09400HB3627ham001   LRB094 09004 AMC 44339 a

1   AMENDMENT TO HOUSE BILL 3627

2   AMENDMENT NO. _____. Amend House Bill 3627 by replacing

3   everything after the enacting clause with the following:

4   "Section 5. The Illinois Pension Code is amended by

5   changing Section 1-119 as follows:

6   (40 ILCS 5/1-119)

7   Sec. 1-119. Qualified Illinois Domestic Relations Orders.

8   (a) For the purposes of this Section:

9   (1) "Alternate payee" means the spouse, former spouse,

10   child, or other dependent of a member, as designated in a

11   QILDRO.

12   (2) "Death benefit" means any nonperiodic benefit

13   payable upon the death of a member to a survivor of the

14   member or to the member's estate or designated beneficiary,

15   including any refund of contributions following the

16   member's death, whether or not the benefit is so called

17   under the applicable Article of this Code.

18   (3) "Disability benefit" means any periodic or

19   nonperiodic benefit payable to a disabled member based on

20   occupational or nonoccupational disability or disease,

21   including any periodic or nonperiodic increases in the

22   benefit, whether or not the benefit is so called under the

23   applicable Article of this Code.

24   (4) "Member" means any person who participates in or

1   has service credits in a retirement system, including a

2   person who is receiving or is eligible to receive a

3   retirement or disability benefit, without regard to

4   whether the person has withdrawn from service.

5   (5) "Member's refund" means a return of all or a

6   portion of a member's contributions that is elected by the

7   member (or provided by operation of law) and is payable

8   before the member's death.

9   (5.5) "Permissive service" means the amount of service

10   time credited to a member that has been or will be used by

11   the retirement system to calculate the member's benefit.

12   "Permissive service" includes, but is not limited to,

13   regular service, service purchased by the member, unused

14   vacation, and unused sick leave included by the retirement

15   system in the member's benefit calculations.

16   (6) "Qualified Illinois Domestic Relations Order" or

17   "QILDRO" means an Illinois court order that creates or

18   recognizes the existence of an alternate payee's right to

19   receive all or a portion of a member's accrued benefits in

20   a retirement system, is issued pursuant to this Section and

21   Section 503(b)(2) of the Illinois Marriage and Dissolution

22   of Marriage Act, and meets the requirements of this

23   Section. A QILDRO is not the same as a qualified domestic

24   relations order or QDRO issued pursuant to Section 414(p)

25   of the Internal Revenue Code of 1986. The requirements of

26   paragraphs (2) and (3) of that Section do not apply to

27   orders issued under this Section and shall not be deemed a

28   guide to the interpretation of this Section; a QILDRO is

29   intended to be a domestic relations order within the

30   meaning of paragraph (11) of that Section.

31   (7) "Regular payee" means the person to whom a benefit

32   would be payable in the absence of an effective QILDRO.

33   (7.5) "Regular service" means the amount of service

34   time earned by the member not due to service purchased by

1   the member, unused vacation, or unused sick leave included
2   by the retirement system in the member's benefit
3   calculations.
4   (8) "Retirement benefit" means any periodic or
5   nonperiodic benefit payable to a retired member based on
6   age or service, or on the amounts accumulated to the credit
7   of the member for retirement purposes, including any
8   periodic or nonperiodic increases in the benefit, whether
9   or not the benefit is so called under the applicable
10   Article of this Code.
11   (9) "Retirement system" or "system" means any
12   retirement system, pension fund, or other public employee
13   retirement benefit plan that is maintained or established
14   under any of Articles 2 through 18 of this Code.
15   (10) "Surviving spouse" means the spouse of a member at
16   the time of the member's death.
17   (11) "Survivor's benefit" means any periodic benefit
18   payable to a surviving spouse, child, parent, or other
19   survivor of a deceased member, including any periodic or
20   nonperiodic increases in the benefit or nonperiodic
21   payment included with the benefit, whether or not the
22   benefit is so called under the applicable Article of this
23   Code.
24   (b) (1) An Illinois court of competent jurisdiction in a
25 proceeding for declaration of invalidity of marriage, legal
26 separation, or dissolution of marriage that provides for
27 support or the distribution of property, or any proceeding to
28 amend or enforce such support or a property distribution, may
29 order that all or any part of any (i) member's retirement
30 benefit, or (ii) member's refund payable to or on behalf of the
31 member, or (iii) death benefit that would otherwise be payable
32 to the member, on behalf of the member, or to the member's
33 designated beneficiary be instead paid by the retirement system
34 to a designated alternate payee.

1   (2) An order issued under this Section provides only for
2   the diversion to an alternate payee of certain benefits
3   otherwise payable by the retirement system under the provisions
4   of this Code. The existence of a QILDRO shall not cause the
5   retirement system to pay any benefit, or any amount of benefit,
6   to an alternate payee that would not have been payable by the
7   system to a regular payee in the absence of the QILDRO.

8   (3) A QILDRO shall not affect the vesting, accrual, or
9   amount of any benefit, nor the date or conditions upon which
10 any benefit becomes payable, nor the right of the member or the
11 member's survivors to make any election otherwise authorized
12 under this Code, except as provided in subsections (i) and (j).

13   (4) A QILDRO shall not apply to or affect the payment of
14 any survivor's benefit, ~~death benefit,~~ disability benefit,
15 life insurance benefit, or health insurance benefit.

16   (c) (1) A QILDRO must contain the name, residence address,
17 and social security number of the member and of the alternate
18 payee and must identify the retirement system to which it is
19 directed and the court issuing the order.

