



96TH GENERAL ASSEMBLY

State of Illinois

2009 and 2010

HB4791

Introduced 1/12/2010, by Rep. Michael J. Zalewski

SYNOPSIS AS INTRODUCED:

40 ILCS 5/11-134	from Ch. 108 1/2, par. 11-134
40 ILCS 5/11-145.1	from Ch. 108 1/2, par. 11-145.1
30 ILCS 805/8.34 new	

Amends the Chicago Laborers Article of the Illinois Pension Code. Increases the minimum employee's annuity from \$850 to \$1,050 and the minimum widow's from \$800 to \$1,000 beginning January 1, 2011 under certain conditions. Amends the State Mandates Act to require implementation without reimbursement. Effective immediately.

LRB096 15808 AMC 31049 b

FISCAL NOTE ACT
MAY APPLY

PENSION IMPACT
NOTE ACT MAY
APPLY

STATE MANDATES
ACT MAY REQUIRE
REIMBURSEMENT

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 Sections 11-134 and 11-145.1 as follows:

6 (40 ILCS 5/11-134) (from Ch. 108 1/2, par. 11-134)

7 Sec. 11-134. Minimum annuities.

8 (a) An employee whose withdrawal occurs after July 1, 1957
9 at age 60 or over, with 20 or more years of service, (as
10 service is defined or computed in Section 11-216), for whom the
11 age and service and prior service annuity combined is less than
12 the amount stated in this Section, shall, from and after the
13 date of withdrawal, in lieu of all annuities otherwise provided
14 in this Article, be entitled to receive an annuity for life of
15 an amount equal to 1 2/3% for each year of service, of the
16 highest average annual salary for any 5 consecutive years
17 within the last 10 years of service immediately preceding the
18 date of withdrawal; provided, that in the case of any employee
19 who withdraws on or after July 1, 1971, such employee age 60 or
20 over with 20 or more years of service, shall be entitled to
21 instead receive an annuity for life equal to 1.67% for each of
22 the first 10 years of service; 1.90% for each of the next 10
23 years of service; 2.10% for each year of service in excess of

1 20 but not exceeding 30; and 2.30% for each year of service in
2 excess of 30, based on the highest average annual salary for
3 any 4 consecutive years within the last 10 years of service
4 immediately preceding the date of withdrawal.

5 An employee who withdraws after July 1, 1957 and before
6 January 1, 1988, with 20 or more years of service, before age
7 60, shall be entitled to an annuity, to begin not earlier than
8 age 55, if under such age at withdrawal, as computed in the
9 last preceding paragraph, reduced 0.25% if the employee was
10 born before January 1, 1936, or 0.5% if the employee was born
11 on or after January 1, 1936, for each full month or fractional
12 part thereof that his attained age when such annuity is to
13 begin is less than 60.

14 Any employee born before January 1, 1936 who withdraws with
15 20 or more years of service, and any employee with 20 or more
16 years of service who withdraws on or after January 1, 1988, may
17 elect to receive, in lieu of any other employee annuity
18 provided in this Section, an annuity for life equal to 1.80%
19 for each of the first 10 years of service, 2.00% for each of
20 the next 10 years of service, 2.20% for each year of service in
21 excess of 20, but not exceeding 30, and 2.40% for each year of
22 service in excess of 30, of the highest average annual salary
23 for any 4 consecutive years within the last 10 years of service
24 immediately preceding the date of withdrawal, to begin not
25 earlier than upon attained age of 55 years, if under such age
26 at withdrawal, reduced 0.25% for each full month or fractional

1 part thereof that his attained age when annuity is to begin is
2 less than 60; except that an employee retiring on or after
3 January 1, 1988, at age 55 or over but less than age 60, having
4 at least 35 years of service, or an employee retiring on or
5 after July 1, 1990, at age 55 or over but less than age 60,
6 having at least 30 years of service, or an employee retiring on
7 or after the effective date of this amendatory Act of 1997, at
8 age 55 or over but less than age 60, having at least 25 years of
9 service, shall not be subject to the reduction in retirement
10 annuity because of retirement below age 60.

