

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 Sections 2-101, 2-105, 2-119.1, 2-126, 14-103.05,  
6 14-133, 18-101 and 18-120 as follows:

7 (40 ILCS 5/2-101) (from Ch. 108 1/2, par. 2-101)

8 Sec. 2-101. Creation of system. A retirement system is  
9 created to provide retirement annuities, survivor's annuities  
10 and other benefits for certain members of the General  
11 Assembly, certain elected state officials, and their  
12 beneficiaries.

13 The system shall be known as the "General Assembly  
14 Retirement System". All its funds and property shall be a  
15 trust separate from all other entities, maintained for the  
16 purpose of securing payment of annuities and benefits under  
17 this Article.

18 Participation in the retirement system created under this  
19 Article is restricted to persons who become participants  
20 before the effective date of this amendatory Act of the 93rd  
21 General Assembly. Beginning on that date, the System shall  
22 not accept any new participants.

23 (Source: P.A. 83-1440.)

24 (40 ILCS 5/2-105) (from Ch. 108 1/2, par. 2-105)

25 Sec. 2-105. Member. "Member": Members of the General  
26 Assembly of this State, including persons who enter military  
27 service while a member of the General Assembly, and any  
28 person serving as Governor, Lieutenant Governor, Secretary of  
29 State, Treasurer, Comptroller, or Attorney General for the  
30 period of service in such office.

1 Any person who has served for 10 or more years as Clerk  
2 or Assistant Clerk of the House of Representatives, Secretary  
3 or Assistant Secretary of the Senate, or any combination  
4 thereof, may elect to become a member of this system while  
5 thenceforth engaged in such service by filing a written  
6 election with the board. Any person so electing shall be  
7 deemed an active member of the General Assembly for the  
8 purpose of validating and transferring any service credits  
9 earned under any of the funds and systems established under  
10 Articles 3 through 18 of this Code.

11 However, notwithstanding any other provision of this  
12 Article, a person shall not be deemed a member for the  
13 purposes of this Article unless he or she became a  
14 participant of the System before the effective date of this  
15 amendatory Act of the 93rd General Assembly.

16 (Source: P.A. 85-1008.)

17 (40 ILCS 5/2-119.1) (from Ch. 108 1/2, par. 2-119.1)

18 Sec. 2-119.1. Automatic increase in retirement annuity.

19 (a) A participant who retires after June 30, 1967, and  
20 who has not received an initial increase under this Section  
21 before the effective date of this amendatory Act of 1991,  
22 shall, in January or July next following the first  
23 anniversary of retirement, whichever occurs first, and in the  
24 same month of each year thereafter, but in no event prior to  
25 age 60, have the amount of the originally granted retirement  
26 annuity increased as follows: for each year through 1971, 1  
27 1/2%; for each year from 1972 through 1979, 2%; and for 1980  
28 and each year thereafter, 3%. Annuitants who have received  
29 an initial increase under this subsection prior to the  
30 effective date of this amendatory Act of 1991 shall continue  
31 to receive their annual increases in the same month as the  
32 initial increase.

33 (b) Beginning January 1, 1990, for participants who

1 remain in service after attaining 20 years of creditable  
2 service and have not elected to stop contributing under  
3 Section 2-126(e), the 3% increases provided under subsection  
4 (a) shall begin to accrue on the January 1 next following the  
5 date upon which the participant (1) attains age 55, or (2)  
6 attains 20 years of creditable service, whichever occurs  
7 later, and shall continue to accrue while the participant  
8 remains in service; such increases shall become payable on  
9 January 1 or July 1, whichever occurs first, next following  
10 the first anniversary of retirement. For any person who has  
11 service credit in the System for the entire period from  
12 January 15, 1969 through December 31, 1992, regardless of the  
13 date of termination of service, the reference to age 55 in  
14 clause (1) of this subsection (b) shall be deemed to mean age  
15 50.

16 (c) The foregoing provisions relating to automatic  
17 increases are not applicable to a participant who retires  
18 before having made contributions (at the rate prescribed in  
19 Section 2-126) for automatic increases for less than the  
20 equivalent of one full year. However, in order to be  
21 eligible for the automatic increases, such a participant may  
22 make arrangements to pay to the system the amount required to  
23 bring the total contributions for the automatic increase to  
24 the equivalent of one year's contributions based upon his or  
25 her last salary.