20   (2) A QILDRO must specify each benefit to which it applies,
21 and it must specify the amount of the benefit to be paid to the
22 alternate payee. In the case of a non-periodic benefit, this
23 amount must be specified as a dollar amount or as a percentage
24 as specifically provided in subsection (n). In the case of a
25 periodic benefit, this amount must be specified as a dollar
26 amount per month or as a percentage per month as specifically
27 provided in subsection (n)~~, which in the case of a nonperiodic~~
28 ~~benefit shall be expressed as a dollar amount (except that a~~
29 ~~nonperiodic benefit payable to an alternate payee of a~~
30 ~~participant in the self-managed plan authorized under Article~~
31 ~~15 of this Code may be expressed as a dollar amount or as a~~
32 ~~percentage of the participant's account), and in the case of a~~
33 ~~periodic benefit shall be expressed as a dollar amount per~~
34 ~~month~~.

1   (3) With respect to each benefit to which it applies, a

2   QILDRO must specify when the order will take effect. In the

3   case of a lump sum benefit payable to an alternate payee of a

4   participant in the self-managed plan authorized under Article

5   15 of this Code, the benefit shall be paid upon the proper

6   request of the alternate payee. In the case of a periodic

7   benefit that is being paid at the time the order is received, a

8   QILDRO shall take effect immediately or on a specified later

9   date; if it takes effect immediately, it shall become effective

10   on the first benefit payment date occurring at least 30 days

11   after the order is received by the retirement system. In the

12   case of any other benefit, a QILDRO shall take effect when the

13   benefit becomes payable, unless some later date is specified

14   pursuant to subsection (n). except that a lump sum benefit

15   payable to an alternate payee of a participant in the

16   self-managed plan authorized under Article 15 of this Code may

17   be paid upon the request of the alternate payee. However, in no

18   event shall a QILDRO apply to any benefit paid by the

19   retirement system before or within 30 days after the order is

20   received. A retirement system may adopt rules to prorate the

21   amount of the first and final periodic payments to an alternate

22   payee.

23   (4) A QILDRO must also contain any provisions required

24   under subsection (n) or (p).

25   (5) If a QILDRO indicates that the alternate payee is to

26   receive a percentage of any retirement system benefit, the

27   calculations required shall be performed by the member, the

28   alternate payee, their designated representatives or their

29   designated experts. The results of said calculations shall be

30   provided to the retirement system via a QILDRO Calculation

31   Order. The QILDRO Calculation Order shall be completed using

32   the form provided in Section (n-5) herein.

33   (6) Within 30 days after the receipt of a QILDRO

34   Calculation Order, the retirement system shall notify the

1   member   and   the   alternate   payee   (or   one   designated
2   representative   of   each)   of   the   receipt   of   the   Order.   If   the
3   QILDRO   underlying   the   QILDRO   Calculation   Order   does   not   exist
4   or   is   not   in   effect,   or   if   the   QILDRO   Calculation   Order   does
5   not   clearly   indicate   the   amount   the   retirement   system   is   to   pay
6   to   the   alternate   payee,   then   the   retirement   system   shall   at   the
7   same   time   notify   the   member   and   the   alternate   payee   (or   one
8   designated   representative   of   each)   of   the   situation.   Unless   the
9   QILDRO   underlying   the   QILDRO   Calculation   Order   is   not   in
10   existence,   no   longer   in   effect,   or   does   not   clearly   indicate
11   the   amount   the   retirement   system   is   to   pay   the   alternate   payee,
12   the   retirement   system   shall   accept   the   QILDRO   Calculation   Order
13   and   shall   implement   the   Order   as   soon   as   administratively
14   possible   once   benefits   are   payable.   The   retirement   system   shall
15   not   reject   a   QILDRO   Calculation   Order   based   on   its
16   determination   that   the   calculations   therein   are   not   accurate   or
17   that   the   calculations   are   not   in   accordance   with   the   parties'
18   QILDRO,   agreement,   or   judgment.   The   retirement   system   shall
19   have   no   responsibility   for   the   consequences   of   its
20   implementation   of   a   QILDRO   Calculation   Order   that   is   inaccurate
21   or   not   in   accordance   with   the   parties'   QILDRO,   agreement,   or
22   judgment.
23   (d)   (1)   An   order   issued   under   this   Section   shall   not   be
24   implemented   unless   a   certified   copy   of   the   order   has   been   filed
25   with   the   retirement   system.   The   system   shall   promptly   notify
26   the   member   and   the   alternate   payee   by   first   class   mail   of   its
27   receipt   of   the   order.
28   (2)   Neither   the   retirement   system,   nor   its   board,   nor   any
29   of   its   employees   shall   be   liable   to   the   member,   the   regular
30   payee,   or   any   other   person   for   any   amount   of   a   benefit   that   is
31   paid   in   good   faith   to   an   alternate   payee   in   accordance   with   a
32   QILDRO.
33   (3)   At   the   time   a   QILDRO   the order   is   submitted   to   the
34   retirement   system,   it   shall   be   accompanied   by   a   nonrefundable

1   $50 processing fee payable to the retirement system, to be used

2   by the system to defer any administrative costs arising out of

3   the implementation of the QILDRO.

4   (e) (1) Each alternate payee is responsible for maintaining

5   a current residence address on file with the retirement system.

6   The retirement system shall have no duty to attempt to locate

7   any alternate payee by any means other than sending written

8   notice to the last known address of the alternate payee on file

9   with the system.

10   (2) In the event that the system cannot locate an alternate

11 payee when a benefit becomes payable, the system shall hold the

12 amount of the benefit payable to the alternate payee and make

13 payment to the alternate payee if he or she is located within

14 the following 180 days. If the alternate payee has not been

15 located within 180 days from the date the benefit becomes

16 payable, the system shall pay the benefit and the amounts held

17 to the regular payee. If the alternate payee is subsequently

18 located, the system shall thereupon implement the QILDRO, but

19 the interest of the alternate payee in any amounts already paid

20 to the regular payee shall be extinguished. Amounts held under

21 this subsection shall not bear interest.

