



Rep. James H. Meyer

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1 AMENDMENT TO HOUSE BILL 1815

2 AMENDMENT NO. \_\_\_\_\_. Amend House Bill 1815, AS AMENDED, by  
3 replacing everything after the enacting clause with the  
4 following:

5 "Section 5. The State Finance Act is amended by adding  
6 Section 5.663 and changing Section 8h as follows:

7 (30 ILCS 105/5.663 new)

8 Sec. 5.663. The Pension Stabilization Fund.

9 (30 ILCS 105/8h)

10 Sec. 8h. Transfers to General Revenue Fund.

11 (a) Except as provided in subsection (b), (c), (d), or (e),  
12 notwithstanding any other State law to the contrary, the  
13 Governor may, through June 30, 2007, from time to time direct  
14 the State Treasurer and Comptroller to transfer a specified sum  
15 from any fund held by the State Treasurer to the General  
16 Revenue Fund in order to help defray the State's operating  
17 costs for the fiscal year. The total transfer under this  
18 Section from any fund in any fiscal year shall not exceed the  
19 lesser of (i) 8% of the revenues to be deposited into the fund  
20 during that fiscal year or (ii) an amount that leaves a  
21 remaining fund balance of 25% of the July 1 fund balance of  
22 that fiscal year. In fiscal year 2005 only, prior to  
23 calculating the July 1, 2004 final balances, the Governor may

1 calculate and direct the State Treasurer with the Comptroller  
2 to transfer additional amounts determined by applying the  
3 formula authorized in Public Act 93-839 to the funds balances  
4 on July 1, 2003. No transfer may be made from a fund under this  
5 Section that would have the effect of reducing the available  
6 balance in the fund to an amount less than the amount remaining  
7 unexpended and unreserved from the total appropriation from  
8 that fund estimated to be expended for that fiscal year. This  
9 Section does not apply to any funds that are restricted by  
10 federal law to a specific use, to any funds in the Motor Fuel  
11 Tax Fund, the Intercity Passenger Rail Fund, the Hospital  
12 Provider Fund, the Medicaid Provider Relief Fund, the Teacher  
13 Health Insurance Security Fund, the Reviewing Court  
14 Alternative Dispute Resolution Fund, ~~or~~ the Voters' Guide Fund,  
15 the Foreign Language Interpreter Fund, the Lawyers' Assistance  
16 Program Fund, the Supreme Court Federal Projects Fund, the  
17 Supreme Court Special State Projects Fund, ~~or~~ the Low-Level  
18 Radioactive Waste Facility Development and Operation Fund, or  
19 the Hospital Basic Services Preservation Fund, or to any funds  
20 to which subsection (f) of Section 20-40 of the Nursing and  
21 Advanced Practice Nursing Act applies. No transfers may be made  
22 under this Section from the Pet Population Control Fund.  
23 Notwithstanding any other provision of this Section, for fiscal  
24 year 2004, the total transfer under this Section from the Road  
25 Fund or the State Construction Account Fund shall not exceed  
26 the lesser of (i) 5% of the revenues to be deposited into the  
27 fund during that fiscal year or (ii) 25% of the beginning  
28 balance in the fund. For fiscal year 2005 through fiscal year  
29 2007, no amounts may be transferred under this Section from the  
30 Road Fund, the State Construction Account Fund, the Criminal  
31 Justice Information Systems Trust Fund, the Wireless Service  
32 Emergency Fund, or the Mandatory Arbitration Fund.

33 In determining the available balance in a fund, the  
34 Governor may include receipts, transfers into the fund, and

1 other resources anticipated to be available in the fund in that  
2 fiscal year.

3 The State Treasurer and Comptroller shall transfer the  
4 amounts designated under this Section as soon as may be  
5 practicable after receiving the direction to transfer from the  
6 Governor.

7 (b) This Section does not apply to: (i) the Ticket For The  
8 Cure Fund; (ii) ~~or to~~ any fund established under the Community  
9 Senior Services and Resources Act; or (iii) ~~(ii)~~ on or after  
10 January 1, 2006 (the effective date of Public Act 94-511) ~~this~~  
11 ~~amendatory Act of the 94th General Assembly~~, the Child Labor  
12 and Day and Temporary Labor Enforcement Fund.

13 (c) This Section does not apply to the Demutualization  
14 Trust Fund established under the Uniform Disposition of  
15 Unclaimed Property Act.

16 (d) ~~(e)~~ This Section does not apply to moneys set aside in  
17 the Illinois State Podiatric Disciplinary Fund for podiatric  
18 scholarships and residency programs under the Podiatric  
19 Scholarship and Residency Act.

20 (e) Subsection (a) does not apply to, and no transfer may  
21 be made under this Section from, the Pension Stabilization  
22 Fund.

23 (Source: P.A. 93-32, eff. 6-20-03; 93-659, eff. 2-3-04; 93-674,  
24 eff. 6-10-04; 93-714, eff. 7-12-04; 93-801, eff. 7-22-04;  
25 93-839, eff. 7-30-04; 93-1054, eff. 11-18-04; 93-1067, eff.  
26 1-15-05; 94-91, eff. 7-1-05; 94-120, eff. 7-6-05; 94-511, eff.  
27 1-1-06; 94-535, eff. 8-10-05; 94-639, eff. 8-22-05; 94-645,  
28 eff. 8-22-05; 94-648, eff. 1-1-06; 94-686, eff. 11-2-05;  
29 94-691, eff. 11-2-05; 94-726, eff. 1-20-06; revised 1-23-06.)

30 Section 10. The Budget Stabilization Act is amended by  
31 changing Sections 10 and 15 and adding Sections 20 and 25 as  
32 follows:

1 (30 ILCS 122/10)

2 Sec. 10. Budget limitations.

3 (a) In addition to Section 50-5 of the State Budget Law of  
4 the Civil Administrative Code of Illinois, the General  
5 Assembly's appropriations and transfers or diversions as  
6 required by law from general funds shall not exceed 99% ~~99.5%~~  
7 of the estimated general funds revenues for the fiscal year  
8 when revenue estimates of the State's general funds revenues  
9 exceed the prior fiscal year's estimated general funds revenues  
10 by more than 4%.

11 (b) The General Assembly's appropriations and transfers or  
12 diversions as required by law from general funds shall not  
13 exceed 98% ~~99%~~ of the estimated general funds revenues for the  
14 fiscal year when revenue estimates of the State's general funds  
15 revenues exceed the prior fiscal year's estimated general funds  
16 revenues by more than 4% for 2 or more consecutive fiscal  
17 years.

18 (c) For the purpose of this Act, "estimated general funds  
19 revenues" include, for each budget year, all taxes, fees, and  
20 other revenues expected to be deposited into the State's  
21 general funds, including recurring transfers from other State  
22 funds into the general funds.

23 Year-over-year comparisons used to determine the  
24 percentage growth factor of estimated general funds revenues  
25 shall exclude the sum of the following: (i) expected revenues  
26 resulting from new taxes or fees or from tax or fee increases  
27 during the first year of the change, (ii) expected revenues  
28 resulting from one-time receipts or non-recurring transfers  
29 in, (iii) expected proceeds resulting from borrowing, and (iv)  
30 increases in federal grants that must be completely  
31 appropriated based on the terms of the grants.

32 (Source: P.A. 93-660, eff. 7-1-04.)

33 (30 ILCS 122/15)

1           Sec. 15. Transfers to Budget Stabilization Fund. In  
2 furtherance of the State's objective for the Budget  
3 Stabilization Fund to have resources representing 5% of the  
4 State's annual general funds revenues:

5           (a) For each fiscal year when the General Assembly's  
6 appropriations and transfers or diversions as required by law  
7 from general funds do not exceed 99% ~~99.5%~~ of the estimated  
8 general funds revenues pursuant to subsection (a) of Section  
9 10, the Comptroller shall transfer from the General Revenue  
10 Fund as provided by this Section a total amount equal to 0.5%  
11 ~~.5%~~ of the estimated general funds revenues to the Budget  
12 Stabilization Fund.

13           (b) For each fiscal year when the General Assembly's  
14 appropriations and transfers or diversions as required by law  
15 from general funds do not exceed 98% ~~99%~~ of the estimated  
16 general funds revenues pursuant to subsection (b) of Section  
17 10, the Comptroller shall transfer from the General Revenue  
18 Fund as provided by this Section a total amount equal to 1% of  
19 the estimated general funds revenues to the Budget  
20 Stabilization Fund.

21           (c) The Comptroller shall transfer 1/12 of the total amount  
22 to be transferred each fiscal year under this Section into the  
23 Budget Stabilization Fund on the first day of each month of  
24 that fiscal year or as soon thereafter as possible. The balance  
25 of the Budget Stabilization Fund shall not exceed 5% of the  
26 total of general funds revenues estimated for that fiscal year  
27 except as provided by subsection (d) of this Section.

28           (d) If the balance of the Budget Stabilization Fund exceeds  
29 5% of the total general funds revenues estimated for that  
30 fiscal year, the additional transfers are not required unless  
31 there are outstanding liabilities under Section 25 of the State  
32 Finance Act from prior fiscal years. If there are such  
33 outstanding Section 25 liabilities, then the Comptroller shall  
34 continue to transfer 1/12 of the total amount identified for

1 transfer to the Budget Stabilization Fund on the first day of  
2 each month of that fiscal year or as soon thereafter as  
3 possible to be reserved for those Section 25 liabilities.  
4 Nothing in this Act prohibits the General Assembly from  
5 appropriating additional moneys into the Budget Stabilization  
6 Fund.

