

HB3077



95TH GENERAL ASSEMBLY

State of Illinois

2007 and 2008

HB3077

Introduced 2/26/2007, by Rep. Tom Cross

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. Makes a technical change in a Section relating to the alternative (State Police) formula.

LRB095 09245 AMC 29439 b

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8 (a) Any member who has withdrawn from service with not less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10 attained age 55, and any member who has withdrawn from service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

17 (i) for periods of service as a noncovered employee: 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%

1 for each year of creditable service above 20 years; and

2 (ii) for periods of eligible creditable service as a
3 covered employee: if retirement occurs on or after January
4 1, 2001, 2.5% of final average compensation for each year
5 of creditable service; if retirement occurs before January
6 1, 2001, 1.67% of final average compensation for each of
7 the first 10 years of such service, 1.90% for each of the
8 next 10 years of such service, 2.10% for each year of such
9 service in excess of 20 but not exceeding 30, and 2.30% for
10 each year in excess of 30.

11 Such annuity shall be subject to a maximum of 75% of final
12 average compensation if retirement occurs before January 1,
13 2001 or to a maximum of 80% of final average compensation if
14 retirement occurs on or after January 1, 2001.

15 These rates shall not be applicable to any service
16 performed by a member as a covered employee which is not
17 eligible creditable service. Service as a covered employee
18 which is not eligible creditable service shall be subject to
19 the rates and provisions of Section 14-108.

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

23 (1) State policeman;

24 (2) fire fighter in the fire protection service of a
25 department;

26 (3) air pilot;

- 1 (4) special agent;
- 2 (5) investigator for the Secretary of State;
- 3 (6) conservation police officer;
- 4 (7) investigator for the Department of Revenue;
- 5 (8) security employee of the Department of Human
6 Services;
- 7 (9) Central Management Services security police
8 officer;
- 9 (10) security employee of the Department of
10 Corrections or the Department of Juvenile Justice;
- 11 (11) dangerous drugs investigator;
- 12 (12) investigator for the Department of State Police;
- 13 (13) investigator for the Office of the Attorney
14 General;
- 15 (14) controlled substance inspector;
- 16 (15) investigator for the Office of the State's
17 Attorneys Appellate Prosecutor;
- 18 (16) Commerce Commission police officer;
- 19 (17) arson investigator;
- 20 (18) State highway maintenance worker.

21 A person employed in one of the positions specified in this
22 subsection is entitled to eligible creditable service for
23 service credit earned under this Article while undergoing the
24 basic police training course approved by the Illinois Law
25 Enforcement Training Standards Board, if completion of that
26 training is required of persons serving in that position. For

1 the purposes of this Code, service during the required basic
2 police training course shall be deemed performance of the
3 duties of the specified position, even though the person is not
4 a sworn peace officer at the time of the training.

5 (c) For the purposes of this Section:

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

9 (2) The term "fire fighter in the fire protection
10 service of a department" includes all officers in such fire
11 protection service including fire chiefs and assistant
12 fire chiefs.

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

23 (4) The term "special agent" means any person who by
24 reason of employment by the Division of Narcotic Control,
25 the Bureau of Investigation or, after July 1, 1977, the
26 Division of Criminal Investigation, the Division of

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

9 (5) The term "investigator for the Secretary of State"
10 means any person employed by the Office of the Secretary of
11 State and vested with such investigative duties as render
12 him ineligible for coverage under the Social Security Act
13 by reason of Sections 218(d)(5)(A), 218(d)(8)(D) and
14 218(1)(1) of that Act.

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

24 (6) The term "Conservation Police Officer" means any
25 person employed by the Division of Law Enforcement of the
26 Department of Natural Resources and vested with such law

1 enforcement duties as render him ineligible for coverage
2 under the Social Security Act by reason of Sections
3 218(d)(5)(A), 218(d)(8)(D), and 218(1)(1) of that Act. The
4 term "Conservation Police Officer" includes the positions
5 of Chief Conservation Police Administrator and Assistant
6 Conservation Police Administrator.