22   (f) (1) If the amount of a benefit that is specified in a

23 QILDRO for payment to an alternate payee exceeds the actual

24 amount of that benefit payable by the retirement system, the

25 excess shall be disregarded. The retirement system shall have

26 no liability to any alternate payee or any other person for the

27 disregarded amounts.

28   (2) In the event of multiple QILDROs against a member, the

29 retirement system shall honor all of the QILDROs to the extent

30 possible. However, if the total amount of a benefit to be paid

31 to alternate payees under all QILDROs in effect against the

32 member exceeds the actual amount of that benefit payable by the

33 system, the QILDROs shall be satisfied in the order of their

34 receipt by the system until the amount of the benefit is

1   exhausted, and shall not be adjusted pro rata. Any amounts that
2   cannot be paid due to exhaustion of the benefit shall remain
3   unpaid, and the retirement system shall have no liability to
4   any alternate payee or any other person for such amounts.

5   (3) A modification of a QILDRO shall be filed with the
6   retirement system in the same manner as a new QILDRO. A
7   modification that does not increase the amount of any benefit
8   payable to the alternate payee, and does not expand the QILDRO
9   to affect any benefit not affected by the unmodified QILDRO,
10   does not affect the priority of payment under subdivision
11   (f)(2); the priority of payment of a QILDRO that has been
12   modified to increase the amount of any benefit payable to the
13   alternate payee, or to expand the QILDRO to affect a benefit
14   not affected by the unmodified QILDRO, shall be based on the
15   date on which the system receives the modification of the
16   QILDRO.

17   (g) (1) Upon the death of the alternate payee under a
18   QILDRO, the QILDRO shall expire and cease to be effective, and
19   in the absence of another QILDRO, the right to receive any
20   affected benefit shall revert to the regular payee.

21   (2) All QILDROs relating to a member's participation in a
22   particular retirement system shall expire and cease to be
23   effective upon the issuance of a member's refund that
24   terminates the member's participation in that retirement
25   system, without regard to whether the refund was paid to the
26   member or to an alternate payee under a QILDRO. An expired
27   QILDRO shall not be automatically revived by any subsequent
28   return by the member to service under that retirement system.

29   (h) (1) Within 45 days after receiving a subpoena from any
30   party to a proceeding for declaration of invalidity of
31   marriage, legal separation, or dissolution of marriage in which
32   a QILDRO may be issued, or after receiving a request from the
33   member, a retirement system shall provide in response ~~issue~~ a
34   statement of a member's accumulated contributions, accrued

1   benefits, and other interests in the plan administered by the
2   retirement system based on the data on file with the system on
3   the date the subpoena is received. If so requested in the
4   subpoena, the retirement system shall also provide in response
5   general retirement plan information available to a member, and
6   ~~of~~ any relevant procedures, rules, or modifications to the
7   model QILDRO form that have been adopted by the retirement
8   system.

9   (1.5) If a QILDRO provides for the alternate payee to
10 receive a percentage of any retirement benefit (as opposed to
11 providing for the alternate payee to receive only dollar
12 amounts of retirement benefits), then the retirement system
13 shall provide the applicable information to the member and to
14 the alternate payee, or to one designated representative of
15 each (e.g., the member's attorney and the alternate payee's
16 attorney) as indicated below:

17   (A) If the member is a participant in the self-managed
18   plan authorized under Article 15 of this Code and the
19   QILDRO provides that the only benefit the alternate payee
20   is to receive is a percentage of a lump sum benefit as of a
21   specific date that has already past, then, within 30 days
22   after the retirement system receives the QILDRO, the
23   retirement system shall provide the lump sum amount to
24   which the QILDRO percentage is to be applied.

25   (B) For all situations except that situation described
26   in item (A), if the member has not commenced or elected to
27   commence benefits at the time the QILDRO is received by the
28   retirement system, then, within 30 days after the
29   retirement system receives the QILDRO, the retirement
30   system shall provide all of the following information:

31   (i) The date of the member's initial membership in
32   the retirement system, expressed as month, day, and
33   year, if available, or the most exact date that is
34   available to the retirement system.

1   (ii) The amount of permissive and regular service
2   the member accumulated in the retirement system from
3   the time of initial membership through the most recent
4   date available prior to the retirement system
5   receiving the QILDRO (the dates used by the retirement
6   system shall also be provided). Service amounts shall
7   be expressed using the most exact time increments
8   available to the retirement system (e.g., months or
9   fractions of years).
10   (iii) The gross amount of the member's non-reduced
11   monthly annuity benefit earned, calculated as of the
12   most recent date available prior to the retirement
13   system receiving the QILDRO, the date used by the
14   retirement system, and the earliest date the member may
15   be eligible to commence the benefit. This amount shall
16   include any upgrades purchased by the member, which
17   shall be noted separately.
18   (iv) The gross amount of the member's refund
19   available or partial refund amounts available,
20   including any interest payable on those amounts,
21   calculated as of the most recent date available prior
22   to the retirement system receiving the QILDRO (the date
23   used by the retirement system shall also be provided).
24   (v) The gross amount of the member's death benefits
25   available, including any interest payable on the
26   amounts, calculated as of the most recent date
27   available prior to the retirement system receiving the
28   QILDRO (the date used by the retirement system shall
29   also be provided).
30   (C) For all situations except that situation described
31   in item (A), if the member has already commenced or has
32   already elected to commence benefits when the retirement
33   system receives the QILDRO, then, within 30 days after the
34   retirement system receives the QILDRO, or, if the member

1   has not commenced or elected to commence benefits at the

2   time the retirement system receives the QILDRO, then at

3   least 60 days prior to the member's elected benefit

4   commencement date (or, if the retirement system receives

5   late notice of the member's elected benefit commencement

6   date, then as soon as administratively possible after the

7   retirement system receives the notice) the retirement

8   system shall provide all of the following information:

9   (i) The date the member commenced benefits or, if

10   not yet commenced, the date the member elected for

11   benefits to commence.