11 However, in the case of an employee who retired on or after
12 January 1, 1985 but before January 1, 1988, at age 55 or older
13 and with at least 35 years of service, and who was subject
14 under this subsection (a) to the reduction in retirement
15 annuity because of retirement below age 60, that reduction
16 shall cease to be effective January 1, 1991, and the retirement
17 annuity shall be recalculated accordingly.

18 Any employee who withdraws on or after July 1, 1990, with
19 20 or more years of service, may elect to receive, in lieu of
20 any other employee annuity provided in this Section, an annuity
21 for life equal to 2.20% for each year of service if withdrawal
22 is before January 1, 2002, or 2.40% for each year of service if
23 withdrawal is on or after January 1, 2002, of the highest
24 average annual salary for any 4 consecutive years within the
25 last 10 years of service immediately preceding the date of
26 withdrawal, to begin not earlier than upon attained age of 55

1 years, if under such age at withdrawal, reduced 0.25% for each
2 full month or fractional part thereof that his attained age
3 when annuity is to begin is less than 60; except that an
4 employee retiring at age 55 or over but less than age 60,
5 having at least 30 years of service, shall not be subject to
6 the reduction in retirement annuity because of retirement below
7 age 60.

8 Any employee who withdraws on or after the effective date
9 of this amendatory Act of 1997 with 20 or more years of service
10 may elect to receive, in lieu of any other employee annuity
11 provided in this Section, an annuity for life equal to 2.20%
12 for each year of service if withdrawal is before January 1,
13 2002, or 2.40% for each year of service if withdrawal is on or
14 after January 1, 2002, of the highest average annual salary for
15 any 4 consecutive years within the last 10 years of service
16 immediately preceding the date of withdrawal, to begin not
17 earlier than upon attainment of age 55 (age 50 if the employee
18 has at least 30 years of service), reduced 0.25% for each full
19 month or remaining fractional part thereof that the employee's
20 attained age when annuity is to begin is less than 60; except
21 that an employee retiring at age 50 or over with at least 30
22 years of service or at age 55 or over with at least 25 years of
23 service shall not be subject to the reduction in retirement
24 annuity because of retirement below age 60.

25 The maximum annuity payable under this paragraph (a) of
26 this Section shall not exceed 70% of highest average annual

1 salary in the case of an employee who withdraws prior to July
2 1, 1971, 75% if withdrawal takes place on or after July 1, 1971
3 and prior to January 1, 2002, or 80% if withdrawal is on or
4 after January 1, 2002. For the purpose of the minimum annuity
5 provided in said paragraphs \$1,500 shall be considered the
6 minimum annual salary for any year; and the maximum annual
7 salary to be considered for the computation of such annuity
8 shall be \$4,800 for any year prior to 1953, \$6,000 for the
9 years 1953 to 1956, inclusive, and the actual annual salary, as
10 salary is defined in this Article, for any year thereafter.

11 (b) For an employee receiving disability benefit, his
12 salary for annuity purposes under this Section shall, for all
13 periods of disability benefit subsequent to the year 1956, be
14 the amount on which his disability benefit was based.

15 (c) An employee with 20 or more years of service, whose
16 entire disability benefit credit period expires prior to
17 attainment of age 55 while still disabled for service, shall be
18 entitled upon withdrawal to the larger of (1) the minimum
19 annuity provided above assuming that he is then age 55, and
20 reducing such annuity to its actuarial equivalent at his
21 attained age on such date, or (2) the annuity provided from his
22 age and service and prior service annuity credits.

23 (d) The minimum annuity provisions as aforesaid shall not
24 apply to any former employee receiving an annuity from the
25 fund, and who re-enters service as an employee, unless he
26 renders at least 3 years of additional service after the date

1 of re-entry.