7 (e) On or before August 31 of each fiscal year, the amount  
8 determined to be transferred to the Budget Stabilization Fund  
9 shall be reconciled to actual general funds revenues for that  
10 fiscal year. The final transfer for each fiscal year shall be  
11 adjusted so that the total amount transferred under this  
12 Section is equal to the percentage specified in subsection (a)  
13 or (b) of this Section ~~10 of this Act~~, as applicable, based on  
14 actual general funds revenues calculated consistently with  
15 subsection (c) of Section 10 of this Act for each fiscal year.

16 (f) For the fiscal year beginning July 1, 2006 and for each  
17 fiscal year thereafter, the budget proposal to the General  
18 Assembly shall identify liabilities incurred in a prior fiscal  
19 year under Section 25 of the State Finance Act and the budget  
20 proposal shall provide funding as allowable pursuant to  
21 subsection (d) of this Section, if applicable.

22 (Source: P.A. 93-660, eff. 7-1-04.)

23 (30 ILCS 122/20 new)

24 Sec. 20. Pension Stabilization Fund.

25 (a) The Pension Stabilization Fund is hereby created as a  
26 special fund in the State treasury. Moneys in the fund shall be  
27 used for the sole purpose of making payments to the designated  
28 retirement systems as provided in Section 25.

29 (b) For each fiscal year when the General Assembly's  
30 appropriations and transfers or diversions as required by law  
31 from general funds do not exceed 99% of the estimated general  
32 funds revenues pursuant to subsection (a) of Section 10, the  
33 Comptroller shall transfer from the General Revenue Fund as

1 provided by this Section a total amount equal to 0.5% of the  
2 estimated general funds revenues to the Pension Stabilization  
3 Fund.

4 (c) For each fiscal year when the General Assembly's  
5 appropriations and transfers or diversions as required by law  
6 from general funds do not exceed 98% of the estimated general  
7 funds revenues pursuant to subsection (b) of Section 10, the  
8 Comptroller shall transfer from the General Revenue Fund as  
9 provided by this Section a total amount equal to 1.0% of the  
10 estimated general funds revenues to the Pension Stabilization  
11 Fund.

12 (d) The Comptroller shall transfer 1/12 of the total amount  
13 to be transferred each fiscal year under this Section into the  
14 Pension Stabilization Fund on the first day of each month of  
15 that fiscal year or as soon thereafter as possible; except that  
16 the final transfer of the fiscal year shall be made as soon as  
17 practical after the August 31 following the end of the fiscal  
18 year.

19 Before the final transfer for a fiscal year is made, the  
20 Comptroller shall reconcile the estimated general funds  
21 revenues used in calculating the other transfers under this  
22 Section for that fiscal year with the actual general funds  
23 revenues for that fiscal year. The final transfer for the  
24 fiscal year shall be adjusted so that the total amount  
25 transferred under this Section for that fiscal year is equal to  
26 the percentage specified in subsection (b) or (c) of this  
27 Section, whichever is applicable, of the actual general funds  
28 revenues for that fiscal year. The actual general funds  
29 revenues for the fiscal year shall be calculated in a manner  
30 consistent with subsection (c) of Section 10 of this Act.

31 (30 ILCS 122/25 new)

32 Sec. 25. Transfers from the Pension Stabilization Fund.

33 (a) As used in this Section, "designated retirement

1 systems" means:

2 (1) the State Employees' Retirement System of  
3 Illinois;

4 (2) the Teachers' Retirement System of the State of  
5 Illinois;

6 (3) the State Universities Retirement System;

7 (4) the Judges Retirement System of Illinois; and

8 (5) the General Assembly Retirement System.

9 (b) As soon as may be practical after any money is  
10 deposited into the Pension Stabilization Fund, the State  
11 Comptroller shall apportion the deposited amount among the  
12 designated retirement systems and the State Comptroller and  
13 State Treasurer shall pay the apportioned amounts to the  
14 designated retirement systems. The amount deposited shall be  
15 apportioned among the designated retirement systems in the same  
16 proportion as their respective portions of the total actuarial  
17 reserve deficiency of the designated retirement systems, as  
18 most recently determined by the Governor's Office of Management  
19 and Budget. Amounts received by a designated retirement system  
20 under this Section shall be used for funding the unfunded  
21 liabilities of the retirement system. Payments under this  
22 Section are authorized by the continuing appropriation under  
23 Section 1.7 of the State Pension Funds Continuing Appropriation  
24 Act.

25 (c) At the request of the State Comptroller, the Governor's  
26 Office of Management and Budget shall determine the individual  
27 and total actuarial reserve deficiencies of the designated  
28 retirement systems. For this purpose, the Governor's Office of  
29 Management and Budget shall consider the latest available audit  
30 and actuarial reports of each of the retirement systems and the  
31 relevant reports and statistics of the Public Pension Division  
32 of the Department of Financial and Professional Regulation.

33 (d) Payments to the designated retirement systems under  
34 this Section shall be in addition to, and not in lieu of, any



1 State contributions required under Section 2-124, 14-131,  
2 15-155, 16-158, or 18-131 of the Illinois Pension Code.

3 Section 15. The Illinois Pension Code is amended by adding  
4 Section 1-124 and by changing Sections 2-124, 2-134, 14-108.3,  
5 14-131, 14-135.08, 15-155, 15-165, 16-158, 18-131, and 18-140  
6 as follows:

7 (40 ILCS 5/1-124 new)

8 Sec. 1-124. Task force concerning Fiscal Year 2006 pension  
9 payment. There is created a 4-member task force, with one  
10 member appointed by each of the 4 legislative leaders and  
11 staffed by the Commission on Government Forecasting and  
12 Accountability, to study the issue of repayment of that portion  
13 of the required State contribution mandated by Public Act  
14 88-593 that was reduced as a result of the passage of Public  
15 Act 94-4 and to make recommendations on the development of a  
16 way to repay the amount by which the contributions were reduced  
17 within a 10-year period. The task force must report its  
18 findings and recommendations to the General Assembly on or  
19 before January 1, 2007.

20 (40 ILCS 5/2-124) (from Ch. 108 1/2, par. 2-124)

21 Sec. 2-124. Contributions by State.

22 (a) The State shall make contributions to the System by  
23 appropriations of amounts which, together with the  
24 contributions of participants, interest earned on investments,  
25 and other income will meet the cost of maintaining and  
26 administering the System on a 90% funded basis in accordance  
27 with actuarial recommendations.

28 (b) The Board shall determine the amount of State  
29 contributions required for each fiscal year on the basis of the  
30 actuarial tables and other assumptions adopted by the Board and  
31 the prescribed rate of interest, using the formula in

1 subsection (c).

2 (c) For State fiscal years 2011 through 2045, the minimum  
3 contribution to the System to be made by the State for each  
4 fiscal year shall be an amount determined by the System to be  
5 sufficient to bring the total assets of the System up to 90% of  
6 the total actuarial liabilities of the System by the end of  
7 State fiscal year 2045. In making these determinations, the  
8 required State contribution shall be calculated each year as a  
9 level percentage of payroll over the years remaining to and  
10 including fiscal year 2045 and shall be determined under the  
11 projected unit credit actuarial cost method.

12 For State fiscal years 1996 through 2005, the State  
13 contribution to the System, as a percentage of the applicable  
14 employee payroll, shall be increased in equal annual increments  
15 so that by State fiscal year 2011, the State is contributing at  
16 the rate required under this Section.

17 Notwithstanding any other provision of this Article, the  
18 total required State contribution for State fiscal year 2006 is  
19 \$4,157,000.

20 ~~Notwithstanding any other provision of this Article, the~~  
21 ~~total required State contribution for State fiscal year 2007 is~~  
22 ~~\$5,220,300.~~

23 For each of State fiscal years 2007 ~~2008~~ through 2010, the  
24 State contribution to the System, as a percentage of the  
25 applicable employee payroll, shall be increased in equal annual  
26 increments from the required State contribution for State  
27 fiscal year 2005 ~~2007~~, so that by State fiscal year 2011, the  
28 State is contributing at the rate otherwise required under this  
29 Section.

30 Beginning in State fiscal year 2046, the minimum State  
31 contribution for each fiscal year shall be the amount needed to  
32 maintain the total assets of the System at 90% of the total  
33 actuarial liabilities of the System.

34 Notwithstanding any other provision of this Section, the

1 required State contribution for State fiscal year 2005 and for  
2 fiscal year 2007 ~~2008~~ and each fiscal year thereafter, as  
3 calculated under this Section and certified under Section  
4 2-134, shall not exceed an amount equal to (i) the amount of  
5 the required State contribution that would have been calculated  
6 under this Section for that fiscal year if the System had not  
7 received any payments under subsection (d) of Section 7.2 of  
8 the General Obligation Bond Act, minus (ii) the portion of the  
9 State's total debt service payments for that fiscal year on the  
10 bonds issued for the purposes of that Section 7.2, as  
11 determined and certified by the Comptroller, that is the same  
12 as the System's portion of the total moneys distributed under  
13 subsection (d) of Section 7.2 of the General Obligation Bond  
14 Act. ~~In determining this maximum for State fiscal years 2008  
15 through 2010, however, the amount referred to in item (i) shall  
16 be increased, as a percentage of the applicable employee  
17 payroll, in equal increments calculated from the sum of the  
18 required State contribution for State fiscal year 2007 plus the  
19 applicable portion of the State's total debt service payments  
20 for fiscal year 2007 on the bonds issued for the purposes of  
21 Section 7.2 of the General Obligation Bond Act, so that, by  
22 State fiscal year 2011, the State is contributing at the rate  
23 otherwise required under this Section.~~

24 Amounts received by the System pursuant to Section 25 of  
25 the Budget Stabilization Act in any fiscal year do not reduce  
26 and do not constitute payment of any portion of the minimum  
27 State contribution required under this Article in that fiscal  
28 year. Such amounts shall not reduce, and shall not be included  
29 in the calculation of, the required State contributions under  
30 this Article in any future year until the System has reached a  
31 funding ratio of at least 90%. A reference in this Article to  
32 the "required State contribution" or any substantially similar  
33 term does not include or apply to any amounts payable to the  
34 System under Section 25 of the Budget Stabilization Act.