12   (ii) The amount of permissive and regular service

13   the member accumulated in the retirement system from

14   the time of initial membership through the time the

15   member commenced benefits (or, if not yet commenced,

16   through the time the member elected for benefits to

17   commence). Service amounts shall be expressed using

18   the most exact time increments available to the

19   retirement system (e.g., months or fractions of

20   years).

21   (iii) The gross amount of the member's non-reduced

22   monthly annuity benefit payable, calculated as of the

23   date that benefit commenced (or, if not yet commenced,

24   as of the time the member has elected for benefits to

25   commence) and the date used by the retirement system

26   for calculations. This amount shall include any

27   upgrades purchased by the member, which shall be noted

28   separately.

29   (iv) The gross amount of the member's refund

30   payable or partial refund amounts payable, including

31   any payable interest, calculated as of the date that

32   benefit was paid (or, if not yet paid, as of the date

33   the member has elected for the refund to be paid). The

34   date used by the retirement system for calculations

1   shall also be provided.

2   (v) The gross amount of the member's death benefits

3   payable, including any payable interest, calculated as

4   of the member's commencement date (if the member has

5   commenced) or as of the date the member has elected to

6   commence benefits (if so elected).

7   (D) If, and only if, the alternate payee is entitled to

8   benefits under Section VII of the QILDRO, then, within 30

9   days after the member's death, the retirement system shall

10   provide the gross amount of the member's death benefits

11   payable, including any payable interest, calculated as of

12   the member's date of death.

13   (2) In no event shall the retirement system be required to

14   furnish to any person an actuarial opinion as to the present

15   value of the member's benefits or other interests.

16   (3) The papers, entries, and records, or parts thereof, of

17   any   retirement   system   may   be   proved   by   a   copy   thereof,

18   certified under the signature of the secretary of the system or

19   other duly appointed keeper of the records of the system and

20   the corporate seal, if any.

21   (i) In a retirement system in which a member or beneficiary

22   is required to apply to the system for payment of a benefit,

23   the required application may be made by an alternate payee who

24   is   entitled   to   all   of   a termination refund or retirement

25   benefit or part of a death benefit that is payable that benefit

26   under a QILDRO, provided that all other qualifications and

27   requirements have been met. However, the alternate payee may

28   not make the required application for death benefits while the

29   member is alive or for a member's refund or a retirement

30   benefit if the member is in active service or below the minimum

31   age for receiving an undiscounted retirement annuity in the

32   retirement system that has received the QILDRO or in any other

33   retirement system in which the member has creditable service

34   and in which the member's rights under the Retirement Systems

1   Reciprocal Act would be affected as a result of the alternate

2   payee's application for a member's refund or retirement

3   benefit.

4   (j) (1) So long as there is in effect a QILDRO relating to

5   a member's retirement benefit, the affected member may not

6   elect a form of payment that has the effect of diminishing the

7   amount of the payment to which any alternate payee is entitled,

8   unless the alternate payee has consented to the election in a

9   writing that includes the alternate payee's notarized

10 signature, and this written and notarized consent has been

11 filed with the retirement system.

12   (2) If a member attempts to make an election prohibited

13 under subdivision (j)(1), the retirement system shall reject

14 the election and advise the member of the need to obtain the

15 alternate payee's consent.

16   (3) If a retirement system discovers that it has mistakenly

17 allowed an election prohibited under subdivision (j)(1), it

18 shall thereupon disallow that election and recalculate any

19 benefits affected thereby. If the system determines that an

20 amount paid to a regular payee should have been paid to an

21 alternate payee, the system shall, if possible, recoup the

22 amounts as provided in subsection (k) of this Section.

23   (k) In the event that a regular payee or an alternate payee

24 is overpaid, the retirement system shall recoup the amounts by

25 deducting the overpayment from future payments and making

26 payment to the other payee. The system may make deductions for

27 recoupment over a period of time in the same manner as is

28 provided by law or rule for the recoupment of other amounts

29 incorrectly disbursed by the system in instances not involving

30 a QILDRO. The retirement system shall incur no liability to

31 either the alternate payee or the regular payee as a result of

32 any payment made in good faith, regardless of whether the

33 system is able to accomplish recoupment.

34   (l) (1) A retirement system that has, before the effective

1   date of this Section, received and implemented a domestic
2   relations order that directs payment of a benefit to a person
3   other than the regular payee may continue to implement that
4   order, and shall not be liable to the regular payee for any
5   amounts paid in good faith to that other person in accordance
6   with the order.

7   (2) A domestic relations order directing payment of a
8   benefit to a person other than the regular payee that was
9   issued by a court but not implemented by a retirement system
10   prior to the effective date of this Section shall be void.
11   However, a person who is the beneficiary or alternate payee of
12   a domestic relations order that is rendered void under this
13   subsection may petition the court that issued the order for an
14   amended order that complies with this Section.

15   (m) (1) In accordance with Article XIII, Section 5 of the
16   Illinois Constitution, which prohibits the impairment or
17   diminishment of benefits granted under this Code, a QILDRO
18   issued against a member of a retirement system established
19   under an Article of this Code that exempts the payment of
20   benefits or refunds from attachment, garnishment, judgment or
21   other legal process shall not be effective without the written
22   consent of the member if the member began participating in the
23   retirement system on or before the effective date of this
24   Section. That consent must specify the retirement system, the
25   court case number, and the names and social security numbers of
26   the member and the alternate payee. The consent must accompany
27   the QILDRO when it is filed with the retirement system, and
28   must be in substantially the following form:

29   CONSENT TO ISSUANCE OF QILDRO

30   Court Case Number: ....
31   Member's Social Security Number: ....
32   Alternate payee's Social Security Number: ....