2 (e) An employee in service on July 1, 1947, or who became a
3 contributor after July 1, 1947 and prior to July 1, 1950, or
4 who shall become a contributor to the fund after July 1, 1950
5 prior to attainment of age 70, who withdraws after age 65 with
6 less than 20 years of service, for whom the annuity has been
7 fixed under the foregoing Sections of this Article shall, in
8 lieu of the annuity so fixed, receive an annuity as follows:

9 Such amount as he could have received had the accumulated
10 amounts for annuity been improved with interest at the
11 effective rate to the date of his withdrawal, or to attainment
12 of age 70, whichever is earlier, and had the city contributed
13 to such earlier date for age and service annuity the amount
14 that would have been contributed had he been under age 65,
15 after the date his annuity was fixed in accordance with this
16 Article, and assuming his annuity were computed from such
17 accumulations as of his age on such earlier date. The annuity
18 so computed shall not exceed the annuity which would be payable
19 under the other provisions of this Section if the employee was
20 credited with 20 years of service and would qualify for annuity
21 thereunder.

22 (f) In lieu of the annuity provided in this or in any other
23 Section of this Article, an employee having attained age 65
24 with at least 15 years of service who withdraws from service on
25 or after July 1, 1971 and whose annuity computed under other
26 provisions of this Article is less than the amount provided

1 under this paragraph shall be entitled to receive a minimum
2 annual annuity for life equal to 1% of the highest average
3 annual salary for any 4 consecutive years within the last 10
4 years of service immediately preceding retirement for each year
5 of his service plus the sum of \$25 for each year of service.
6 Such annual annuity shall not exceed the maximum percentages
7 stated under paragraph (a) of this Section of such highest
8 average annual salary.

9 (f-1) Instead of any other retirement annuity provided in
10 this Article, an employee who has at least 10 years of service
11 and withdraws from service on or after January 1, 1999 may
12 elect to receive a retirement annuity for life, beginning no
13 earlier than upon attainment of age 60, equal to 2.2% if
14 withdrawal is before January 1, 2002, or 2.4% for each year of
15 service if withdrawal is on or after January 1, 2002, of final
16 average salary for each year of service, subject to a maximum
17 of 75% of final average salary if withdrawal is before January
18 1, 2002, or 80% if withdrawal is on or after January 1, 2002.
19 For the purpose of calculating this annuity, "final average
20 salary" means the highest average annual salary for any 4
21 consecutive years in the last 10 years of service.

22 (g) Any annuity payable under the preceding subsections of
23 this Section 11-134 shall be paid in equal monthly
24 installments.

25 (h) The amendatory provisions of part (a) and (f) of this
26 Section shall be effective July 1, 1971 and apply in the case

1 of every qualifying employee withdrawing on or after July 1,
2 1971.

3 (h-1) The changes made to this Section by Public Act 92-609
4 (increasing the retirement formula to 2.4% per year of service
5 and increasing the maximum to 80%) apply to persons who
6 withdraw from service on or after January 1, 2002, regardless
7 of whether that withdrawal takes place before the effective
8 date of that Act. In the case of a person who withdraws from
9 service on or after January 1, 2002 but begins to receive a
10 retirement annuity before July 1, 2002, the annuity shall be
11 recalculated, with the increase resulting from Public Act
12 92-609 accruing from the date the retirement annuity began. The
13 changes made by Public Act 92-609 control over the changes made
14 by Public Act 92-599, as provided in Section 95 of P.A. 92-609.

15 (i) The amendatory provisions of this amendatory Act of
16 1985 relating to the discount of annuity because of retirement
17 prior to attainment of age 60 and increasing the retirement
18 formula for those born before January 1, 1936, shall apply only
19 to qualifying employees withdrawing on or after August 16,
20 1985.