1 (Source: P.A. 93-2, eff. 4-7-03; 94-4, eff. 6-1-05.)

2 (40 ILCS 5/2-134) (from Ch. 108 1/2, par. 2-134)

3 Sec. 2-134. To certify required State contributions and  
4 submit vouchers.

5 (a) The Board shall certify to the Governor on or before  
6 December 15 of each year the amount of the required State  
7 contribution to the System for the next fiscal year. The  
8 certification shall include a copy of the actuarial  
9 recommendations upon which it is based.

10 On or before May 1, 2004, the Board shall recalculate and  
11 recertify to the Governor the amount of the required State  
12 contribution to the System for State fiscal year 2005, taking  
13 into account the amounts appropriated to and received by the  
14 System under subsection (d) of Section 7.2 of the General  
15 Obligation Bond Act.

16 On or before July 1, 2005, the Board shall recalculate and  
17 recertify to the Governor the amount of the required State  
18 contribution to the System for State fiscal year 2006, taking  
19 into account the changes in required State contributions made  
20 by Public Act 94-4 ~~this amendatory Act of the 94th General~~  
21 ~~Assembly.~~

22 On or before July 1, 2006, the Board shall recalculate and  
23 recertify to the Governor the amount of the required State  
24 contribution to the System for State fiscal year 2007, taking  
25 into account the changes in required State contributions made  
26 by this amendatory Act of the 94th General Assembly.

27 (b) Beginning in State fiscal year 1996, on or as soon as  
28 possible after the 15th day of each month the Board shall  
29 submit vouchers for payment of State contributions to the  
30 System, in a total monthly amount of one-twelfth of the  
31 required annual State contribution certified under subsection  
32 (a). From the effective date of this amendatory Act of the 93rd  
33 General Assembly through June 30, 2004, the Board shall not

1 submit vouchers for the remainder of fiscal year 2004 in excess  
2 of the fiscal year 2004 certified contribution amount  
3 determined under this Section after taking into consideration  
4 the transfer to the System under subsection (d) of Section  
5 6z-61 of the State Finance Act. These vouchers shall be paid by  
6 the State Comptroller and Treasurer by warrants drawn on the  
7 funds appropriated to the System for that fiscal year. If in  
8 any month the amount remaining unexpended from all other  
9 appropriations to the System for the applicable fiscal year  
10 (including the appropriations to the System under Section 8.12  
11 of the State Finance Act and Section 1 of the State Pension  
12 Funds Continuing Appropriation Act) is less than the amount  
13 lawfully vouchered under this Section, the difference shall be  
14 paid from the General Revenue Fund under the continuing  
15 appropriation authority provided in Section 1.1 of the State  
16 Pension Funds Continuing Appropriation Act.

17 (c) The full amount of any annual appropriation for the  
18 System for State fiscal year 1995 shall be transferred and made  
19 available to the System at the beginning of that fiscal year at  
20 the request of the Board. Any excess funds remaining at the end  
21 of any fiscal year from appropriations shall be retained by the  
22 System as a general reserve to meet the System's accrued  
23 liabilities.

24 (Source: P.A. 93-2, eff. 4-7-03; 93-665, eff. 3-5-04; 94-4,  
25 eff. 6-1-05; 94-536, eff. 8-10-05; revised 8-19-05.)

26 (40 ILCS 5/14-108.3)

27 Sec. 14-108.3. Early retirement incentives.

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

30 (1) be a member of this System who, on any day during  
31 June, 2002, is (i) in active payroll status in a position  
32 of employment with a department and an active contributor  
33 to this System with respect to that employment, and

1 terminates that employment before the retirement annuity  
2 under this Article begins, or (ii) on layoff status from  
3 such a position with a right of re-employment or recall to  
4 service, or (iii) receiving benefits under Section 14-123,  
5 14-123.1 or 14-124, but only if the member has not been  
6 receiving those benefits for a continuous period of more  
7 than 2 years as of the date of application;

8 (2) not have received any retirement annuity under this  
9 Article beginning earlier than August 1, 2002;

10 (3) file with the Board on or before December 31, 2002  
11 a written application requesting the benefits provided in  
12 this Section;

13 (4) terminate employment under this Article no later  
14 than December 31, 2002 (or the date established under  
15 subsection (d), if applicable);

16 (5) by the date of termination of service, have at  
17 least 8 years of creditable service under this Article,  
18 without the use of any creditable service established under  
19 this Section;

20 (6) by the date of termination of service, have at  
21 least 5 years of membership service earned while an  
22 employee under this Article, which may include military  
23 service for which credit is established under Section  
24 14-105(b), service during the qualifying period for which  
25 credit is established under Section 14-104(a), and service  
26 for which credit has been established by repaying a refund  
27 under Section 14-130, but shall not include service for  
28 which any other optional service credit has been  
29 established; and

30 (7) not receive any early retirement benefit under  
31 Section 16-133.3 of this Code.

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

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.

4 The creditable service established under this Section may  
5 be used for all purposes under this Article and the Retirement  
6 Systems Reciprocal Act, except for the computation of final  
7 average compensation under Section 14-103.12 or the  
8 determination of compensation under this or any other Article  
9 of this Code.

10 The age enhancement established under this Section may not  
11 be used to enable any person to begin receiving a retirement  
12 annuity calculated under Section 14-110 before actually  
13 attaining age 50 (without any age enhancement under this  
14 Section). The age enhancement established under this Section  
15 may be used for all other purposes under this Article  
16 (including calculation of a proportionate annuity payable by  
17 this System under the Retirement Systems Reciprocal Act),  
18 except for purposes of the level income option in Section  
19 14-112, the reversionary annuity under Section 14-113, and the  
20 required distributions under Section 14-121.1.

21 The age enhancement established under this Section may be  
22 used in determining benefits payable under Article 16 of this  
23 Code under the Retirement Systems Reciprocal Act, if the person  
24 has at least 5 years of service credit in the Article 16 system  
25 that was earned while participating in that system as a teacher  
26 (as defined in Section 16-106) employed by a department (as  
27 defined in Section 14-103.04). Age enhancement established  
28 under this Section shall not otherwise be used in determining  
29 benefits payable under other Articles of this Code under the  
30 Retirement Systems Reciprocal Act.

31 (c) For all creditable service established under this  
32 Section, a person must pay to the System an employee  
33 contribution to be determined by the System, based on the  
34 member's rate of compensation on June 1, 2002 (or the last date

1 before June 1, 2002 for which a rate can be determined) and the  
2 retirement contribution rate in effect on June 1, 2002 for the  
3 member (or for members with the same social security and  
4 alternative formula status as the member).

5 If the member receives a lump sum payment for accumulated  
6 vacation, sick leave and personal leave upon withdrawal from  
7 service, and the net amount of that lump sum payment is at  
8 least as great as the amount of the contribution required under  
9 this Section, the entire contribution must be paid by the  
10 employee by payroll deduction. If there is no such lump sum  
11 payment, or if it is less than the contribution required under  
12 this Section, the member shall make an initial payment by  
13 payroll deduction, equal to the net amount of the lump sum  
14 payment for accumulated vacation, sick leave, and personal  
15 leave, and have the remaining amount due treated as a reduction  
16 from the retirement annuity in 24 equal monthly installments  
17 beginning in the month in which the retirement annuity takes  
18 effect. The required contribution may be paid as a pre-tax  
19 deduction from earnings. For federal and Illinois tax purposes,  
20 the monthly amount by which the annuitant's benefit is reduced  
21 shall not be treated as a contribution by the annuitant, but  
22 rather as a reduction of the annuitant's monthly benefit.

23 (c-5) The reduction in retirement annuity provided in  
24 subsection (c) of Section 14-108 does not apply to the annuity  
25 of a person who retires under this Section. A person who has  
26 received any age enhancement or creditable service under this  
27 Section may begin to receive an unreduced retirement annuity  
28 upon attainment of age 55 with at least 25 years of creditable  
29 service (including any age enhancement and creditable service  
30 established under this Section).

31 (d) In order to ensure that the efficient operation of  
32 State government is not jeopardized by the simultaneous  
33 retirement of large numbers of key personnel, the director or  
34 other head of a department may, for key employees of that



1 department, extend the December 31, 2002 deadline for  
2 terminating employment under this Article established in  
3 subdivision (a)(4) of this Section to a date not later than  
4 April 30, 2003 by so notifying the System in writing by  
5 December 31, 2002.

6 (e) Notwithstanding Section 14-111, a person who has  
7 received any age enhancement or creditable service under this  
8 Section and who reenters service under this Article (or as an  
9 employee of a department under Article 16) other than as a  
10 temporary employee thereby forfeits that age enhancement and  
11 creditable service and is entitled to a refund of the  
12 contributions made pursuant to this Section.