1   I, (name), a member of the (retirement system), hereby

2 irrevocably consent to the issuance of a Qualified Illinois

3 Domestic Relations Order. I understand that under the Order,

4 certain benefits that would otherwise be payable to me, or to

5 my death benefit beneficiary ~~surviving spouse~~ or estate, will

6 instead be payable to (name of alternate payee). I also

7 understand that my right to elect certain forms of payment of

8 my retirement benefit or member's refund may be limited as a

9 result of the Order.

10   DATED:......................

11   SIGNED:....................

12   (2) A member's consent to the issuance of a QILDRO shall be

13 irrevocable, and shall apply to any QILDRO that pertains to the

14 alternate payee and retirement system named in the consent.

15   (n) A QILDRO ~~An order~~ issued under this Section shall be in

16 substantially the following form (omitting any provisions that

17 are not applicable to benefits that are or may be ultimately

18 payable to the member):

19   QUALIFIED ILLINOIS DOMESTIC RELATIONS ORDER

20 ....

21 (Retirement System Name Here)

22   THIS CAUSE coming before the Court for the purpose of the

23 entry of a Qualified Illinois Domestic Relations Order under

24 the provisions of Section 1-119 of the Illinois Pension Code

25 (40 ILCS 5/1-119), the Court having jurisdiction over the

26 parties and the subject matter hereof; the Court finding that

27 one of the parties to this proceeding is a member of a

28 retirement system subject to Section 1-119 of the Illinois

29 Pension Code (40 ILCS 5/1-119), this Order is entered to

30 implement a division of that party's interest in the retirement

1   system; and the Court being fully advised;

2   IT IS HEREBY ORDERED AS FOLLOWS:

3   I. The definitions and other provisions of Section 1-119 of
4   the Illinois Pension Code (40 ILCS 5/1-119) are adopted by
5   reference and made a part of this Order.
6   II. Identification of Retirement System and parties:

7   Retirement System: ....
8   (Name)

9
10   ....
11   (Address)

12   Member: ....
13   (Name)

14
15   ....
16   (Residence Address)

17
18   ....
19   (Social Security Number)

20   Alternate payee: ....
21   (Name)

22
23   ....
24   (Residence Address)

25
26   ....
27   (Social Security Number)

1   The alternate payee is the member's .... current or former
2   spouse/ .... child or other dependent [check one].

3   III. The Retirement System shall pay the indicated amounts
4   of the member's annuity retirement benefits to the alternate
5   payee under the following terms and conditions:
6   (A) The Retirement System shall pay the alternate payee
7   pursuant to one of the following methods [complete the ONE
8   option that applies]:
9   (1) $...... per month [enter amount]; or
10   (2) ....% [enter percentage] per month of the
11   marital portion of said benefit with the marital
12   portion defined using the formula in Section IX; or
13   (3) ....% [enter percentage] per month of the
14   gross amount of said benefit calculated as of the date
15   the .... member's/ .... alternate payee's [check one]
16   benefit commences.
17   (B) If the member's retirement benefit has already
18   commenced, the alternate payee's benefit shall commence
19   either [check/complete the ONE option that applies]:
20   (1) .... as soon as administratively possible upon
21   this order being approved by the Retirement System; or
22   (2) .... on the date of .... [enter any set
23   date after this order has been approved by the
24   Retirement System].
25   (C) If the member's retirement benefit has not yet
26   commenced, the alternate payee's benefit shall commence
27   either [check/complete the ONE option that applies]:
28   (1) .... as of the date the member's retirement
29   benefit commences; or
30   (2) .... on the date of .... [enter set date,
31   but only if that date occurs after the member's
32   retirement benefit has commenced].

1   (D) The alternate payee's benefit under this Section
2   III shall terminate [check/complete the ONE option that
3   applies]:
4   (1) .... upon the death of the member or the death
5   of the alternate payee, whichever is the first to
6   occur; or
7   (2) .... after .... payments are made to the
8   alternate payee [enter any set number] or upon the
9   death of the member or the death of the alternate
10   payee, whichever shall be the first to occur.
11   IV. If the member's retirement benefits are subject to
12   annual post-retirement cost-of-living increases, the alternate
13   payee's share of said benefits .... shall/ .... shall not
14   [check one] be recalculated or increased annually to include a
15   proportionate share of the applicable cost-of-living
16   increases.
17   V. The Retirement System shall pay to the alternate payee
18   the indicated amounts of any refund that becomes payable to the
19   member under the following terms and conditions:
20   (A) The Retirement System shall pay the alternate payee
21   pursuant to one of the following methods [complete the ONE
22   option that applies]:
23   (1) $..... [enter amount]; or
24   (2) .....% [enter percentage] of the marital
25   portion of said benefit, with the marital portion
26   defined using the formula in Section IX; or
27   (3) ......% [enter percentage] of the gross amount
28   of said benefit calculated when the member's refund is
29   paid.
30   (B) The amount payable to an alternate payee under this
31   Section V(A)(2) or V(A)(3) shall include any applicable
32   interest that would otherwise be payable to the member
33   under the rules of the retirement system.
34   (C) The alternate payee's benefit under this Section V

1   shall be paid when the member's benefit is paid.