21 (j) Beginning on January 1, 1999, the minimum amount of
22 employee's annuity shall be \$850 per month for life for the
23 following classes of employees, without regard to the fact that
24 withdrawal occurred prior to the effective date of this
25 amendatory Act of 1998:

26 (1) any employee annuitant alive and receiving a life

1 annuity on the effective date of this amendatory Act of
2 1998, except a reciprocal annuity;

3 (2) any employee annuitant alive and receiving a term
4 annuity on the effective date of this amendatory Act of
5 1998, except a reciprocal annuity;

6 (3) any employee annuitant alive and receiving a
7 reciprocal annuity on the effective date of this amendatory
8 Act of 1998, whose service in this fund is at least 5
9 years;

10 (4) any employee annuitant withdrawing after age 60 on
11 or after the effective date of this amendatory Act of 1998,
12 with at least 10 years of service in this fund.

13 The increases granted under items (1), (2) and (3) of this
14 subsection (j) shall not be limited by any other Section of
15 this Act.

16 (k) Beginning on January 1, 2011, the minimum amount of
17 employee's annuity shall be \$1,050 per month for life for the
18 following classes of employees, without regard to the fact that
19 withdrawal occurred prior to the effective date of this
20 amendatory Act of the 96th General Assembly:

21 (1) any employee annuitant alive and receiving a life
22 annuity on the effective date of this amendatory Act of the
23 96th General Assembly, except a reciprocal annuity;

24 (2) any employee annuitant alive and receiving a term
25 annuity on the effective date of this amendatory Act of the
26 96th General Assembly, except a reciprocal annuity;

1 (3) any employee annuitant alive and receiving a
2 reciprocal annuity on the effective date of this amendatory
3 Act of the 96th General Assembly, whose service in this
4 fund is at least 5 years;

5 (4) any employee annuitant withdrawing after age 60 on
6 or after the effective date of this amendatory Act of the
7 96th General Assembly, with at least 10 years of service in
8 this fund.

9 The increases granted under items (1), (2), and (3) of this
10 subsection (k) shall not be limited by any other Section of
11 this Act.

12 The minimum annuity of \$1,050 is not eligible for an
13 increase under Section 11-134.1 or Section 11-134.3 on January
14 1, 2011.

15 (Source: P.A. 95-331, eff. 8-21-07.)

16 (40 ILCS 5/11-145.1) (from Ch. 108 1/2, par. 11-145.1)

17 Sec. 11-145.1. Minimum annuities for widows. The widow
18 otherwise eligible for widow's annuity under other Sections of
19 this Article 11, of an employee hereinafter described, who
20 retires from service or dies while in the service subsequent to
21 the effective date of this amendatory provision, and for which
22 widow the amount of widow's annuity and widow's prior service
23 annuity combined, fixed or provided for such widow under other
24 provisions of said Article 11 is less than the amount
25 hereinafter provided in this section, shall, from and after the

1 date her otherwise provided annuity would begin, in lieu of
2 such otherwise provided widow's and widow's prior service
3 annuity, be entitled to the following indicated amount of
4 annuity:

5 (a) The widow of any employee who dies while in service on
6 or after the date on which he attains age 60 if the death
7 occurs before July 1, 1990, or on or after the date on which he
8 attains age 55 if the death occurs on or after July 1, 1990,
9 with at least 20 years of service, or on or after the date on
10 which he attains age 50 if the death occurs on or after the
11 effective date of this amendatory Act of 1997 with at least 30
12 years of service, shall be entitled to an annuity equal to
13 one-half of the amount of annuity which her deceased husband
14 would have been entitled to receive had he withdrawn from the
15 service on the day immediately preceding the date of his death,
16 conditional upon such widow having attained age 60 on or before
17 such date if the death occurs before July 1, 1990, or age 55 if
18 the death occurs on or after July 1, 1990, or age 50 if the
19 death occurs on or after January 1, 1998 and the employee is
20 age 50 or over with at least 30 years of service or age 55 or
21 over with at least 25 years of service. Except as provided in
22 subsection (j), the widow's annuity shall not, however, exceed
23 the sum of \$500 a month if the employee's death in service
24 occurs before January 23, 1987. The widow's annuity shall not
25 be limited to a maximum dollar amount if the employee's death
26 in service occurs on or after January 23, 1987.