13 (f) The System shall determine the amount of the increase  
14 in the present value of future benefits resulting from the  
15 granting of early retirement incentives under this Section and  
16 shall report that amount to the Governor and the Commission on  
17 Government Forecasting and Accountability on or after the  
18 effective date of this amendatory Act of the 93rd General  
19 Assembly and on or before November 15, 2004. Except in State  
20 fiscal year 2006 ~~Beginning with State fiscal year 2008,~~ the  
21 increase reported under this subsection (f) shall not be  
22 included in the calculation of the required State contribution  
23 under Section 14-131.

24 (g) In addition to the contributions otherwise required  
25 under this Article, the State shall appropriate and pay to the  
26 System (i) an amount equal to \$70,000,000 in State fiscal years  
27 2004 and 2005 and (2) in each of State fiscal years 2007  
28 through 2015, a level dollar payment based upon the increase in  
29 the percent value of future benefits provided by the early  
30 retirement incentives provided under this Section amortized at  
31 8.5% interest.

32 (h) The Commission on Government Forecasting and  
33 Accountability (i) shall hold one or more hearings on or before  
34 the last session day during the fall veto session of 2004 to

1 review recommendations relating to funding of early retirement  
2 incentives under this Section and (ii) shall file its report  
3 with the General Assembly on or before December 31, 2004 making  
4 its recommendations relating to funding of early retirement  
5 incentives under this Section; the Commission's report may  
6 contain both majority recommendations and minority  
7 recommendations. The System shall recalculate and recertify to  
8 the Governor by January 31, 2005 the amount of the required  
9 State contribution to the System for State fiscal year 2005  
10 with respect to those incentives. The Pension Laws Commission  
11 (or its successor, the Commission on Government Forecasting and  
12 Accountability) shall determine and report to the General  
13 Assembly, on or before January 1, 2004 and annually thereafter  
14 through the year 2013, its estimate of (1) the annual amount of  
15 payroll savings likely to be realized by the State as a result  
16 of the early retirement of persons receiving early retirement  
17 incentives under this Section and (2) the net annual savings or  
18 cost to the State from the program of early retirement  
19 incentives created under this Section.

20 The System, the Department of Central Management Services,  
21 the Governor's Office of Management and Budget (formerly Bureau  
22 of the Budget), and all other departments shall provide to the  
23 Commission any assistance that the Commission may request with  
24 respect to its reports under this Section. The Commission may  
25 require departments to provide it with any information that it  
26 deems necessary or useful with respect to its reports under  
27 this Section, including without limitation information about  
28 (1) the final earnings of former department employees who  
29 elected to receive benefits under this Section, (2) the  
30 earnings of current department employees holding the positions  
31 vacated by persons who elected to receive benefits under this  
32 Section, and (3) positions vacated by persons who elected to  
33 receive benefits under this Section that have not yet been  
34 refilled.

1 (i) The changes made to this Section by this amendatory Act  
2 of the 92nd General Assembly do not apply to persons who  
3 retired under this Section on or before May 1, 1992.

4 (Source: P.A. 93-632, eff. 2-1-04; 93-839, eff. 7-30-04;  
5 93-1067, eff. 1-15-05; 94-4, eff. 6-1-05.)

6 (40 ILCS 5/14-131) (from Ch. 108 1/2, par. 14-131)

7 Sec. 14-131. Contributions by State.

8 (a) The State shall make contributions to the System by  
9 appropriations of amounts which, together with other employer  
10 contributions from trust, federal, and other funds, employee  
11 contributions, investment income, and other income, will be  
12 sufficient to meet the cost of maintaining and administering  
13 the System on a 90% funded basis in accordance with actuarial  
14 recommendations.

15 For the purposes of this Section and Section 14-135.08,  
16 references to State contributions refer only to employer  
17 contributions and do not include employee contributions that  
18 are picked up or otherwise paid by the State or a department on  
19 behalf of the employee.

20 (b) The Board shall determine the total amount of State  
21 contributions required for each fiscal year on the basis of the  
22 actuarial tables and other assumptions adopted by the Board,  
23 using the formula in subsection (e).

24 The Board shall also determine a State contribution rate  
25 for each fiscal year, expressed as a percentage of payroll,  
26 based on the total required State contribution for that fiscal  
27 year (less the amount received by the System from  
28 appropriations under Section 8.12 of the State Finance Act and  
29 Section 1 of the State Pension Funds Continuing Appropriation  
30 Act, if any, for the fiscal year ending on the June 30  
31 immediately preceding the applicable November 15 certification  
32 deadline), the estimated payroll (including all forms of  
33 compensation) for personal services rendered by eligible

1 employees, and the recommendations of the actuary.

2 For the purposes of this Section and Section 14.1 of the  
3 State Finance Act, the term "eligible employees" includes  
4 employees who participate in the System, persons who may elect  
5 to participate in the System but have not so elected, persons  
6 who are serving a qualifying period that is required for  
7 participation, and annuitants employed by a department as  
8 described in subdivision (a) (1) or (a) (2) of Section 14-111.

9 (c) Contributions shall be made by the several departments  
10 for each pay period by warrants drawn by the State Comptroller  
11 against their respective funds or appropriations based upon  
12 vouchers stating the amount to be so contributed. These amounts  
13 shall be based on the full rate certified by the Board under  
14 Section 14-135.08 for that fiscal year. From the effective date  
15 of this amendatory Act of the 93rd General Assembly through the  
16 payment of the final payroll from fiscal year 2004  
17 appropriations, the several departments shall not make  
18 contributions for the remainder of fiscal year 2004 but shall  
19 instead make payments as required under subsection (a-1) of  
20 Section 14.1 of the State Finance Act. The several departments  
21 shall resume those contributions at the commencement of fiscal  
22 year 2005.

23 (d) If an employee is paid from trust funds or federal  
24 funds, the department or other employer shall pay employer  
25 contributions from those funds to the System at the certified  
26 rate, unless the terms of the trust or the federal-State  
27 agreement preclude the use of the funds for that purpose, in  
28 which case the required employer contributions shall be paid by  
29 the State. From the effective date of this amendatory Act of  
30 the 93rd General Assembly through the payment of the final  
31 payroll from fiscal year 2004 appropriations, the department or  
32 other employer shall not pay contributions for the remainder of  
33 fiscal year 2004 but shall instead make payments as required  
34 under subsection (a-1) of Section 14.1 of the State Finance

1 Act. The department or other employer shall resume payment of  
2 contributions at the commencement of fiscal year 2005.

3 (e) For State fiscal years 2011 through 2045, the minimum  
4 contribution to the System to be made by the State for each  
5 fiscal year shall be an amount determined by the System to be  
6 sufficient to bring the total assets of the System up to 90% of  
7 the total actuarial liabilities of the System by the end of  
8 State fiscal year 2045. In making these determinations, the  
9 required State contribution shall be calculated each year as a  
10 level percentage of payroll over the years remaining to and  
11 including fiscal year 2045 and shall be determined under the  
12 projected unit credit actuarial cost method.

13 For State fiscal years 1996 through 2005, the State  
14 contribution to the System, as a percentage of the applicable  
15 employee payroll, shall be increased in equal annual increments  
16 so that by State fiscal year 2011, the State is contributing at  
17 the rate required under this Section; except that (i) for State  
18 fiscal year 1998, for all purposes of this Code and any other  
19 law of this State, the certified percentage of the applicable  
20 employee payroll shall be 5.052% for employees earning eligible  
21 creditable service under Section 14-110 and 6.500% for all  
22 other employees, notwithstanding any contrary certification  
23 made under Section 14-135.08 before the effective date of this  
24 amendatory Act of 1997, and (ii) in the following specified  
25 State fiscal years, the State contribution to the System shall  
26 not be less than the following indicated percentages of the  
27 applicable employee payroll, even if the indicated percentage  
28 will produce a State contribution in excess of the amount  
29 otherwise required under this subsection and subsection (a):  
30 9.8% in FY 1999; 10.0% in FY 2000; 10.2% in FY 2001; 10.4% in FY  
31 2002; 10.6% in FY 2003; and 10.8% in FY 2004.

32 Notwithstanding any other provision of this Article, the  
33 total required State contribution to the System for State  
34 fiscal year 2006 is \$203,783,900.

1       ~~Notwithstanding any other provision of this Article, the~~  
2 ~~total required State contribution to the System for State~~  
3 ~~fiscal year 2007 is \$344,164,400.~~

4       For each of State fiscal years 2007 ~~2008~~ through 2010, the  
5 State contribution to the System, as a percentage of the  
6 applicable employee payroll, shall be increased in equal annual  
7 increments from the required State contribution for State  
8 fiscal year 2005 ~~2007~~, so that by State fiscal year 2011, the  
9 State is contributing at the rate otherwise required under this  
10 Section.

11       Beginning in State fiscal year 2046, the minimum State  
12 contribution for each fiscal year shall be the amount needed to  
13 maintain the total assets of the System at 90% of the total  
14 actuarial liabilities of the System.