26 (d) A participant who terminated service prior to July  
27 1, 1967, with at least 14 years of service is entitled to an  
28 increase in retirement annuity beginning January, 1976, and  
29 to additional increases in January of each year thereafter.

30 The initial increase shall be 1 1/2% of the originally  
31 granted retirement annuity multiplied by the number of full  
32 years that the annuitant was in receipt of such annuity  
33 prior to January 1, 1972, plus 2% of the originally granted  
34 retirement annuity for each year after that date. The

1 subsequent annual increases shall be at the rate of 2% of the  
2 originally granted retirement annuity for each year through  
3 1979 and at the rate of 3% for 1980 and thereafter.

4 (e) Beginning January 1, 1990, all automatic annual  
5 increases payable under this Section shall be calculated as a  
6 percentage of the total annuity payable at the time of the  
7 increase, including previous increases granted under this  
8 Article.

9 (Source: P.A. 86-273; 87-794; 87-1265.)

10 (40 ILCS 5/2-126) (from Ch. 108 1/2, par. 2-126)

11 Sec. 2-126. Contributions by participants.

12 (a) Each participant shall contribute toward the cost of  
13 his or her retirement annuity a percentage of each payment of  
14 salary received by him or her for service as a member as  
15 follows: for service between October 31, 1947 and January 1,  
16 1959, 5%; for service between January 1, 1959 and June 30,  
17 1969, 6%; for service between July 1, 1969 and January 10,  
18 1973, 6 1/2%; for service after January 10, 1973, 7%; for  
19 service after December 31, 1981, 8 1/2%.

20 (b) Beginning August 2, 1949, each male participant, and  
21 from July 1, 1971, each female participant shall contribute  
22 towards the cost of the survivor's annuity 2% of salary.

23 A participant who has no eligible survivor's annuity  
24 beneficiary may elect to cease making contributions for  
25 survivor's annuity under this subsection. A survivor's  
26 annuity shall not be payable upon the death of a person who  
27 has made this election, unless prior to that death the  
28 election has been revoked and the amount of the contributions  
29 that would have been paid under this subsection in the  
30 absence of the election is paid to the System, together with  
31 interest at the rate of 4% per year from the date the  
32 contributions would have been made to the date of payment.

33 (c) Beginning July 1, 1967, each participant shall

1 contribute 1% of salary towards the cost of automatic  
2 increase in annuity provided in Section 2-119.1. These  
3 contributions shall be made concurrently with contributions  
4 for retirement annuity purposes.

5 (d) In addition, each participant serving as an officer  
6 of the General Assembly shall contribute, for the same  
7 purposes and at the same rates as are required of a regular  
8 participant, on each additional payment received as an  
9 officer. If the participant serves as an officer for at  
10 least 2 but less than 4 years, he or she shall contribute an  
11 amount equal to the amount that would have been contributed  
12 had the participant served as an officer for 4 years.  
13 Persons who serve as officers in the 87th General Assembly  
14 but cannot receive the additional payment to officers because  
15 of the ban on increases in salary during their terms may  
16 nonetheless make contributions based on those additional  
17 payments for the purpose of having the additional payments  
18 included in their highest salary for annuity purposes;  
19 however, persons electing to make these additional  
20 contributions must also pay an amount representing the  
21 corresponding employer contributions, as calculated by the  
22 System.

23 (e) A person may irrevocably elect, within 60 days after  
24 attaining 20 years of creditable service or within 60 days  
25 following the effective date of this amendatory Act of the  
26 93rd General Assembly, whichever is later, to stop making  
27 employee contributions under this Section. The election does  
28 not affect the person's status as a participant, but a person  
29 so electing thereby forfeits the accelerated 3% increases to  
30 which he or she would otherwise be entitled under subsection  
31 (b) of Section 2-119.1.

32 (Source: P.A. 90-766, eff. 8-14-98.)

33 (40 ILCS 5/14-103.05) (from Ch. 108 1/2, par. 14-103.05)

1           Sec. 14-103.05. Employee.

2           (a) Any person employed by a Department who receives  
3 salary for personal services rendered to the Department on a  
4 warrant issued pursuant to a payroll voucher certified by a  
5 Department and drawn by the State Comptroller upon the State  
6 Treasurer, including an elected official described in  
7 subparagraph (d) of Section 14-104, shall become an employee  
8 for purpose of membership in the Retirement System on the  
9 first day of such employment.

