

SB2139



94TH GENERAL ASSEMBLY
State of Illinois
2005 and 2006
SB2139

Introduced 10/26/2005, by Sen. Mattie Hunter

SYNOPSIS AS INTRODUCED:

40 ILCS 5/14-110

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

Amends the State Employee Article of the Illinois Pension Code. Adds police officers for the Secretary of State to the alternative formula. Effective immediately.

LRB094 14151 AMC 49056 b

FISCAL NOTE ACT
MAY APPLY

PENSION IMPACT
NOTE ACT MAY
APPLY

A BILL FOR

1 AN ACT concerning public employee benefits.

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

4 Section 5. The Illinois Pension Code is amended by changing
5 Section 14-110 as follows:

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

8 (a) Any member who has withdrawn from service with not less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10 age 55, and any member who has withdrawn from service with not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

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

25 (ii) for periods of eligible creditable service as a
26 covered employee: if retirement occurs on or after January
27 1, 2001, 2.5% of final average compensation for each year
28 of creditable service; if retirement occurs before January
29 1, 2001, 1.67% of final average compensation for each of
30 the first 10 years of such service, 1.90% for each of the
31 next 10 years of such service, 2.10% for each year of such
32 service in excess of 20 but not exceeding 30, and 2.30% for

1 each year in excess of 30.

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

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

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

14 (1) State policeman;

15 (2) fire fighter in the fire protection service of a
16 department;

17 (3) air pilot;

18 (4) special agent;

19 (5) investigator or police officer for the Secretary of
20 State;

21 (6) conservation police officer;

22 (7) investigator for the Department of Revenue;

23 (8) security employee of the Department of Human
24 Services;

25 (9) Central Management Services security police
26 officer;

27 (10) security employee of the Department of
28 Corrections;

29 (11) dangerous drugs investigator;

30 (12) investigator for the Department of State Police;

31 (13) investigator for the Office of the Attorney
32 General;

33 (14) controlled substance inspector;

34 (15) investigator for the Office of the State's
35 Attorneys Appellate Prosecutor;

36 (16) Commerce Commission police officer;

1 (17) arson investigator;

2 (18) State highway maintenance worker.

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

13 (c) For the purposes of this Section:

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

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

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

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

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

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

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

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

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

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

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

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

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

1 (10) For a member who first became an employee under
2 this Article before July 1, 2005, the term "security
3 employee of the Department of Corrections" means any
4 employee of the Department of Corrections or the former
5 Department of Personnel, and any member or employee of the
6 Prisoner Review Board, who has daily contact with inmates
7 by working within a correctional facility or who is a
8 parole officer or an employee who has direct contact with
9 committed persons in the performance of his or her job
10 duties. For a member who first becomes an employee under
11 this Article on or after July 1, 2005, the term means an
12 employee of the Department of Corrections who is any of the
13 following: (i) officially headquartered at a correctional
14 facility, (ii) a parole officer, (iii) a member of the
15 apprehension unit, (iv) a member of the intelligence unit,
16 (v) a member of the sort team, or (vi) an investigator.

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

20 (12) The term "investigator for the Department of State
21 Police" means a person employed by the Department of State
22 Police who is vested under Section 4 of the Narcotic
23 Control Division Abolition Act with such law enforcement
24 powers as render him ineligible for coverage under the
25 Social Security Act by reason of Sections 218(d)(5)(A),
26 218(d)(8)(D) and 218(1)(1) of that Act.

27 (13) "Investigator for the Office of the Attorney
28 General" means any person who is employed as such by the
29 Office of the Attorney General and is vested with such
30 investigative duties as render him ineligible for coverage
31 under the Social Security Act by reason of Sections
32 218(d)(5)(A), 218(d)(8)(D) and 218(1)(1) of that Act. For
33 the period before January 1, 1989, the term includes all
34 persons who were employed as investigators by the Office of
35 the Attorney General, without regard to social security
36 status.