15       Notwithstanding any other provision of this Section, the  
16 required State contribution for State fiscal year 2005 and for  
17 fiscal year 2007 ~~2008~~ and each fiscal year thereafter, as  
18 calculated under this Section and certified under Section  
19 14-135.08, shall not exceed an amount equal to (i) the amount  
20 of the required State contribution that would have been  
21 calculated under this Section for that fiscal year if the  
22 System had not received any payments under subsection (d) of  
23 Section 7.2 of the General Obligation Bond Act, minus (ii) the  
24 portion of the State's total debt service payments for that  
25 fiscal year on the bonds issued for the purposes of that  
26 Section 7.2, as determined and certified by the Comptroller,  
27 that is the same as the System's portion of the total moneys  
28 distributed under subsection (d) of Section 7.2 of the General  
29 Obligation Bond Act. ~~In determining this maximum for State~~  
30 ~~fiscal years 2008 through 2010, however, the amount referred to~~  
31 ~~in item (i) shall be increased, as a percentage of the~~  
32 ~~applicable employee payroll, in equal increments calculated~~  
33 ~~from the sum of the required State contribution for State~~  
34 ~~fiscal year 2007 plus the applicable portion of the State's~~

1 ~~total debt service payments for fiscal year 2007 on the bonds~~  
2 ~~issued for the purposes of Section 7.2 of the General~~  
3 ~~Obligation Bond Act, so that, by State fiscal year 2011, the~~  
4 ~~State is contributing at the rate otherwise required under this~~  
5 ~~Section.~~

6 Amounts received by the System pursuant to Section 25 of  
7 the Budget Stabilization Act in any fiscal year do not reduce  
8 and do not constitute payment of any portion of the minimum  
9 State contribution required under this Article in that fiscal  
10 year. Such amounts shall not reduce, and shall not be included  
11 in the calculation of, the required State contributions under  
12 this Article in any future year until the System has reached a  
13 funding ratio of at least 90%. A reference in this Article to  
14 the "required State contribution" or any substantially similar  
15 term does not include or apply to any amounts payable to the  
16 System under Section 25 of the Budget Stabilization Act.

17 (f) After the submission of all payments for eligible  
18 employees from personal services line items in fiscal year 2004  
19 have been made, the Comptroller shall provide to the System a  
20 certification of the sum of all fiscal year 2004 expenditures  
21 for personal services that would have been covered by payments  
22 to the System under this Section if the provisions of this  
23 amendatory Act of the 93rd General Assembly had not been  
24 enacted. Upon receipt of the certification, the System shall  
25 determine the amount due to the System based on the full rate  
26 certified by the Board under Section 14-135.08 for fiscal year  
27 2004 in order to meet the State's obligation under this  
28 Section. The System shall compare this amount due to the amount  
29 received by the System in fiscal year 2004 through payments  
30 under this Section and under Section 6z-61 of the State Finance  
31 Act. If the amount due is more than the amount received, the  
32 difference shall be termed the "Fiscal Year 2004 Shortfall" for  
33 purposes of this Section, and the Fiscal Year 2004 Shortfall  
34 shall be satisfied under Section 1.2 of the State Pension Funds

1 Continuing Appropriation Act. If the amount due is less than  
2 the amount received, the difference shall be termed the "Fiscal  
3 Year 2004 Overpayment" for purposes of this Section, and the  
4 Fiscal Year 2004 Overpayment shall be repaid by the System to  
5 the Pension Contribution Fund as soon as practicable after the  
6 certification.

7 (Source: P.A. 93-2, eff. 4-7-03; 93-665, eff. 3-5-04; 94-4,  
8 eff. 6-1-05.)

9 (40 ILCS 5/14-135.08) (from Ch. 108 1/2, par. 14-135.08)

10 Sec. 14-135.08. To certify required State contributions.

11 (a) To certify to the Governor and to each department, on  
12 or before November 15 of each year, the required rate for State  
13 contributions to the System for the next State fiscal year, as  
14 determined under subsection (b) of Section 14-131. The  
15 certification to the Governor shall include a copy of the  
16 actuarial recommendations upon which the rate is based.

17 (b) The certification shall include an additional amount  
18 necessary to pay all principal of and interest on those general  
19 obligation bonds due the next fiscal year authorized by Section  
20 7.2(a) of the General Obligation Bond Act and issued to provide  
21 the proceeds deposited by the State with the System in July  
22 2003, representing deposits other than amounts reserved under  
23 Section 7.2(c) of the General Obligation Bond Act. For State  
24 fiscal year 2005, the Board shall make a supplemental  
25 certification of the additional amount necessary to pay all  
26 principal of and interest on those general obligation bonds due  
27 in State fiscal years 2004 and 2005 authorized by Section  
28 7.2(a) of the General Obligation Bond Act and issued to provide  
29 the proceeds deposited by the State with the System in July  
30 2003, representing deposits other than amounts reserved under  
31 Section 7.2(c) of the General Obligation Bond Act, as soon as  
32 practical after the effective date of this amendatory Act of  
33 the 93rd General Assembly.



1           On or before May 1, 2004, the Board shall recalculate and  
2           recertify to the Governor and to each department the amount of  
3           the required State contribution to the System and the required  
4           rates for State contributions to the System for State fiscal  
5           year 2005, taking into account the amounts appropriated to and  
6           received by the System under subsection (d) of Section 7.2 of  
7           the General Obligation Bond Act.

8           On or before July 1, 2005, the Board shall recalculate and  
9           recertify to the Governor and to each department the amount of  
10          the required State contribution to the System and the required  
11          rates for State contributions to the System for State fiscal  
12          year 2006, taking into account the changes in required State  
13          contributions made by Public Act 94-4 ~~this amendatory Act of~~  
14          ~~the 94th General Assembly.~~

15          On or before July 1, 2006, the Board shall recalculate and  
16          recertify to the Governor and to each department the amount of  
17          the required State contribution to the System and the required  
18          rates for State contributions to the System for State fiscal  
19          year 2007, taking into account the changes in required State  
20          contributions made by this amendatory Act of the 94th General  
21          Assembly.

22          (Source: P.A. 93-2, eff. 4-7-03; 93-839, eff. 7-30-04; 94-4,  
23          eff. 6-1-05.)

24                 (40 ILCS 5/15-155) (from Ch. 108 1/2, par. 15-155)

25                 Sec. 15-155. Employer contributions.

26                 (a) The State of Illinois shall make contributions by  
27                 appropriations of amounts which, together with the other  
28                 employer contributions from trust, federal, and other funds,  
29                 employee contributions, income from investments, and other  
30                 income of this System, will be sufficient to meet the cost of  
31                 maintaining and administering the System on a 90% funded basis  
32                 in accordance with actuarial recommendations.

33                 The Board shall determine the amount of State contributions

1 required for each fiscal year on the basis of the actuarial  
2 tables and other assumptions adopted by the Board and the  
3 recommendations of the actuary, using the formula in subsection  
4 (a-1).

5 (a-1) For State fiscal years 2011 through 2045, the minimum  
6 contribution to the System to be made by the State for each  
7 fiscal year shall be an amount determined by the System to be  
8 sufficient to bring the total assets of the System up to 90% of  
9 the total actuarial liabilities of the System by the end of  
10 State fiscal year 2045. In making these determinations, the  
11 required State contribution shall be calculated each year as a  
12 level percentage of payroll over the years remaining to and  
13 including fiscal year 2045 and shall be determined under the  
14 projected unit credit actuarial cost method.

15 For State fiscal years 1996 through 2005, the State  
16 contribution to the System, as a percentage of the applicable  
17 employee payroll, shall be increased in equal annual increments  
18 so that by State fiscal year 2011, the State is contributing at  
19 the rate required under this Section.

20 Notwithstanding any other provision of this Article, the  
21 total required State contribution for State fiscal year 2006 is  
22 \$166,641,900.

23 ~~Notwithstanding any other provision of this Article, the~~  
24 ~~total required State contribution for State fiscal year 2007 is~~  
25 ~~\$252,064,100.~~

26 For each of State fiscal years 2007 ~~2008~~ through 2010, the  
27 State contribution to the System, as a percentage of the  
28 applicable employee payroll, shall be increased in equal annual  
29 increments from the required State contribution for State  
30 fiscal year 2005 ~~2007~~, so that by State fiscal year 2011, the  
31 State is contributing at the rate otherwise required under this  
32 Section.

33 Beginning in State fiscal year 2046, the minimum State  
34 contribution for each fiscal year shall be the amount needed to

1 maintain the total assets of the System at 90% of the total  
2 actuarial liabilities of the System.

3 Notwithstanding any other provision of this Section, the  
4 required State contribution for State fiscal year 2005 and for  
5 fiscal year 2007 ~~2008~~ and each fiscal year thereafter, as  
6 calculated under this Section and certified under Section  
7 15-165, shall not exceed an amount equal to (i) the amount of  
8 the required State contribution that would have been calculated  
9 under this Section for that fiscal year if the System had not  
10 received any payments under subsection (d) of Section 7.2 of  
11 the General Obligation Bond Act, minus (ii) the portion of the  
12 State's total debt service payments for that fiscal year on the  
13 bonds issued for the purposes of that Section 7.2, as  
14 determined and certified by the Comptroller, that is the same  
15 as the System's portion of the total moneys distributed under  
16 subsection (d) of Section 7.2 of the General Obligation Bond  
17 Act. ~~In determining this maximum for State fiscal years 2008~~  
18 ~~through 2010, however, the amount referred to in item (i) shall~~  
19 ~~be increased, as a percentage of the applicable employee~~  
20 ~~payroll, in equal increments calculated from the sum of the~~  
21 ~~required State contribution for State fiscal year 2007 plus the~~  
22 ~~applicable portion of the State's total debt service payments~~  
23 ~~for fiscal year 2007 on the bonds issued for the purposes of~~  
24 ~~Section 7.2 of the General Obligation Bond Act, so that, by~~  
25 ~~State fiscal year 2011, the State is contributing at the rate~~  
26 ~~otherwise required under this Section.~~

27 Amounts received by the System pursuant to Section 25 of  
28 the Budget Stabilization Act in any fiscal year do not reduce  
29 and do not constitute payment of any portion of the minimum  
30 State contribution required under this Article in that fiscal  
31 year. Such amounts shall not reduce, and shall not be included  
32 in the calculation of, the required State contributions under  
33 this Article in any future year until the System has reached a  
34 funding ratio of at least 90%. A reference in this Article to

1 the "required State contribution" or any substantially similar  
2 term does not include or apply to any amounts payable to the  
3 System under Section 25 of the Budget Stabilization Act.