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

13 (8) The term "security employee of the Department of
14 Human Services" means any person employed by the Department
15 of Human Services who (i) is employed at the Chester Mental
16 Health Center and has daily contact with the residents
17 thereof, (ii) is employed within a security unit at a
18 facility operated by the Department and has daily contact
19 with the residents of the security unit, (iii) is employed
20 at a facility operated by the Department that includes a
21 security unit and is regularly scheduled to work at least
22 50% of his or her working hours within that security unit,
23 or (iv) is a mental health police officer. "Mental health
24 police officer" means any person employed by the Department
25 of Human Services in a position pertaining to the
26 Department's mental health and developmental disabilities

1 functions who is vested with such law enforcement duties as
2 render the person ineligible for coverage under the Social
3 Security Act by reason of Sections 218(d)(5)(A),
4 218(d)(8)(D) and 218(1)(1) of that Act. "Security unit"
5 means that portion of a facility that is devoted to the
6 care, containment, and treatment of persons committed to
7 the Department of Human Services as sexually violent
8 persons, persons unfit to stand trial, or persons not
9 guilty by reason of insanity. With respect to past
10 employment, references to the Department of Human Services
11 include its predecessor, the Department of Mental Health
12 and Developmental Disabilities.

13 The changes made to this subdivision (c)(8) by Public
14 Act 92-14 apply to persons who retire on or after January
15 1, 2001, notwithstanding Section 1-103.1.

16 (9) "Central Management Services security police
17 officer" means any person employed by the Department of
18 Central Management Services who is vested with such law
19 enforcement duties as render him ineligible for coverage
20 under the Social Security Act by reason of Sections
21 218(d)(5)(A), 218(d)(8)(D) and 218(1)(1) of that Act.

22 (10) For a member who first became an employee under
23 this Article before July 1, 2005, the term "security
24 employee of the Department of Corrections or the Department
25 of Juvenile Justice" means any employee of the Department
26 of Corrections or the Department of Juvenile Justice or the

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

1 (13) "Investigator for the Office of the Attorney
2 General" means any person who is employed as such by the
3 Office of the Attorney General and is vested with such
4 investigative duties as render him ineligible for coverage
5 under the Social Security Act by reason of Sections
6 218(d)(5)(A), 218(d)(8)(D) and 218(1)(1) of that Act. For
7 the period before January 1, 1989, the term includes all
8 persons who were employed as investigators by the Office of
9 the Attorney General, without regard to social security
10 status.

11 (14) "Controlled substance inspector" means any person
12 who is employed as such by the Department of Professional
13 Regulation and is vested with such law enforcement duties
14 as render him ineligible for coverage under the Social
15 Security Act by reason of Sections 218(d)(5)(A),
16 218(d)(8)(D) and 218(1)(1) of that Act. The term
17 "controlled substance inspector" includes the Program
18 Executive of Enforcement and the Assistant Program
19 Executive of Enforcement.

20 (15) The term "investigator for the Office of the
21 State's Attorneys Appellate Prosecutor" means a person
22 employed in that capacity on a full time basis under the
23 authority of Section 7.06 of the State's Attorneys
24 Appellate Prosecutor's Act.

25 (16) "Commerce Commission police officer" means any
26 person employed by the Illinois Commerce Commission who is

1 vested with such law enforcement duties as render him
2 ineligible for coverage under the Social Security Act by
3 reason of Sections 218(d)(5)(A), 218(d)(8)(D), and
4 218(1)(1) of that Act.

5 (17) "Arson investigator" means any person who is
6 employed as such by the Office of the State Fire Marshal
7 and is vested with such law enforcement duties as render
8 the person ineligible for coverage under the Social
9 Security Act by reason of Sections 218(d)(5)(A),
10 218(d)(8)(D), and 218(1)(1) of that Act. A person who was
11 employed as an arson investigator on January 1, 1995 and is
12 no longer in service but not yet receiving a retirement
13 annuity may convert his or her creditable service for
14 employment as an arson investigator into eligible
15 creditable service by paying to the System the difference
16 between the employee contributions actually paid for that
17 service and the amounts that would have been contributed if
18 the applicant were contributing at the rate applicable to
19 persons with the same social security status earning
20 eligible creditable service on the date of application.

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

23 (i) A person employed on a full-time basis by the
24 Illinois Department of Transportation in the position
25 of highway maintainer, highway maintenance lead
26 worker, highway maintenance lead/lead worker, heavy

1 construction equipment operator, power shovel
2 operator, or bridge mechanic; and whose principal
3 responsibility is to perform, on the roadway, the
4 actual maintenance necessary to keep the highways that
5 form a part of the State highway system in serviceable
6 condition for vehicular traffic.

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

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

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

2 or

3 (ii) beginning January 1, 1987, 25 years of eligible
4 creditable service and age 54, or 24 years of eligible
5 creditable service and age 55; or

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

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

12 (v) beginning January 1, 1990, 25 years of eligible
13 creditable service and age 51, or 21 years of eligible
14 creditable service and age 55; or

15 (vi) beginning January 1, 1991, 25 years of eligible
16 creditable service and age 50, or 20 years of eligible
17 creditable service and age 55.