1 (14) "Controlled substance inspector" means any person
2 who is employed as such by the Department of Professional
3 Regulation and is vested with such law enforcement duties
4 as render him ineligible for coverage under the Social
5 Security Act by reason of Sections 218(d)(5)(A),
6 218(d)(8)(D) and 218(1)(1) of that Act. The term
7 "controlled substance inspector" includes the Program
8 Executive of Enforcement and the Assistant Program
9 Executive of Enforcement.

10 (15) The term "investigator for the Office of the
11 State's Attorneys Appellate Prosecutor" means a person
12 employed in that capacity on a full time basis under the
13 authority of Section 7.06 of the State's Attorneys
14 Appellate Prosecutor's Act.

15 (16) "Commerce Commission police officer" means any
16 person employed by the Illinois Commerce Commission who is
17 vested with such law enforcement duties as render him
18 ineligible for coverage under the Social Security Act by
19 reason of Sections 218(d)(5)(A), 218(d)(8)(D), and
20 218(1)(1) of that Act.

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

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

3 (i) A person employed on a full-time basis by the
4 Illinois Department of Transportation in the position
5 of highway maintainer, highway maintenance lead
6 worker, highway maintenance lead/lead worker, heavy
7 construction equipment operator, power shovel
8 operator, or bridge mechanic; and whose principal
9 responsibility is to perform, on the roadway, the
10 actual maintenance necessary to keep the highways that
11 form a part of the State highway system in serviceable
12 condition for vehicular traffic.

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

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

32 (i) 25 years of eligible creditable service and age 55;

33 or

34 (ii) beginning January 1, 1987, 25 years of eligible
35 creditable service and age 54, or 24 years of eligible
36 creditable service and age 55; or

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

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

7 (v) beginning January 1, 1990, 25 years of eligible
8 creditable service and age 51, or 21 years of eligible
9 creditable service and age 55; or

10 (vi) beginning January 1, 1991, 25 years of eligible
11 creditable service and age 50, or 20 years of eligible
12 creditable service and age 55.

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

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

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

1 employee contributions that would have been required for such
2 service as a noncovered employee, and the amount of employee
3 contributions actually paid, plus (2) if payment is made after
4 July 31, 1987, regular interest on the amount specified in item
5 (1) from the date of service to the date of payment.

6 For purposes of calculating retirement annuities under
7 this Section, periods of service rendered after December 31,
8 1968 and before January 1, 1982 as a covered employee in the
9 position of investigator for the Department of Revenue shall be
10 deemed to have been service as a noncovered employee, provided
11 that the employee pays to the System prior to retirement an
12 amount equal to (1) the difference between the employee
13 contributions that would have been required for such service as
14 a noncovered employee, and the amount of employee contributions
15 actually paid, plus (2) if payment is made after January 1,
16 1990, regular interest on the amount specified in item (1) from
17 the date of service to the date of payment.

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

30 Subject to the limitation in subsection (i), a State
31 policeman may elect, not later than July 1, 1993, to establish
32 eligible creditable service for up to 10 years of his service
33 as a member of the County Police Department under Article 9, by
34 filing a written election with the Board, accompanied by
35 payment of an amount to be determined by the Board, equal to
36 (i) the difference between the amount of employee and employer

1 contributions transferred to the System under Section 9-121.10
2 and the amounts that would have been contributed had those
3 contributions been made at the rates applicable to State
4 policemen, plus (ii) interest thereon at the effective rate for
5 each year, compounded annually, from the date of service to the
6 date of payment.

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

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

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

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

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

1 (1) Subject to the limitation in subsection (i), a security
2 employee of the Department of Corrections may elect, not later
3 than July 1, 1998, to establish eligible creditable service for
4 up to 10 years of his or her service as a policeman under
5 Article 3, by filing a written election with the Board,
6 accompanied by payment of an amount to be determined by the
7 Board, equal to (i) the difference between the amount of
8 employee and employer contributions transferred to the System
9 under Section 3-110.5, and the amounts that would have been
10 contributed had such contributions been made at the rates
11 applicable to security employees of the Department of
12 Corrections, plus (ii) interest thereon at the effective rate
13 for each year, compounded annually, from the date of service to
14 the date of payment.

15 (Source: P.A. 94-4, eff. 6-1-05.)

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