4 (b) If an employee is paid from trust or federal funds, the  
5 employer shall pay to the Board contributions from those funds  
6 which are sufficient to cover the accruing normal costs on  
7 behalf of the employee. However, universities having employees  
8 who are compensated out of local auxiliary funds, income funds,  
9 or service enterprise funds are not required to pay such  
10 contributions on behalf of those employees. The local auxiliary  
11 funds, income funds, and service enterprise funds of  
12 universities shall not be considered trust funds for the  
13 purpose of this Article, but funds of alumni associations,  
14 foundations, and athletic associations which are affiliated  
15 with the universities included as employers under this Article  
16 and other employers which do not receive State appropriations  
17 are considered to be trust funds for the purpose of this  
18 Article.

19 (b-1) The City of Urbana and the City of Champaign shall  
20 each make employer contributions to this System for their  
21 respective firefighter employees who participate in this  
22 System pursuant to subsection (h) of Section 15-107. The rate  
23 of contributions to be made by those municipalities shall be  
24 determined annually by the Board on the basis of the actuarial  
25 assumptions adopted by the Board and the recommendations of the  
26 actuary, and shall be expressed as a percentage of salary for  
27 each such employee. The Board shall certify the rate to the  
28 affected municipalities as soon as may be practical. The  
29 employer contributions required under this subsection shall be  
30 remitted by the municipality to the System at the same time and  
31 in the same manner as employee contributions.

32 (c) Through State fiscal year 1995: The total employer  
33 contribution shall be apportioned among the various funds of  
34 the State and other employers, whether trust, federal, or other

1 funds, in accordance with actuarial procedures approved by the  
2 Board. State of Illinois contributions for employers receiving  
3 State appropriations for personal services shall be payable  
4 from appropriations made to the employers or to the System. The  
5 contributions for Class I community colleges covering earnings  
6 other than those paid from trust and federal funds, shall be  
7 payable solely from appropriations to the Illinois Community  
8 College Board or the System for employer contributions.

9 (d) Beginning in State fiscal year 1996, the required State  
10 contributions to the System shall be appropriated directly to  
11 the System and shall be payable through vouchers issued in  
12 accordance with subsection (c) of Section 15-165, except as  
13 provided in subsection (g).

14 (e) The State Comptroller shall draw warrants payable to  
15 the System upon proper certification by the System or by the  
16 employer in accordance with the appropriation laws and this  
17 Code.

18 (f) Normal costs under this Section means liability for  
19 pensions and other benefits which accrues to the System because  
20 of the credits earned for service rendered by the participants  
21 during the fiscal year and expenses of administering the  
22 System, but shall not include the principal of or any  
23 redemption premium or interest on any bonds issued by the Board  
24 or any expenses incurred or deposits required in connection  
25 therewith.

26 (g) If the amount of a participant's earnings for any  
27 academic year used to determine the final rate of earnings  
28 exceeds the amount of his or her earnings with the same  
29 employer for the previous academic year by more than 6%, the  
30 participant's employer shall pay to the System, in addition to  
31 all other payments required under this Section and in  
32 accordance with guidelines established by the System, the  
33 present value of the increase in benefits resulting from the  
34 portion of the increase in earnings that is in excess of 6%.

1 This present value shall be computed by the System on the basis  
2 of the actuarial assumptions and tables used in the most recent  
3 actuarial valuation of the System that is available at the time  
4 of the computation. The employer contributions required under  
5 this subsection (g) shall be paid in the form of a lump sum  
6 within 30 days after receipt of the bill after the participant  
7 begins receiving benefits under this Article.

8 The provisions of this subsection (g) do not apply to  
9 earnings increases paid to participants under contracts or  
10 collective bargaining agreements entered into, amended, or  
11 renewed before the effective date of this amendatory Act of the  
12 94th General Assembly.

13 (Source: P.A. 93-2, eff. 4-7-03; 94-4, eff. 6-1-05.)

14 (40 ILCS 5/15-165) (from Ch. 108 1/2, par. 15-165)

15 Sec. 15-165. To certify amounts and submit vouchers.

16 (a) The Board shall certify to the Governor on or before  
17 November 15 of each year the appropriation required from State  
18 funds for the purposes of this System for the following fiscal  
19 year. The certification shall include a copy of the actuarial  
20 recommendations upon which it is based.

21 On or before May 1, 2004, the Board shall recalculate and  
22 recertify to the Governor the amount of the required State  
23 contribution to the System for State fiscal year 2005, taking  
24 into account the amounts appropriated to and received by the  
25 System under subsection (d) of Section 7.2 of the General  
26 Obligation Bond Act.

27 On or before July 1, 2005, the Board shall recalculate and  
28 recertify to the Governor the amount of the required State  
29 contribution to the System for State fiscal year 2006, taking  
30 into account the changes in required State contributions made  
31 by Public Act 94-4 ~~this amendatory Act of the 94th General~~  
32 ~~Assembly.~~

33 On or before July 1, 2006, the Board shall recalculate and

1 recertify to the Governor the amount of the required State  
2 contribution to the System for State fiscal year 2007, taking  
3 into account the changes in required State contributions made  
4 by this amendatory Act of the 94th General Assembly.

5 (b) The Board shall certify to the State Comptroller or  
6 employer, as the case may be, from time to time, by its  
7 president and secretary, with its seal attached, the amounts  
8 payable to the System from the various funds.

9 (c) Beginning in State fiscal year 1996, on or as soon as  
10 possible after the 15th day of each month the Board shall  
11 submit vouchers for payment of State contributions to the  
12 System, in a total monthly amount of one-twelfth of the  
13 required annual State contribution certified under subsection  
14 (a). From the effective date of this amendatory Act of the 93rd  
15 General Assembly through June 30, 2004, the Board shall not  
16 submit vouchers for the remainder of fiscal year 2004 in excess  
17 of the fiscal year 2004 certified contribution amount  
18 determined under this Section after taking into consideration  
19 the transfer to the System under subsection (b) of Section  
20 6z-61 of the State Finance Act. These vouchers shall be paid by  
21 the State Comptroller and Treasurer by warrants drawn on the  
22 funds appropriated to the System for that fiscal year.

23 If in any month the amount remaining unexpended from all  
24 other appropriations to the System for the applicable fiscal  
25 year (including the appropriations to the System under Section  
26 8.12 of the State Finance Act and Section 1 of the State  
27 Pension Funds Continuing Appropriation Act) is less than the  
28 amount lawfully vouchered under this Section, the difference  
29 shall be paid from the General Revenue Fund under the  
30 continuing appropriation authority provided in Section 1.1 of  
31 the State Pension Funds Continuing Appropriation Act.

32 (d) So long as the payments received are the full amount  
33 lawfully vouchered under this Section, payments received by the  
34 System under this Section shall be applied first toward the

1 employer contribution to the self-managed plan established  
2 under Section 15-158.2. Payments shall be applied second toward  
3 the employer's portion of the normal costs of the System, as  
4 defined in subsection (f) of Section 15-155. The balance shall  
5 be applied toward the unfunded actuarial liabilities of the  
6 System.

7 (e) In the event that the System does not receive, as a  
8 result of legislative enactment or otherwise, payments  
9 sufficient to fully fund the employer contribution to the  
10 self-managed plan established under Section 15-158.2 and to  
11 fully fund that portion of the employer's portion of the normal  
12 costs of the System, as calculated in accordance with Section  
13 15-155(a-1), then any payments received shall be applied  
14 proportionately to the optional retirement program established  
15 under Section 15-158.2 and to the employer's portion of the  
16 normal costs of the System, as calculated in accordance with  
17 Section 15-155(a-1).

18 (Source: P.A. 93-2, eff. 4-7-03; 93-665, eff. 3-5-04; 94-4,  
19 eff. 6-1-05.)

20 (40 ILCS 5/16-158) (from Ch. 108 1/2, par. 16-158)

21 Sec. 16-158. Contributions by State and other employing  
22 units.

23 (a) The State shall make contributions to the System by  
24 means of appropriations from the Common School Fund and other  
25 State funds of amounts which, together with other employer  
26 contributions, employee contributions, investment income, and  
27 other income, will be sufficient to meet the cost of  
28 maintaining and administering the System on a 90% funded basis  
29 in accordance with actuarial recommendations.

30 The Board shall determine the amount of State contributions  
31 required for each fiscal year on the basis of the actuarial  
32 tables and other assumptions adopted by the Board and the  
33 recommendations of the actuary, using the formula in subsection



1 (b-3).

2 (a-1) Annually, on or before November 15, the Board shall  
3 certify to the Governor the amount of the required State  
4 contribution for the coming fiscal year. The certification  
5 shall include a copy of the actuarial recommendations upon  
6 which it is based.

7 On or before May 1, 2004, the Board shall recalculate and  
8 recertify to the Governor the amount of the required State  
9 contribution to the System for State fiscal year 2005, taking  
10 into account the amounts appropriated to and received by the  
11 System under subsection (d) of Section 7.2 of the General  
12 Obligation Bond Act.