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

1 (e) If a member enters military service while working in a
2 position in which eligible creditable service may be earned,
3 and returns to State service in the same or another such
4 position, and fulfills in all other respects the conditions
5 prescribed in this Article for credit for military service,
6 such military service shall be credited as eligible creditable
7 service for the purposes of the retirement annuity prescribed
8 in this Section.

9 (f) For purposes of calculating retirement annuities under
10 this Section, periods of service rendered after December 31,
11 1968 and before October 1, 1975 as a covered employee in the
12 position of special agent, conservation police officer, mental
13 health police officer, or investigator for the Secretary of
14 State, shall be deemed to have been service as a noncovered
15 employee, provided that the employee pays to the System prior
16 to retirement an amount equal to (1) the difference between the
17 employee contributions that would have been required for such
18 service as a noncovered employee, and the amount of employee
19 contributions actually paid, plus (2) if payment is made after
20 July 31, 1987, regular interest on the amount specified in item
21 (1) from the date of service to the date of payment.

22 For purposes of calculating retirement annuities under
23 this Section, periods of service rendered after December 31,
24 1968 and before January 1, 1982 as a covered employee in the
25 position of investigator for the Department of Revenue shall be
26 deemed to have been service as a noncovered employee, provided

1 that the employee pays to the System prior to retirement an
2 amount equal to (1) the difference between the employee
3 contributions that would have been required for such service as
4 a noncovered employee, and the amount of employee contributions
5 actually paid, plus (2) if payment is made after January 1,
6 1990, regular interest on the amount specified in item (1) from
7 the date of service to the date of payment.

8 (g) A State policeman may elect, not later than January 1,
9 1990, to establish eligible creditable service for up to 10
10 years of his service as a policeman under Article 3, by filing
11 a written election with the Board, accompanied by payment of an
12 amount to be determined by the Board, equal to (i) the
13 difference between the amount of employee and employer
14 contributions transferred to the System under Section 3-110.5,
15 and the amounts that would have been contributed had such
16 contributions been made at the rates applicable to State
17 policemen, plus (ii) interest thereon at the effective rate for
18 each year, compounded annually, from the date of service to the
19 date of payment.

20 Subject to the limitation in subsection (i), a State
21 policeman may elect, not later than July 1, 1993, to establish
22 eligible creditable service for up to 10 years of his service
23 as a member of the County Police Department under Article 9, by
24 filing a written election with the Board, accompanied by
25 payment of an amount to be determined by the Board, equal to
26 (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

1 determined by the Board, equal to (i) the difference between
2 the amount of employee and employer contributions transferred
3 to the System under Section 7-139.7, and the amounts that would
4 have been contributed had such contributions been made at the
5 rates applicable to State policemen, plus (ii) interest thereon
6 at the effective rate for each year, compounded annually, from
7 the date of service to the date of payment.

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

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

26 (k) Subject to the limitation in subsection (i) of this

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

21 (1) Subject to the limitation in subsection (i), a security
22 employee of the Department of Corrections may elect, not later
23 than July 1, 1998, to establish eligible creditable service for
24 up to 10 years of his or her service as a policeman under
25 Article 3, by filing a written election with the Board,
26 accompanied by payment of an amount to be determined by the

1 Board, equal to (i) the difference between the amount of
2 employee and employer contributions transferred to the System
3 under Section 3-110.5, and the amounts that would have been
4 contributed had such contributions been made at the rates
5 applicable to security employees of the Department of
6 Corrections, plus (ii) interest thereon at the effective rate
7 for each year, compounded annually, from the date of service to
8 the date of payment.

9 (m) The amendatory changes to this Section made by this
10 amendatory Act of the 94th General Assembly apply only to: (1)
11 security employees of the Department of Juvenile Justice
12 employed by the Department of Corrections before the effective
13 date of this amendatory Act of the 94th General Assembly and
14 transferred to the Department of Juvenile Justice by this
15 amendatory Act of the 94th General Assembly; and (2) persons
16 employed by the Department of Juvenile Justice on or after the
17 effective date of this amendatory Act of the 94th General
18 Assembly who are required by subsection (b) of Section 3-2.5-15
19 of the Unified Code of Corrections to have a bachelor's or
20 advanced degree from an accredited college or university with a
21 specialization in criminal justice, education, psychology,
22 social work, or a closely related social science or, in the
23 case of persons who provide vocational training, who are
24 required to have adequate knowledge in the skill for which they
25 are providing the vocational training.

26 (Source: P.A. 94-4, eff. 6-1-05; 94-696, eff. 6-1-06.)