



94TH GENERAL ASSEMBLY
State of Illinois
2005 and 2006
HB0635

Introduced 1/28/2005, by Rep. Michael K. Smith

SYNOPSIS AS INTRODUCED:

40 ILCS 5/14-110

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

Amends the State Employee Article of the Illinois Pension Code. Adds military security police officers to the list of positions that count towards eligible creditable service for the purpose of an alternative retirement annuity. Effective immediately.

LRB094 03914 AMC 33928 b

FISCAL NOTE ACT
MAY APPLY

PENSION IMPACT
NOTE ACT MAY
APPLY

1 AN ACT concerning pensions.

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 changing
5 Section 14-110 as follows:

6 (40 ILCS 5/14-110) (from Ch. 108 1/2, par. 14-110)
7 Sec. 14-110. Alternative retirement annuity.

8 (a) Any member who has withdrawn from service with not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10 attained age 55, and any member who has withdrawn from service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

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

26 (ii) for periods of eligible creditable service as a
27 covered employee: if retirement occurs on or after January
28 1, 2001, 2.5% of final average compensation for each year
29 of creditable service; if retirement occurs before January
30 1, 2001, 1.67% of final average compensation for each of
31 the first 10 years of such service, 1.90% for each of the
32 next 10 years of such service, 2.10% for each year of such

1 service in excess of 20 but not exceeding 30, and 2.30% for
2 each year in excess of 30.

3 Such annuity shall be subject to a maximum of 75% of final
4 average compensation if retirement occurs before January 1,
5 2001 or to a maximum of 80% of final average compensation if
6 retirement occurs on or after January 1, 2001.

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

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

- 15 (1) State policeman;
- 16 (2) fire fighter in the fire protection service of a
17 department;
- 18 (3) air pilot;
- 19 (4) special agent;
- 20 (5) investigator for the Secretary of State;
- 21 (6) conservation police officer;
- 22 (7) investigator for the Department of Revenue;
- 23 (8) security employee of the Department of Human
24 Services;
- 25 (9) Central Management Services security police
26 officer;
- 27 (10) security employee of the Department of
28 Corrections;
- 29 (11) dangerous drugs investigator;
- 30 (12) investigator for the Department of State Police;
- 31 (13) investigator for the Office of the Attorney
32 General;
- 33 (14) controlled substance inspector;
- 34 (15) investigator for the Office of the State's
35 Attorneys Appellate Prosecutor;
- 36 (16) Commerce Commission police officer;

- 1 (17) arson investigator;
- 2 (18) State highway maintenance worker;
- 3 (19) military security police officer.

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

14 (c) For the purposes of this Section:

15 (1) The term "state policeman" includes any title or
16 position in the Department of State Police that is held by
17 an individual employed under the State Police Act.

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

22 (3) The term "air pilot" includes any employee whose
23 official job description on file in the Department of
24 Central Management Services, or in the department by which
25 he is employed if that department is not covered by the
26 Personnel Code, states that his principal duty is the
27 operation of aircraft, and who possesses a pilot's license;
28 however, the change in this definition made by this
29 amendatory Act of 1983 shall not operate to exclude any
30 noncovered employee who was an "air pilot" for the purposes
31 of this Section on January 1, 1984.

32 (4) The term "special agent" means any person who by
33 reason of employment by the Division of Narcotic Control,
34 the Bureau of Investigation or, after July 1, 1977, the
35 Division of Criminal Investigation, the Division of
36 Internal Investigation, the Division of Operations, or any

1 other Division or organizational entity in the Department
2 of State Police is vested by law with duties to maintain
3 public order, investigate violations of the criminal law of
4 this State, enforce the laws of this State, make arrests
5 and recover property. The term "special agent" includes any
6 title or position in the Department of State Police that is
7 held by an individual employed under the State Police Act.

8 (5) The term "investigator for the Secretary of
9 State" means any person employed by the Office of the
10 Secretary of State and vested with such investigative
11 duties as render him ineligible for coverage under the
12 Social Security Act by reason of Sections 218(d)(5)(A),
13 218(d)(8)(D) and 218(l)(1) of that Act.

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

23 (6) The term "Conservation Police Officer" means any
24 person employed by the Division of Law Enforcement of the
25 Department of Natural Resources and vested with such law
26 enforcement duties as render him ineligible for coverage
27 under the Social Security Act by reason of Sections
28 218(d)(5)(A), 218(d)(8)(D), and 218(l)(1) of that Act. The
29 term "Conservation Police Officer" includes the positions
30 of Chief Conservation Police Administrator and Assistant
31 Conservation Police Administrator.