13 On or before July 1, 2005, the Board shall recalculate and  
14 recertify to the Governor the amount of the required State  
15 contribution to the System for State fiscal year 2006, taking  
16 into account the changes in required State contributions made  
17 by Public Act 94-4 ~~this amendatory Act of the 94th General~~  
18 ~~Assembly.~~

19 On or before July 1, 2006, the Board shall recalculate and  
20 recertify to the Governor the amount of the required State  
21 contribution to the System for State fiscal year 2007, taking  
22 into account the changes in required State contributions made  
23 by this amendatory Act of the 94th General Assembly.

24 (b) Through State fiscal year 1995, the State contributions  
25 shall be paid to the System in accordance with Section 18-7 of  
26 the School Code.

27 (b-1) Beginning in State fiscal year 1996, on the 15th day  
28 of each month, or as soon thereafter as may be practicable, the  
29 Board shall submit vouchers for payment of State contributions  
30 to the System, in a total monthly amount of one-twelfth of the  
31 required annual State contribution certified under subsection  
32 (a-1). From the effective date of this amendatory Act of the  
33 93rd General Assembly through June 30, 2004, the Board shall  
34 not submit vouchers for the remainder of fiscal year 2004 in

1 excess of the fiscal year 2004 certified contribution amount  
2 determined under this Section after taking into consideration  
3 the transfer to the System under subsection (a) of Section  
4 6z-61 of the State Finance Act. These vouchers shall be paid by  
5 the State Comptroller and Treasurer by warrants drawn on the  
6 funds appropriated to the System for that fiscal year.

7 If in any month the amount remaining unexpended from all  
8 other appropriations to the System for the applicable fiscal  
9 year (including the appropriations to the System under Section  
10 8.12 of the State Finance Act and Section 1 of the State  
11 Pension Funds Continuing Appropriation Act) is less than the  
12 amount lawfully vouchered under this subsection, the  
13 difference shall be paid from the Common School Fund under the  
14 continuing appropriation authority provided in Section 1.1 of  
15 the State Pension Funds Continuing Appropriation Act.

16 (b-2) Allocations from the Common School Fund apportioned  
17 to school districts not coming under this System shall not be  
18 diminished or affected by the provisions of this Article.

19 (b-3) For State fiscal years 2011 through 2045, the minimum  
20 contribution to the System to be made by the State for each  
21 fiscal year shall be an amount determined by the System to be  
22 sufficient to bring the total assets of the System up to 90% of  
23 the total actuarial liabilities of the System by the end of  
24 State fiscal year 2045. In making these determinations, the  
25 required State contribution shall be calculated each year as a  
26 level percentage of payroll over the years remaining to and  
27 including fiscal year 2045 and shall be determined under the  
28 projected unit credit actuarial cost method.

29 For State fiscal years 1996 through 2005, the State  
30 contribution to the System, as a percentage of the applicable  
31 employee payroll, shall be increased in equal annual increments  
32 so that by State fiscal year 2011, the State is contributing at  
33 the rate required under this Section; except that in the  
34 following specified State fiscal years, the State contribution

1 to the System shall not be less than the following indicated  
2 percentages of the applicable employee payroll, even if the  
3 indicated percentage will produce a State contribution in  
4 excess of the amount otherwise required under this subsection  
5 and subsection (a), and notwithstanding any contrary  
6 certification made under subsection (a-1) before the effective  
7 date of this amendatory Act of 1998: 10.02% in FY 1999; 10.77%  
8 in FY 2000; 11.47% in FY 2001; 12.16% in FY 2002; 12.86% in FY  
9 2003; and 13.56% in FY 2004.

10 Notwithstanding any other provision of this Article, the  
11 total required State contribution for State fiscal year 2006 is  
12 \$534,627,700.

13 ~~Notwithstanding any other provision of this Article, the~~  
14 ~~total required State contribution for State fiscal year 2007 is~~  
15 ~~\$738,014,500.~~

16 For each of State fiscal years 2007 ~~2008~~ through 2010, the  
17 State contribution to the System, as a percentage of the  
18 applicable employee payroll, shall be increased in equal annual  
19 increments from the required State contribution for State  
20 fiscal year 2005 ~~2007~~, so that by State fiscal year 2011, the  
21 State is contributing at the rate otherwise required under this  
22 Section.

23 Beginning in State fiscal year 2046, the minimum State  
24 contribution for each fiscal year shall be the amount needed to  
25 maintain the total assets of the System at 90% of the total  
26 actuarial liabilities of the System.

27 Notwithstanding any other provision of this Section, the  
28 required State contribution for State fiscal year 2005 and for  
29 fiscal year 2007 ~~2008~~ and each fiscal year thereafter, as  
30 calculated under this Section and certified under subsection  
31 (a-1), shall not exceed an amount equal to (i) the amount of  
32 the required State contribution that would have been calculated  
33 under this Section for that fiscal year if the System had not  
34 received any payments under subsection (d) of Section 7.2 of

1 the General Obligation Bond Act, minus (ii) the portion of the  
2 State's total debt service payments for that fiscal year on the  
3 bonds issued for the purposes of that Section 7.2, as  
4 determined and certified by the Comptroller, that is the same  
5 as the System's portion of the total moneys distributed under  
6 subsection (d) of Section 7.2 of the General Obligation Bond  
7 Act. ~~In determining this maximum for State fiscal years 2008~~  
8 ~~through 2010, however, the amount referred to in item (i) shall~~  
9 ~~be increased, as a percentage of the applicable employee~~  
10 ~~payroll, in equal increments calculated from the sum of the~~  
11 ~~required State contribution for State fiscal year 2007 plus the~~  
12 ~~applicable portion of the State's total debt service payments~~  
13 ~~for fiscal year 2007 on the bonds issued for the purposes of~~  
14 ~~Section 7.2 of the General Obligation Bond Act, so that, by~~  
15 ~~State fiscal year 2011, the State is contributing at the rate~~  
16 ~~otherwise required under this Section.~~

17 Amounts received by the System pursuant to Section 25 of  
18 the Budget Stabilization Act in any fiscal year do not reduce  
19 and do not constitute payment of any portion of the minimum  
20 State contribution required under this Article in that fiscal  
21 year. Such amounts shall not reduce, and shall not be included  
22 in the calculation of, the required State contributions under  
23 this Article in any future year until the System has reached a  
24 funding ratio of at least 90%. A reference in this Article to  
25 the "required State contribution" or any substantially similar  
26 term does not include or apply to any amounts payable to the  
27 System under Section 25 of the Budget Stabilization Act.

28 (c) Payment of the required State contributions and of all  
29 pensions, retirement annuities, death benefits, refunds, and  
30 other benefits granted under or assumed by this System, and all  
31 expenses in connection with the administration and operation  
32 thereof, are obligations of the State.

33 If members are paid from special trust or federal funds  
34 which are administered by the employing unit, whether school

1 district or other unit, the employing unit shall pay to the  
2 System from such funds the full accruing retirement costs based  
3 upon that service, as determined by the System. Employer  
4 contributions, based on salary paid to members from federal  
5 funds, may be forwarded by the distributing agency of the State  
6 of Illinois to the System prior to allocation, in an amount  
7 determined in accordance with guidelines established by such  
8 agency and the System.

9 (d) Effective July 1, 1986, any employer of a teacher as  
10 defined in paragraph (8) of Section 16-106 shall pay the  
11 employer's normal cost of benefits based upon the teacher's  
12 service, in addition to employee contributions, as determined  
13 by the System. Such employer contributions shall be forwarded  
14 monthly in accordance with guidelines established by the  
15 System.

16 However, with respect to benefits granted under Section  
17 16-133.4 or 16-133.5 to a teacher as defined in paragraph (8)  
18 of Section 16-106, the employer's contribution shall be 12%  
19 (rather than 20%) of the member's highest annual salary rate  
20 for each year of creditable service granted, and the employer  
21 shall also pay the required employee contribution on behalf of  
22 the teacher. For the purposes of Sections 16-133.4 and  
23 16-133.5, a teacher as defined in paragraph (8) of Section  
24 16-106 who is serving in that capacity while on leave of  
25 absence from another employer under this Article shall not be  
26 considered an employee of the employer from which the teacher  
27 is on leave.

28 (e) Beginning July 1, 1998, every employer of a teacher  
29 shall pay to the System an employer contribution computed as  
30 follows:

31 (1) Beginning July 1, 1998 through June 30, 1999, the  
32 employer contribution shall be equal to 0.3% of each  
33 teacher's salary.

34 (2) Beginning July 1, 1999 and thereafter, the employer

1 contribution shall be equal to 0.58% of each teacher's  
2 salary.

3 The school district or other employing unit may pay these  
4 employer contributions out of any source of funding available  
5 for that purpose and shall forward the contributions to the  
6 System on the schedule established for the payment of member  
7 contributions.

8 These employer contributions are intended to offset a  
9 portion of the cost to the System of the increases in  
10 retirement benefits resulting from this amendatory Act of 1998.

11 Each employer of teachers is entitled to a credit against  
12 the contributions required under this subsection (e) with  
13 respect to salaries paid to teachers for the period January 1,  
14 2002 through June 30, 2003, equal to the amount paid by that  
15 employer under subsection (a-5) of Section 6.6 of the State  
16 Employees Group Insurance Act of 1971 with respect to salaries  
17 paid to teachers for that period.

18 The additional 1% employee contribution required under  
19 Section 16-152 by this amendatory Act of 1998 is the  
20 responsibility of the teacher and not the teacher's employer,  
21 unless the employer agrees, through collective bargaining or  
22 otherwise, to make the contribution on behalf of the teacher.