2   VI. The Retirement System shall pay to the alternate payee

3   the indicated amounts of any partial refund that becomes

4   payable to the member under the following terms and conditions:

5   (A) The Retirement System shall pay the alternate payee

6   pursuant to one of the following methods [complete the ONE

7   option that applies]:

8   (1) $...... [enter amount]; or

9   (2) ......% [enter percentage] of the marital

10   portion of said benefit, with the marital portion

11   defined using the formula in Section IX; or

12   (3) ......% [enter percentage] of the gross amount

13   of the benefit calculated when the member's refund is

14   paid.

15   (B) The amount payable to an alternate payee under this

16   Section VI(A)(2) or VI(A)(3) shall include any applicable

17   interest that would otherwise be payable to the member

18   under the rules of the retirement system.

19   (C) The alternate payee's benefit under this Section VI

20   shall be paid when the member's benefit is paid.

21   VII. The Retirement System shall pay to the alternate payee

22   the indicated amounts of any death benefits that become payable

23   to the member's beneficiary under the following terms and

24   conditions:

25   (A) For the purposes of the member's death benefits,

26   and to the extent and only to the extent required by this

27   Section VII, the alternate payee shall be designated as and

28   considered to be a beneficiary of the member at the time of

29   the member's death and shall receive [complete ONE of the

30   following options]:

31   (1) $...... [enter amount]; or

32   (2) ......% [enter percentage] of the marital

33   portion of death benefits, with the marital portion

34   defined using the formula in Section IX; or

1   (3) ......% [enter percentage] of the gross amount

2   of death benefits calculated when said benefits become

3   payable.

4   (B) The amount payable to an alternate payee under this

5   Section   VII(A)(2)   or   VII(A)(3)   shall   include   any

6   applicable interest that would otherwise be payable to the

7   member under the rules of the retirement system.

8   (C) The alternate payee's benefit under this Section

9   VII shall be paid as soon as administratively possible

10   after the member's death.

11   VIII. If this Order indicates that the alternate payee is

12   to receive a percentage of any retirement system benefit, upon

13   receipt   of   the   information   required   to   be   provided   by   the

14   Retirement System under Section 1-119 of the Illinois Pension

15   Code   (40   ILCS   5/1-119),   the   calculations   required   shall   be

16   performed by the member, by the alternate payee, or by their

17   designated   representatives   and/or   designated   experts.   The

18   results of the calculations shall be provided to the retirement

19   system via a QILDRO Calculation Order.

20   IX. Marital Portion Benefit Calculation Formula (Option to

21   calculate benefit in III(A)(2), V(A)(2), VI(A)(2) or VII(A)(2)

22   above). If in this Section "other" is circled in the definition

23   of A, B, or C, then a supplemental order must be entered

24   simultaneously with this QILDRO clarifying the intent of the

25   parties or the Court as to that item. The supplemental order

26   cannot require the retirement system to take any action not

27   permitted   under   Illinois   law   or   the   retirement   system's

28   administrative   rules,   as   determined   by   the   System.   To   the

29   extent the supplemental order does not conform to Illinois law

30   or   administrative   rule,   it   shall   not   be   binding   upon   the

31   retirement system.

32   (1) The amount of the alternate payee's benefit shall

33   be the result of (A/B) x C x D where:

34   "A" equals the number of months of .... permissive/

.... regular/ .... other [check only one] service that
the member accumulated in the retirement system from
the date of marriage .... [enter
date   MM/DD/YYYY]   to   the   date   of   divorce
.... [enter   date   MM/DD/YYYY].   This
number of months of service shall be calculated as
whole months after receipt of information required
from the Retirement System pursuant to Section 1-119 of
the Illinois Pension Code (40 ILCS 5/1-119).

"B" equals the number of months of .... permissive/
.... regular/ .... other [check only one] service that
the member accumulated in the retirement system from
the time of initial membership in the retirement system
through the benefit commencement date. The number of
months of service shall be calculated as whole months
after   receipt   of   information   required   from   the
Retirement System pursuant to Section 1-119 of the
Illinois Pension Code (40 ILCS 5/1-119).

"C" equals the gross amount of:

(i)   the   member's   monthly   annuity   benefit
(Section III(A)) calculated as of the member's
benefit   commencement   date   or   elected   benefit
commencement   date, ...   including/   ....   not
including/ .... other [check only one] purchased
upgrades and other benefit formula enhancements;

(ii) the member's refund amount including any
payable interest (Section V(A)) calculated as of
the time said refund becomes payable to the member;

(iii)   the   member's   partial   refund   amount,
including any payable interest (Section VI(A))
calculated   as   of   the   time   said   partial   refund
becomes payable to the member; or

(iv)   the   member's   death   benefit   amounts
including any payable interest (Section VII(A))

1   calculated as of the time said benefit becomes

2   payable to the member's beneficiary;

3   whichever is applicable pursuant to Section III, V, VI,

4   or VII of this Order. These gross amounts shall be

5   provided by the Retirement System pursuant to Section

6   1-119 of the Illinois Pension Code (40 ILCS 5/1-119).

7   "D" equals the percentage noted in Section

8   III(A)(2), V(A)(2), VI(A)(2), or VII(A)(2), whichever

9   is applicable.

10   (2) The alternate payee's benefit under this Section IX

11 shall be paid in accordance with all Sections of this Order

12 that apply.

13   X. In accordance with subsection (j) of Section 1-119 of

14 the Illinois Pension Code (40 ILCS 5/1-119), so long as this

15 QILDRO is in effect, the member may not elect a form of payment

16 of the retirement benefit that has the effect of diminishing

17 the amount of the payment to which the alternate payee is

18 entitled, unless the alternate payee has consented to the

19 election in writing, the consent has been notarized, and the

20 consent has been filed with the retirement system.