10           A person who becomes a judge, constitutional officer, or  
11 member of the General Assembly on or after the effective date  
12 of this amendatory Act of the 93rd General Assembly and is  
13 not eligible to participate in the Judges Retirement System  
14 of Illinois or the General Assembly Retirement System shall  
15 be deemed an employee for purposes of membership in this  
16 System beginning on the first day of such service.

17           A person entering service on or after January 1, 1972 and  
18 prior to January 1, 1984 shall become a member as a condition  
19 of employment and shall begin making contributions as of the  
20 first day of employment.

21           A person entering service on or after January 1, 1984  
22 shall, upon completion of 6 months of continuous service  
23 which is not interrupted by a break of more than 2 months,  
24 become a member as a condition of employment. Contributions  
25 shall begin the first of the month after completion of the  
26 qualifying period.

27           The qualifying period of 6 months of service is not  
28 applicable to: (1) a person who has been granted credit for  
29 service in a position covered by the State Universities  
30 Retirement System, the Teachers' Retirement System of the  
31 State of Illinois, the General Assembly Retirement System, or  
32 the Judges Retirement System of Illinois unless that service  
33 has been forfeited under the laws of those systems; (2) a  
34 person entering service on or after July 1, 1991 in a

1 noncovered position; or (3) a person to whom Section  
2 14-108.2a or 14-108.2b applies; or (4) a person who is  
3 serving as a judge, constitutional officer, or member of the  
4 General Assembly.

5 (b) The term "employee" does not include the following:

6 (1) persons participating in members-of--the--State  
7 Legislature,--and--persons--electing-to-become-members-of  
8 the General Assembly Retirement System pursuant---to  
9 Section-2-105;

10 (2) incumbents of offices normally filled by vote  
11 of the people, other than judges, constitutional  
12 officers, and members of the General Assembly;

13 (3) except as otherwise provided in this Section,  
14 any person appointed by the Governor with the advice and  
15 consent of the Senate unless that person elects to  
16 participate in this system;

17 (4) except as provided in Section 14-108.2 or  
18 14-108.2c, any person who is covered or eligible to be  
19 covered by the Teachers' Retirement System of the State  
20 of Illinois, the State Universities Retirement System, or  
21 the Judges Retirement System of Illinois;

22 (5) an employee of a municipality or any other  
23 political subdivision of the State;

24 (6) any person who becomes an employee after June  
25 30, 1979 as a public service employment program  
26 participant under the Federal Comprehensive Employment  
27 and Training Act and whose wages or fringe benefits are  
28 paid in whole or in part by funds provided under such  
29 Act;

30 (7) enrollees of the Illinois Young Adult  
31 Conservation Corps program, administered by the  
32 Department of Natural Resources, authorized grantee  
33 pursuant to Title VIII of the "Comprehensive Employment  
34 and Training Act of 1973", 29 USC 993, as now or

1 hereafter amended;

2 (8) enrollees and temporary staff of programs  
3 administered by the Department of Natural Resources under  
4 the Youth Conservation Corps Act of 1970;

5 (9) any person who is a member of any professional  
6 licensing or disciplinary board created under an Act  
7 administered by the Department of Professional Regulation  
8 or a successor agency or created or re-created after the  
9 effective date of this amendatory Act of 1997, and who  
10 receives per diem compensation rather than a salary,  
11 notwithstanding that such per diem compensation is paid  
12 by warrant issued pursuant to a payroll voucher; such  
13 persons have never been included in the membership of  
14 this System, and this amendatory Act of 1987 (P.A.  
15 84-1472) is not intended to effect any change in the  
16 status of such persons;

17 (10) any person who is a member of the Illinois  
18 Health Care Cost Containment Council, and receives per  
19 diem compensation rather than a salary, notwithstanding  
20 that such per diem compensation is paid by warrant issued  
21 pursuant to a payroll voucher; such persons have never  
22 been included in the membership of this System, and this  
23 amendatory Act of 1987 is not intended to effect any  
24 change in the status of such persons; or

25 (11) any person who is a member of the Oil and Gas  
26 Board created by Section 1.2 of the Illinois Oil and Gas  
27 Act, and receives per diem compensation rather than a  
28 salary, notwithstanding that such per diem compensation  
29 is paid by warrant issued pursuant to a payroll voucher.

30 (Source: P.A. 92-14, eff. 6-28-01.)