32 (7) The term "investigator for the Department of
33 Revenue" means any person employed by the Department of
34 Revenue and vested with such investigative duties as render
35 him ineligible for coverage under the Social Security Act
36 by reason of Sections 218(d)(5)(A), 218(d)(8)(D) and

1 218(1)(1) of that Act.

2 (8) The term "security employee of the Department of
3 Human Services" means any person employed by the Department
4 of Human Services who (i) is employed at the Chester Mental
5 Health Center and has daily contact with the residents
6 thereof, (ii) is employed within a security unit at a
7 facility operated by the Department and has daily contact
8 with the residents of the security unit, (iii) is employed
9 at a facility operated by the Department that includes a
10 security unit and is regularly scheduled to work at least
11 50% of his or her working hours within that security unit,
12 or (iv) is a mental health police officer. "Mental health
13 police officer" means any person employed by the Department
14 of Human Services in a position pertaining to the
15 Department's mental health and developmental disabilities
16 functions who is vested with such law enforcement duties as
17 render the person ineligible for coverage under the Social
18 Security Act by reason of Sections 218(d)(5)(A),
19 218(d)(8)(D) and 218(1)(1) of that Act. "Security unit"
20 means that portion of a facility that is devoted to the
21 care, containment, and treatment of persons committed to
22 the Department of Human Services as sexually violent
23 persons, persons unfit to stand trial, or persons not
24 guilty by reason of insanity. With respect to past
25 employment, references to the Department of Human Services
26 include its predecessor, the Department of Mental Health
27 and Developmental Disabilities.

28 The changes made to this subdivision (c)(8) by Public
29 Act 92-14 apply to persons who retire on or after January
30 1, 2001, notwithstanding Section 1-103.1.

31 (9) "Central Management Services security police
32 officer" means any person employed by the Department of
33 Central Management Services who is vested with such law
34 enforcement duties as render him ineligible for coverage
35 under the Social Security Act by reason of Sections
36 218(d)(5)(A), 218(d)(8)(D) and 218(1)(1) of that Act.

1 (10) The term "security employee of the Department of
2 Corrections" means any employee of the Department of
3 Corrections or the former Department of Personnel, and any
4 member or employee of the Prisoner Review Board, who has
5 daily contact with inmates by working within a correctional
6 facility or who is a parole officer or an employee who has
7 direct contact with committed persons in the performance of
8 his or her job duties.

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

12 (12) The term "investigator for the Department of
13 State Police" means a person employed by the Department of
14 State Police who is vested under Section 4 of the Narcotic
15 Control Division Abolition Act with such law enforcement
16 powers as render him ineligible for coverage under the
17 Social Security Act by reason of Sections 218(d)(5)(A),
18 218(d)(8)(D) and 218(1)(1) of that Act.

19 (13) "Investigator for the Office of the Attorney
20 General" means any person who is employed as such by the
21 Office of the Attorney General and is vested with such
22 investigative duties as render him ineligible for coverage
23 under the Social Security Act by reason of Sections
24 218(d)(5)(A), 218(d)(8)(D) and 218(1)(1) of that Act. For
25 the period before January 1, 1989, the term includes all
26 persons who were employed as investigators by the Office of
27 the Attorney General, without regard to social security
28 status.

29 (14) "Controlled substance inspector" means any
30 person who is employed as such by the Department of
31 Professional Regulation and is vested with such law
32 enforcement duties as render him ineligible for coverage
33 under the Social Security Act by reason of Sections
34 218(d)(5)(A), 218(d)(8)(D) and 218(1)(1) of that Act. The
35 term "controlled substance inspector" includes the Program
36 Executive of Enforcement and the Assistant Program

1 Executive of Enforcement.

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

7 (16) "Commerce Commission police officer" means any
8 person employed by the Illinois Commerce Commission who is
9 vested with such law enforcement duties as render him
10 ineligible for coverage under the Social Security Act by
11 reason of Sections 218(d)(5)(A), 218(d)(8)(D), and
12 218(1)(1) of that Act.

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

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

31 (i) A person employed on a full-time basis by the
32 Illinois Department of Transportation in the position
33 of highway maintainer, highway maintenance lead
34 worker, highway maintenance lead/lead worker, heavy
35 construction equipment operator, power shovel
36 operator, or bridge mechanic; and whose principal

1 responsibility is to perform, on the roadway, the
2 actual maintenance necessary to keep the highways that
3 form a part of the State highway system in serviceable
4 condition for vehicular traffic.