21   XI. If the member began participating in the Retirement

22 System before July 1, 1999, this Order shall not take effect

23 unless accompanied by the written consent of the member as

24 required under subsection (m) of Section 1-119 of the Illinois

25 Pension Code (40 ILCS 5/1-119).

26   XII. The Court retains jurisdiction over this matter for

27 all of the following purposes:

28   (1) To establish or maintain this Order as a Qualified

29   Illinois Domestic Relations Order.

30   (2) To enter amended QILDROs and QILDRO Calculation

31   Orders to conform to the parties' Marital Settlement

32   Agreement or Agreement for Legal Separation ("Agreement"),

33   to the parties' Judgment for Dissolution of Marriage or

34   Judgment for Legal Separation ("Judgment"), to any

1   modifications of the parties' Agreement or Judgment, and to

2   any supplemental orders entered to clarify the parties'

3   Agreement or Judgment.

4   (3) To enter supplemental orders to clarify the intent

5   of the parties or the Court regarding the benefits

6   allocated herein in accordance with the parties' Agreement

7   or Judgment, with any modifications of the parties'

8   Agreement or Judgment, and with any supplemental orders

9   entered to clarify the parties' Agreement or Judgment. A

10   supplemental order may not require the retirement system to

11   take any action not permitted under Illinois law or the

12   retirement system's administrative rules as determined by

13   the System. To the extent the supplemental order does not

14   conform to Illinois law or administrative rule, it shall

15   not be binding upon the retirement system.

16   DATED: ....

17   SIGNED: ....

18   (n-5) A QILDRO Calculation Order issued under this Section

19   shall be in substantially the following form:

20   QILDRO CALCULATION ORDER

21   ....

22   [Enter Retirement System name here]

23   THIS CAUSE coming before the Court for the purpose of the

24   entry of a QILDRO Calculation Order under the provisions of

25   Section 1-119 of the Illinois Pension Code (40 ILCS 5/1-119),

26   the Court having jurisdiction over the parties and the subject

27   matter hereof; the Court finding that a QILDRO has previously

28   been entered in this matter, that the QILDRO has been approved

1   by the retirement system, and that the QILDRO requires

2   percentage calculations to allocate the alternate payee's

3   benefit, the Court not having found that the QILDRO has become

4   void or invalid, and the Court being fully advised;

5   IT IS HEREBY ORDERED AS FOLLOWS:

6   (1) The definitions and other provisions of Section 1-119

7   of the Illinois Pension Code [40 ILCS 5/1-119] are adopted by

8   reference and made a part of this Order.

9   (2) Identification of Retirement System and parties:

10   Retirement System: ....

11   (Name)

12

13   ....

14   (Address)

15   Member: ....

16   (Name)

17

18   ....

19   (Residence Address)

20

21   ....

22   (Social Security Number)

23   Alternate payee: ....

24   (Name)

25

26   ....

27   (Residence Address)

28

29   ....

1   (Social Security Number)

2   The Alternate payee is the member's .... current or former

3   spouse/ ....child or other dependent [check one].

4   (3) Each of the following Sections (3(a) through 3(d))

5   shall apply if and only if the QILDRO allocated benefits to the

6   alternate payee in the specific Section noted. The retirement

7   system shall pay the monthly amounts as directed below, but

8   only if and when the benefits are payable pursuant to the

9   QILDRO and Section 1-119 of the Illinois Pension Code (40 ILCS

10   5/1-119). Parties shall see QILDRO Section IX for the

11   definitions of A, B, C and D as used below.

12   (a) The alternate payee's benefit pursuant to QILDRO

13   Section III(A)(2) shall be calculated pursuant to Section

14   IX of the QILDRO and paid as follows:

15   (......./.......) X .... X .... = ...

16   [Enter A] [Enter B] [Enter C]   [Enter D]   [Monthly Amount]

17   (b) The alternate payee's benefit pursuant to QILDRO

18   Section V(A)(2) shall be calculated pursuant to Section IX

19   of the QILDRO and paid as follows:

20   (......./.......) X .... X .... = ...

21   [Enter A] [Enter B] [enter C]   [Enter D]   [Amount]

22   (c) The alternate payee's benefit pursuant to QILDRO

23   Section VI(A)(2) shall be calculated pursuant to Section IX

24   of the QILDRO and paid as follows:

25   (......./.......) X .... X .... = ...

26   [Enter A] [Enter B] [Enter C]   [Enter D]   [Amount]

1   (d) The alternate payee's benefit pursuant to QILDRO
2   Section VII(A)(2) shall be calculated pursuant to Section
3   IX of the QILDRO and paid as follows:

4   (......./.......) X .... X .... = ...
5   [Enter A] [Enter B] [Enter C]   [Enter D]   [Amount]

6   (4) The following shall apply only if the QILDRO allocated
7   benefits to the alternate payee in the specific Section noted.
8   The retirement system shall pay the monthly amounts as directed
9   below, but only if and when the benefits are payable pursuant
10   to the QILDRO and Section 1-119 of the Illinois Pension Code
11   (40 ILCS 5/1-119).
12   (A) The alternate payee's benefit pursuant to QILDRO
13   Section III(A)(3) shall be calculated and paid as follows:

14   .... X .... = ...
15   [Gross benefit amount] [Percentage]   [Monthly Amount]

16   (B) The alternate payee's benefit pursuant to QILDRO
17   Section V(A)(3) shall be calculated and paid as follows:

18   .... X .... = ...
19   [Gross benefit amount]   [Percentage]   [Amount]

20   (C) The alternate payee's benefit pursuant to QILDRO
21   Section VI(A)(3) shall be calculated and paid as follows:

22   .... X .... = ...
23   [Gross benefit amount]   [Percentage]   [Amount]

24   (D) The alternate payee's benefit pursuant to QILDRO
25   Section VII(A)(3) shall be calculated and paid as follows:

1   .... X .... = ...
2   [Gross benefit amount]   [Percentage]   [Amount]

3   (5) The Court retains jurisdiction over this matter for the
4   following purposes:
5   (A) to establish or maintain this Order as a QILDRO
6   Calculation Order;
7   (B) to enter amended QILDROs and QILDRO Calculation
8   Orders to conform to the parties' QILDRO, Marital
9   Settlement Agreement or Agreement for Legal Separation
10   ("Agreement"), to the parties' Judgment for Dissolution of
11   Marriage or Judgment for Legal Separation ("Judgment"), to
12   any modifications of the parties' QILDRO, Agreement, or
13   Judgment, and to any supplemental orders entered to clarify
14   the parties' QILDRO, Agreement, or Judgment; and
15   (C) To enter supplemental orders to clarify the intent
16   of the parties or the Court regarding the benefits
17   allocated herein in accordance with the parties' Agreement
18   or Judgment, with any modifications of the parties'
19   Agreement or Judgment, and with any supplemental orders
20   entered to clarify the parties' Agreement or Judgment. A
21   supplemental order may not require the retirement system to
22   take any action not permitted under Illinois law or the
23   retirement system's administrative rules as determined by
24   the System. To the extent the supplemental order does not
25   conform to Illinois law or administrative rule, it shall
26   not be binding upon the retirement system.

27   DATED: ....

28   SIGNED: ....

29   QUALIFIED ILLINOIS DOMESTIC RELATIONS ORDER

1   THIS CAUSE coming before the Court for the purpose of the

2   entry of a Qualified Illinois Domestic Relations Order under

3   the provisions of Section 1-119 of the Illinois Pension Code,

4   the Court having jurisdiction over the parties and the subject

5   matter hereof; the Court finding that one of the parties to

6   this proceeding is a member of a retirement system subject to

7   Section 1-119 of the Illinois Pension Code, this Order is

8   entered to implement a division of that party's interest in the

9   retirement system; and the Court being fully advised;

10   IT IS HEREBY ORDERED AS FOLLOWS:

11   (1) The definitions and other provisions of Section 1-119

12   of the Illinois Pension Code are adopted by reference and made

13   a part of this Order.

14   (2) Identification of Retirement System and parties:

15   Retirement System: (name and address)

16   Member: (name, residence address and social security

17   number)

18   Alternate payee: (name, residence address and social

19   security number)

20   (3) The Retirement System shall pay the indicated amounts

21   of the following specified benefits to the alternate payee

22   under the following terms and conditions:

23   (i) Of the member's retirement benefit, the Retirement

24   System shall pay to the alternate payee $...... per month,

25   beginning (if the benefit is already being paid, either

26   immediately or on a specified later date; otherwise, on the

27   date the retirement benefit commences), and ending upon the

28   termination of the retirement benefit or the death of the

29   alternate payee, whichever occurs first.

30   (ii) Of any member's refund that becomes payable, the

31   Retirement System shall pay to the alternate payee $......

32   when the member's refund becomes payable.

33   (4) In accordance with subsection (j) of Section 1-119 of

1   the Illinois Pension Code, so long as this QILDRO is in effect,

2   the member may not elect a form of payment of the retirement

3   benefit that has the effect of diminishing the amount of the

4   payment to which the alternate payee is entitled, unless the

5   alternate payee has consented to the election in writing and

6   this consent has been filed with the retirement system.

7   (5) If the member began participating in the Retirement

8   System before the effective date of this Section, this Order

9   shall not take effect unless accompanied by the written consent

10   of the member as required under subsection (m) of Section 1-119

11   of the Illinois Pension Code.

12   (6) The Court retains jurisdiction to modify this Order.

13   DATED:........................

14   SIGNED:.......................

15   (o) (1) A court in Illinois that has issued a QILDRO shall

16   retain jurisdiction of all issues relating to the modification

17   of the QILDRO as indicated in Section XII of the QILDRO and in

18   accordance with Illinois law. A court in Illinois that has

19   issued a QILDRO Calculation Order shall retain jurisdiction of

20   all issues relating to the modification of the QILDRO

21   Calculation Order as indicated in Section 5 of the QILDRO

22   Calculation Order and in accordance with Illinois law. The

23   Administrative Review Law and the rules adopted pursuant

24   thereto shall govern and apply to all proceedings for judicial

25   review of final administrative decisions of the board of

26   trustees of the retirement system arising under this Section.

27   (2) The term "administrative decision" is defined as in

28   Section 3-101 of the Code of Civil Procedure. The venue for

29   review under the Administrative Review Law shall be the same as

30   is provided by law for judicial review of other administrative

31   decisions of the retirement system.

1   (p) (1) Each retirement system may adopt any procedures or
2   rules that it deems necessary or useful for the implementation
3   of this Section.
4   (2) Each retirement system may by rule modify the model
5   QILDRO form provided in subsection (n), except that no
6   retirement system may change that form in a way that limits the
7   choices provided to the alternate payee in subsections (n) or
8   (n-5) as to form of payment, calculation method, or calculation
9   formula. Each retirement system may by rule or require that
10 additional information be included in QILDROs presented to the
11 system, as may be necessary to meet the needs of the retirement
12 system.
13   (3) Each retirement system shall define its uncompleted
14 model QILDRO form and uncompleted model QILDRO Calculation
15 Order as an original of the forms or a paper copy of the forms.
16 Each retirement system shall, whenever possible, make the forms
17 available on the internet in non-modifiable computer format
18 (for example, Adobe Portable Document Format files) for
19 printing purposes. After the form is completed and entered by
20 the court, a retirement system may require an original court
21 certified copy of the QILDRO in its completed state.
22 (Source: P.A. 93-347, eff. 7-24-03.)".