31 (40 ILCS 5/14-133) (from Ch. 108 1/2, par. 14-133)  
32 Sec. 14-133. Contributions by or on behalf of members.

33 (a) Each participating employee shall make contributions



1 to the System, based on the employee's compensation, as  
2 follows:

3 (1) Covered employees, except as indicated below,  
4 3.5% for retirement annuity, and 0.5% for a widow or  
5 survivors annuity;

6 (2) Noncovered employees, except as indicated  
7 below, 7% for retirement annuity and 1% for a widow or  
8 survivors annuity;

9 (3) Noncovered employees serving in a position in  
10 which "eligible creditable service" as defined in Section  
11 14-110 may be earned, 1% for a widow or survivors annuity  
12 plus the following amount for retirement annuity: 8.5%  
13 through December 31, 2001; 9.5% in 2002; 10.5% in 2003;  
14 and 11.5% in 2004 and thereafter;

15 (4) Covered employees serving in a position in  
16 which "eligible creditable service" as defined in Section  
17 14-110 may be earned, 0.5% for a widow or survivors  
18 annuity plus the following amount for retirement annuity:  
19 5% through December 31, 2001; 6% in 2002; 7% in 2003; and  
20 8% in 2004 and thereafter;

21 (5) Each security employee of the Department of  
22 Corrections or of the Department of Human Services who is  
23 a covered employee, 0.5% for a widow or survivors annuity  
24 plus the following amount for retirement annuity: 5%  
25 through December 31, 2001; 6% in 2002; 7% in 2003; and 8%  
26 in 2004 and thereafter;

27 (6) Each security employee of the Department of  
28 Corrections or of the Department of Human Services who is  
29 not a covered employee, 1% for a widow or survivors  
30 annuity plus the following amount for retirement annuity:  
31 8.5% through December 31, 2001; 9.5% in 2002; 10.5% in  
32 2003; and 11.5% in 2004 and thereafter.

33 (b) Contributions shall be in the form of a deduction  
34 from compensation and shall be made notwithstanding that the

1 compensation paid in cash to the employee shall be reduced  
2 thereby below the minimum prescribed by law or regulation.  
3 Each member is deemed to consent and agree to the deductions  
4 from compensation provided for in this Article, and shall  
5 receipt in full for salary or compensation.

6 (c) All or a portion of the employee contributions  
7 required under this Section may be paid by the State on  
8 behalf of the employee through a separate line item  
9 appropriation to the department for that purpose; this does  
10 not, however, apply to judges, constitutional officers, or  
11 members of the General Assembly.

12 (Source: P.A. 92-14, eff. 6-28-01.)

13 (40 ILCS 5/18-101) (from Ch. 108 1/2, par. 18-101)

14 Sec. 18-101. Creation of fund.

15 A retirement system is created to be known as the "Judges  
16 Retirement System of Illinois". It shall be a trust separate  
17 and distinct from all other entities, maintained for the  
18 purpose of securing the payment of annuities and benefits as  
19 prescribed herein.

20 Participation in the retirement system created under this  
21 Article is restricted to persons who become participants  
22 before the effective date of this amendatory Act of the 93rd  
23 General Assembly. Beginning on that date, the System shall  
24 not accept any new participants.

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

26 (40 ILCS 5/18-102) (from Ch. 108 1/2, par. 18-102)

27 Sec. 18-102. Purpose.

28 The purpose of the system is to establish an efficient  
29 method of permitting retirement, without hardship or  
30 prejudice, of certain judges who are aged or otherwise  
31 incapacitated, by enabling them to accumulate reserves for  
32 themselves and their dependents for old age, disability,

1 death, and termination of employment.

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

3 (40 ILCS 5/18-120) (from Ch. 108 1/2, par. 18-120)

4 Sec. 18-120. Employee participation. An eligible judge  
5 who is not a participant shall become a participant beginning  
6 on the date he or she becomes an eligible judge, unless the  
7 judge files with the board a written notice of election not  
8 to participate within 30 days of the date of being notified  
9 of the option.

10 A person electing not to participate shall thereafter be  
11 ineligible to become a participant unless the election is  
12 revoked as provided in Section 18-121.

13 However, notwithstanding any other provision of this  
14 Article, a person shall not be deemed an eligible or  
15 participating judge for the purposes of this Article unless  
16 he or she became a participant of the System before the  
17 effective date of this amendatory Act of the 93rd General  
18 Assembly.

19 (Source: P.A. 83-1440.)

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