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

18 (19) "Military security police officer" means any
19 person employed by the Department of Military Affairs in
20 the position of military security police I or military
21 security police II (or the predecessor job titles military
22 security guard 1 or military security guard 2).

23 (d) A security employee of the Department of Corrections,
24 and a security employee of the Department of Human Services who
25 is not a mental health police officer, shall not be eligible
26 for the alternative retirement annuity provided by this Section
27 unless he or she meets the following minimum age and service
28 requirements at the time of retirement:

29 (i) 25 years of eligible creditable service and age
30 55; or

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

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

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

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

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

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

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

26 (f) For purposes of calculating retirement annuities
27 under this Section, periods of service rendered after December
28 31, 1968 and before October 1, 1975 as a covered employee in
29 the position of special agent, conservation police officer,
30 mental health police officer, or investigator for the Secretary
31 of State, shall be deemed to have been service as a noncovered
32 employee, provided that the employee pays to the System prior
33 to retirement an amount equal to (1) the difference between the
34 employee contributions that would have been required for such
35 service as a noncovered employee, and the amount of employee
36 contributions actually paid, plus (2) if payment is made after

1 July 31, 1987, regular interest on the amount specified in item
2 (1) from the date of service to the date of payment.

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

15 (g) A State policeman may elect, not later than January 1,
16 1990, to establish eligible creditable service for up to 10
17 years of his service as a policeman under Article 3, by filing
18 a written election with the Board, accompanied by payment of an
19 amount to be determined by the Board, equal to (i) the
20 difference between the amount of employee and employer
21 contributions transferred to the System under Section 3-110.5,
22 and the amounts that would have been contributed had such
23 contributions been made at the rates applicable to State
24 policemen, plus (ii) interest thereon at the effective rate for
25 each year, compounded annually, from the date of service to the
26 date of payment.

27 Subject to the limitation in subsection (i), a State
28 policeman may elect, not later than July 1, 1993, to establish
29 eligible creditable service for up to 10 years of his service
30 as a member of the County Police Department under Article 9, by
31 filing a written election with the Board, accompanied by
32 payment of an amount to be determined by the Board, equal to
33 (i) the difference between the amount of employee and employer
34 contributions transferred to the System under Section 9-121.10
35 and the amounts that would have been contributed had those
36 contributions been made at the rates applicable to State

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

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

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

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

34 (j) Subject to the limitation in subsection (i), an
35 investigator for the Office of the State's Attorneys Appellate
36 Prosecutor or a controlled substance inspector may elect to

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

13 (k) Subject to the limitation in subsection (i) of this
14 Section, an alternative formula employee may elect to establish
15 eligible creditable service for periods spent as a full-time
16 law enforcement officer or full-time corrections officer
17 employed by the federal government or by a state or local
18 government located outside of Illinois, for which credit is not
19 held in any other public employee pension fund or retirement
20 system. To obtain this credit, the applicant must file a
21 written application with the Board by March 31, 1998,
22 accompanied by evidence of eligibility acceptable to the Board
23 and payment of an amount to be determined by the Board, equal
24 to (1) employee contributions for the credit being established,
25 based upon the applicant's salary on the first day as an
26 alternative formula employee after the employment for which
27 credit is being established and the rates then applicable to
28 alternative formula employees, plus (2) an amount determined by
29 the Board to be the employer's normal cost of the benefits
30 accrued for the credit being established, plus (3) regular
31 interest on the amounts in items (1) and (2) from the first day
32 as an alternative formula employee after the employment for
33 which credit is being established to the date of payment.

34 (l) Subject to the limitation in subsection (i), a
35 security employee of the Department of Corrections may elect,
36 not later than July 1, 1998, to establish eligible creditable

1 service for up to 10 years of his or her service as a policeman
2 under Article 3, by filing a written election with the Board,
3 accompanied by payment of an amount to be determined by the
4 Board, equal to (i) the difference between the amount of
5 employee and employer contributions transferred to the System
6 under Section 3-110.5, and the amounts that would have been
7 contributed had such contributions been made at the rates
8 applicable to security employees of the Department of
9 Corrections, plus (ii) interest thereon at the effective rate
10 for each year, compounded annually, from the date of service to
11 the date of payment.

12 (Source: P.A. 91-357, eff. 7-29-99; 91-760, eff. 1-1-01;
13 92-14, eff. 6-28-01; 92-257, eff. 8-6-01; 92-651, eff.
14 7-11-02.)

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