Pension Code is amended by  
5 changing Section 3-111.1 as follows:

6 (40 ILCS 5/3-111.1) (from Ch. 108 1/2, par. 3-111.1)  
7 Sec. 3-111.1. Increase in pension.

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

18 Beginning January 1, 2004, the increases accruing under  
19 this subsection shall be calculated at the rate of 4% of the  
20 amount of pension payable at the time of the increase,  
21 including any increases previously granted under this  
22 Section, without regard to whether the police officer was in  
23 service on or after the effective date of this amendatory Act  
24 of the 93rd General Assembly.

25 (b) The monthly pension of a police officer who retired  
26 from service with 20 or more years of service, on or before  
27 July 1, 1971, shall be increased in January of the year  
28 following the year of attaining age 65 or in January of 1972,  
29 if then over age 65, by 3% of the originally granted pension  
30 for each year the police officer received pension payments.  
31 In each January thereafter, he or she shall receive an

1 additional increase of 3% of the original pension.

2 Beginning January 1, 2004, the increases accruing under  
3 this subsection shall be calculated at the rate of 4% of the  
4 amount of pension payable at the time of the increase,  
5 including any increases previously granted under this  
6 Section, without regard to whether the police officer was in  
7 service on or after the effective date of this amendatory Act  
8 of the 93rd General Assembly.

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

16 Beginning January 1, 2004, an initial increase accruing  
17 under this subsection shall be 4% of the originally granted  
18 pension for each year that has elapsed since the pension  
19 began, and the subsequent increases accruing under this  
20 subsection shall be calculated at the rate of 4% of the  
21 amount of pension payable at the time of the increase,  
22 including any increases previously granted under this  
23 Section, without regard to whether the police officer was in  
24 service on or after the effective date of this amendatory Act  
25 of the 93rd General Assembly.

26 (d) The monthly pension of a police officer who retires  
27 after January 1, 1986, shall be increased, upon either the  
28 first of the month following the first anniversary of the  
29 date of retirement if the officer is 55 years of age or over,  
30 or upon the first day of the month following attainment of  
31 age 55 if it occurs after the first anniversary of  
32 retirement, by 1/12 of 3% of the originally granted pension  
33 for each full month that has elapsed since the pension began,  
34 and by an additional 3% of the originally granted pension in

1 January of each year thereafter.

2 Beginning January 1, 2004, an initial increase accruing  
3 under this subsection shall be 1/12 of 4% of the originally  
4 granted pension for each full month that has elapsed since  
5 the pension began, and the subsequent increases accruing  
6 under this subsection shall be calculated at the rate of 4%  
7 of the amount of pension payable at the time of the increase,  
8 including any increases previously granted under this  
9 Section, without regard to whether the police officer was in  
10 service on or after the effective date of this amendatory Act  
11 of the 93rd General Assembly.

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

21 (e) Notwithstanding the provisions of subsection (a),  
22 upon the first day of the month following (1) the first  
23 anniversary of the date of retirement, or (2) the attainment  
24 of age 55, or (3) July 1, 1987, whichever occurs latest, the  
25 monthly pension of a police officer who retired on or after  
26 January 1, 1977 and on or before January 1, 1986, and did not  
27 receive an increase under subsection (a) before July 1, 1987,  
28 shall be increased by 3% of the originally granted monthly  
29 pension for each full year that has elapsed since the pension  
30 began, and by an additional 3% of the originally granted  
31 pension in each January thereafter. The increases provided  
32 under this subsection are in lieu of the increases provided  
33 in subsection (a).

34 Beginning January 1, 2004, the increases accruing under

1 this subsection shall be calculated at the rate of 4% of the  
 2 amount of pension payable at the time of the increase,  
 3 including any increases previously granted under this  
 4 Section, without regard to whether the police officer was in  
 5 service on or after the effective date of this amendatory Act  
 6 of the 93rd General Assembly.

7 ~~(f) Notwithstanding the other provisions of this~~  
 8 ~~Section, beginning with increases granted on or after July 1,~~  
 9 ~~1993, the second and all subsequent automatic annual~~  
 10 ~~increases granted under subsection (a), (b), (d), or (e) of~~  
 11 ~~this Section shall be calculated as 3% of the amount of~~  
 12 ~~pension payable at the time of the increase, including any~~  
 13 ~~increases previously granted under this Section, rather than~~  
 14 ~~3% of the originally granted pension amount. Section 1-103.1~~  
 15 ~~does not apply to this subsection (f).~~

16 (Source: P.A. 91-939, eff. 2-1-01.)

17 Section 90. The State Mandates Act is amended by adding  
 18 Section 8.27 as follows:

19 (30 ILCS 805/8.27 new)

20 Sec. 8.27. Exempt mandate. Notwithstanding Sections 6  
 21 and 8 of this Act, no reimbursement by the State is required  
 22 for the implementation of any mandate created by this  
 23 amendatory Act of the 93rd General Assembly.

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