23 If an employer is required by a contract in effect on May  
24 1, 1998 between the employer and an employee organization to  
25 pay, on behalf of all its full-time employees covered by this  
26 Article, all mandatory employee contributions required under  
27 this Article, then the employer shall be excused from paying  
28 the employer contribution required under this subsection (e)  
29 for the balance of the term of that contract. The employer and  
30 the employee organization shall jointly certify to the System  
31 the existence of the contractual requirement, in such form as  
32 the System may prescribe. This exclusion shall cease upon the  
33 termination, extension, or renewal of the contract at any time  
34 after May 1, 1998.

1 (f) If the amount of a teacher's salary for any school year  
2 used to determine final average salary exceeds the amount of  
3 his or her salary with the same employer for the previous  
4 school year by more than 6%, the teacher's employer shall pay  
5 to the System, in addition to all other payments required under  
6 this Section and in accordance with guidelines established by  
7 the System, the present value of the increase in benefits  
8 resulting from the portion of the increase in salary that is in  
9 excess of 6%. This present value shall be computed by the  
10 System on the basis of the actuarial assumptions and tables  
11 used in the most recent actuarial valuation of the System that  
12 is available at the time of the computation. The employer  
13 contributions required under this subsection (f) shall be paid  
14 in the form of a lump sum within 30 days after receipt of the  
15 bill after the teacher begins receiving benefits under this  
16 Article.

17 The provisions of this subsection (f) do not apply to  
18 salary increases paid to teachers under contracts or collective  
19 bargaining agreements entered into, amended, or renewed before  
20 the effective date of this amendatory Act of the 94th General  
21 Assembly.

22 (Source: P.A. 93-2, eff. 4-7-03; 93-665, eff. 3-5-04; 94-4,  
23 eff. 6-1-05.)

24 (40 ILCS 5/18-131) (from Ch. 108 1/2, par. 18-131)

25 Sec. 18-131. Financing; employer contributions.

26 (a) The State of Illinois shall make contributions to this  
27 System by appropriations of the amounts which, together with  
28 the contributions of participants, net earnings on  
29 investments, and other income, will meet the costs of  
30 maintaining and administering this System on a 90% funded basis  
31 in accordance with actuarial recommendations.

32 (b) The Board shall determine the amount of State  
33 contributions required for each fiscal year on the basis of the

1 actuarial tables and other assumptions adopted by the Board and  
2 the prescribed rate of interest, using the formula in  
3 subsection (c).

4 (c) For State fiscal years 2011 through 2045, the minimum  
5 contribution to the System to be made by the State for each  
6 fiscal year shall be an amount determined by the System to be  
7 sufficient to bring the total assets of the System up to 90% of  
8 the total actuarial liabilities of the System by the end of  
9 State fiscal year 2045. In making these determinations, the  
10 required State contribution shall be calculated each year as a  
11 level percentage of payroll over the years remaining to and  
12 including fiscal year 2045 and shall be determined under the  
13 projected unit credit actuarial cost method.

14 For State fiscal years 1996 through 2005, the State  
15 contribution to the System, as a percentage of the applicable  
16 employee payroll, shall be increased in equal annual increments  
17 so that by State fiscal year 2011, the State is contributing at  
18 the rate required under this Section.

19 Notwithstanding any other provision of this Article, the  
20 total required State contribution for State fiscal year 2006 is  
21 \$29,189,400.

22 ~~Notwithstanding any other provision of this Article, the~~  
23 ~~total required State contribution for State fiscal year 2007 is~~  
24 ~~\$35,236,800.~~

25 For each of State fiscal years 2007 ~~2008~~ through 2010, the  
26 State contribution to the System, as a percentage of the  
27 applicable employee payroll, shall be increased in equal annual  
28 increments from the required State contribution for State  
29 fiscal year 2005 ~~2007~~, so that by State fiscal year 2011, the  
30 State is contributing at the rate otherwise required under this  
31 Section.

32 Beginning in State fiscal year 2046, the minimum State  
33 contribution for each fiscal year shall be the amount needed to  
34 maintain the total assets of the System at 90% of the total



1 actuarial liabilities of the System.

2 Notwithstanding any other provision of this Section, the  
3 required State contribution for State fiscal year 2005 and for  
4 fiscal year 2007 ~~2008~~ and each fiscal year thereafter, as  
5 calculated under this Section and certified under Section  
6 18-140, shall not exceed an amount equal to (i) the amount of  
7 the required State contribution that would have been calculated  
8 under this Section for that fiscal year if the System had not  
9 received any payments under subsection (d) of Section 7.2 of  
10 the General Obligation Bond Act, minus (ii) the portion of the  
11 State's total debt service payments for that fiscal year on the  
12 bonds issued for the purposes of that Section 7.2, as  
13 determined and certified by the Comptroller, that is the same  
14 as the System's portion of the total moneys distributed under  
15 subsection (d) of Section 7.2 of the General Obligation Bond  
16 Act. ~~In determining this maximum for State fiscal years 2008~~  
17 ~~through 2010, however, the amount referred to in item (i) shall~~  
18 ~~be increased, as a percentage of the applicable employee~~  
19 ~~payroll, in equal increments calculated from the sum of the~~  
20 ~~required State contribution for State fiscal year 2007 plus the~~  
21 ~~applicable portion of the State's total debt service payments~~  
22 ~~for fiscal year 2007 on the bonds issued for the purposes of~~  
23 ~~Section 7.2 of the General Obligation Bond Act, so that, by~~  
24 ~~State fiscal year 2011, the State is contributing at the rate~~  
25 ~~otherwise required under this Section.~~

26 Amounts received by the System pursuant to Section 25 of  
27 the Budget Stabilization Act in any fiscal year do not reduce  
28 and do not constitute payment of any portion of the minimum  
29 State contribution required under this Article in that fiscal  
30 year. Such amounts shall not reduce, and shall not be included  
31 in the calculation of, the required State contributions under  
32 this Article in any future year until the System has reached a  
33 funding ratio of at least 90%. A reference in this Article to  
34 the "required State contribution" or any substantially similar

1 term does not include or apply to any amounts payable to the  
2 System under Section 25 of the Budget Stabilization Act.

3 (Source: P.A. 93-2, eff. 4-7-03; 94-4, eff. 6-1-05.)

4 (40 ILCS 5/18-140) (from Ch. 108 1/2, par. 18-140)

5 Sec. 18-140. To certify required State contributions and  
6 submit vouchers.

7 (a) The Board shall certify to the Governor, on or before  
8 November 15 of each year, the amount of the required State  
9 contribution to the System for the following fiscal year. The  
10 certification shall include a copy of the actuarial  
11 recommendations upon which it is based.

12 On or before May 1, 2004, the Board shall recalculate and  
13 recertify to the Governor the amount of the required State  
14 contribution to the System for State fiscal year 2005, taking  
15 into account the amounts appropriated to and received by the  
16 System under subsection (d) of Section 7.2 of the General  
17 Obligation Bond Act.

18 On or before July 1, 2005, the Board shall recalculate and  
19 recertify to the Governor the amount of the required State  
20 contribution to the System for State fiscal year 2006, taking  
21 into account the changes in required State contributions made  
22 by Public Act 94-4 ~~this amendatory Act of the 94th General~~  
23 ~~Assembly.~~

24 On or before July 1, 2006, the Board shall recalculate and  
25 recertify to the Governor the amount of the required State  
26 contribution to the System for State fiscal year 2007, taking  
27 into account the changes in required State contributions made  
28 by this amendatory Act of the 94th General Assembly.

29 (b) Beginning in State fiscal year 1996, on or as soon as  
30 possible after the 15th day of each month the Board shall  
31 submit vouchers for payment of State contributions to the  
32 System, in a total monthly amount of one-twelfth of the  
33 required annual State contribution certified under subsection

1 (a). From the effective date of this amendatory Act of the 93rd  
2 General Assembly through June 30, 2004, the Board shall not  
3 submit vouchers for the remainder of fiscal year 2004 in excess  
4 of the fiscal year 2004 certified contribution amount  
5 determined under this Section after taking into consideration  
6 the transfer to the System under subsection (c) of Section  
7 6z-61 of the State Finance Act. These vouchers shall be paid by  
8 the State Comptroller and Treasurer by warrants drawn on the  
9 funds appropriated to the System for that fiscal year.

10 If in any month the amount remaining unexpended from all  
11 other appropriations to the System for the applicable fiscal  
12 year (including the appropriations to the System under Section  
13 8.12 of the State Finance Act and Section 1 of the State  
14 Pension Funds Continuing Appropriation Act) is less than the  
15 amount lawfully vouchered under this Section, the difference  
16 shall be paid from the General Revenue Fund under the  
17 continuing appropriation authority provided in Section 1.1 of  
18 the State Pension Funds Continuing Appropriation Act.

19 (Source: P.A. 93-2, eff. 4-7-03; 93-665, eff. 3-5-04; 94-4,  
20 eff. 6-1-05.)

21 Section 20. The State Pension Funds Continuing  
22 Appropriation Act is amended by adding Section 1.7 as follows:

23 (40 ILCS 15/1.7 new)

24 Sec. 1.7. Appropriations from the Pension Stabilization  
25 Fund.

26 (a) All of the moneys deposited from time to time into the  
27 Pension Stabilization Fund are hereby appropriated, on a  
28 continuing basis, to the State Comptroller for the purpose of  
29 making distributions to the designated retirement systems as  
30 provided in Section 25 of the Budget Stabilization Act.

31 (b) The appropriations made under this Section are in  
32 addition to, and do not affect, the amounts subject to

1 appropriation under any other Section of this Act.

2 Section 99. Effective date. This Act takes effect upon  
3 becoming law.".