1 If the employee dies in service before July 1, 1990, and if
2 such widow of such described employee shall not be 60 or more
3 years of age on such date of death, the amount provided in the
4 immediately preceding paragraph for a widow 60 or more years of
5 age, shall, in the case of such younger widow, be reduced by
6 0.25% for each month that her then attained age is less than 60
7 years if the employee was born before January 1, 1936, or dies
8 in service on or after January 1, 1988, or 0.5% for each month
9 that her then attained age is less than 60 years if the
10 employee was born on or after January 1, 1936 and dies in
11 service before January 1, 1988.

12 If the employee dies in service on or after July 1, 1990,
13 and if the widow of the employee has not attained age 55 on or
14 before the employee's date of death, the amount otherwise
15 provided in this subsection (a) shall be reduced by 0.25% for
16 each month that her then attained age is less than 55 years;
17 except that if the employee dies in service on or after January
18 1, 1998 at age 50 or over with at least 30 years of service or
19 at age 55 or over with at least 25 years of service, there
20 shall be no reduction due to the widow's age if she has
21 attained age 50 on or before the employee's date of death, and
22 if the widow has not attained age 50 on or before the
23 employee's date of death the amount otherwise provided in this
24 subsection (a) shall be reduced by 0.25% for each month that
25 her then attained age is less than 50 years.

26 (b) The widow of any employee who dies subsequent to the

1 date of his retirement on annuity, and who so retired on or
2 after the date on which he attained age 60 if retirement occurs
3 before July 1, 1990, or on or after the date on which he
4 attained age 55 if retirement occurs on or after July 1, 1990,
5 with at least 20 years of service, or on or after the date on
6 which he attained age 50 if the retirement occurs on or after
7 the effective date of this amendatory Act of 1997 with at least
8 30 years of service, shall be entitled to an annuity equal to
9 one-half of the amount of annuity which her deceased husband
10 received as of the date of his retirement on annuity,
11 conditional upon such widow having attained age 60 on or before
12 the date of her husband's retirement on annuity if retirement
13 occurs before July 1, 1990, or age 55 if retirement occurs on
14 or after July 1, 1990, or age 50 if the retirement on annuity
15 occurs on or after January 1, 1998 and the employee is age 50
16 or over with at least 30 years of service or age 55 or over with
17 at least 25 years of service. Except as provided in subsection
18 (j), this widow's annuity shall not, however, exceed the sum of
19 \$500 a month if the employee's death occurs before January 23,
20 1987. The widow's annuity shall not be limited to a maximum
21 dollar amount if the employee's death occurs on or after
22 January 23, 1987, regardless of the date of retirement;
23 provided that, if retirement was before January 23, 1987, the
24 employee or eligible spouse repays the excess spouse refund
25 with interest at the effective rate from the date of refund to
26 the date of repayment.

1 If the date of the employee's retirement on annuity is
2 before July 1, 1990, and if such widow of such described
3 employee shall not have attained such age of 60 or more years
4 on such date of her husband's retirement on annuity, the amount
5 provided in the immediately preceding paragraph for a widow 60
6 or more years of age on the date of her husband's retirement on
7 annuity, shall, in the case of such then younger widow, be
8 reduced by 0.25% for each month that her then attained age was
9 less than 60 years if the employee was born before January 1,
10 1936, or withdraws from service on or after January 1, 1988, or
11 0.5% for each month that her then attained age was less than 60
12 years if the employee was born on or after January 1, 1936 and
13 withdraws from service before January 1, 1988.

14 If the date of the employee's retirement on annuity is on
15 or after July 1, 1990, and if the widow of the employee has not
16 attained age 55 by the date of the employee's retirement on
17 annuity, the amount otherwise provided in this subsection (b)
18 shall be reduced by 0.25% for each month that her then attained
19 age is less than 55 years; except that if the employee retires
20 on annuity on or after January 1, 1998 at age 50 or over with at
21 least 30 years of service or at age 55 or over with at least 25
22 years of service, there shall be no reduction due to the
23 widow's age if she has attained age 50 on or before the
24 employee's date of death, and if the widow has not attained age
25 50 on or before the employee's date of death the amount
26 otherwise provided in this subsection (b) shall be reduced by

1 0.25% for each month that her then attained age is less than 50
2 years.

3 (c) The foregoing provisions relating to minimum annuities
4 for widows shall not apply to the widow of any former employee
5 receiving an annuity from the fund on August 2, 1965 or on the
6 effective date of this amendatory provision, who re-enters
7 service as a former employee, unless such employee renders at
8 least 3 years of additional service after the date of re-entry.

9 (d) (Blank).

10 (e) (Blank).

11 (f) The amendments to this Section by this amendatory Act
12 of 1985, relating to changing the discount because of age from
13 1/2 of 1% to 0.25% per month for widows of employees born
14 before January 1, 1936, shall apply only to qualifying widows
15 whose husbands die while in the service on or after August 16,
16 1985 or withdraw and enter on annuity on or after August 16,
17 1985.

18 (g) Beginning on January 1, 1999, the minimum amount of
19 widow's annuity shall be \$800 per month for life for the
20 following classes of widows, without regard to the fact that
21 the death of the employee occurred prior to the effective date
22 of this amendatory Act of 1998:

23 (1) any widow annuitant alive and receiving a term
24 annuity on the effective date of this amendatory Act of
25 1998, except a reciprocal annuity;

26 (2) any widow annuitant alive and receiving a life

1 annuity on the effective date of this amendatory Act of
2 1998, except a reciprocal annuity;

3 (3) any widow annuitant alive and receiving a
4 reciprocal annuity on the effective date of this amendatory
5 Act of 1998, whose employee spouse's service in this fund
6 was at least 5 years;

7 (4) the widow of an employee with at least 10 years of
8 service in this fund who dies after retirement, if the
9 retirement occurred prior to the effective date of this
10 amendatory Act of 1998;

11 (5) the widow of an employee with at least 10 years of
12 service in this fund who dies after retirement, if
13 withdrawal occurs on or after the effective date of this
14 amendatory Act of 1998;

15 (6) the widow of an employee who dies in service with
16 at least 5 years of service in this fund, if the death in
17 service occurs on or after the effective date of this
18 amendatory Act of 1998.

19 The increases granted under items (1), (2), (3) and (4) of
20 this subsection (g) shall not be limited by any other Section
21 of this Act.

22 (g-5) Beginning on January 1, 2011, the minimum amount of
23 widow's annuity shall be \$1,000 per month for life for the
24 following classes of widows, without regard to the fact that
25 the death of the employee occurred prior to the effective date
26 of this amendatory Act of the 96th General Assembly:

1 (1) any widow annuitant alive and receiving a term
2 annuity on the effective date of this amendatory Act of the
3 96th General Assembly, except a reciprocal annuity;

4 (2) any widow annuitant alive and receiving a life
5 annuity on the effective date of this amendatory Act of the
6 96th General Assembly, except a reciprocal annuity;

7 (3) any widow annuitant alive and receiving a
8 reciprocal annuity on the effective date of this amendatory
9 Act of the 96th General Assembly, whose employee spouse's
10 service in this fund was at least 5 years;

11 (4) the widow of an employee with at least 10 years of
12 service in this fund who dies after retirement, if the
13 retirement occurred prior to the effective date of this
14 amendatory Act of the 96th General Assembly;

15 (5) the widow of an employee with at least 10 years of
16 service in this fund who dies after retirement, if
17 withdrawal occurs on or after the effective date of this
18 amendatory Act of the 96th General Assembly;

19 (6) the widow of an employee who dies in service with
20 at least 5 years of service in this fund, if the death in
21 service occurs on or after the effective date of this
22 amendatory Act of the 96th General Assembly.

23 The increases granted under items (1), (2), (3), and (4) of
24 this subsection (g-5) shall not be limited by any other Section
25 of this Act.

26 (h) The widow of an employee who retired or died in service

1 on or after January 1, 1985 and before July 1, 1990, at age 55
2 or older, and with at least 35 years of service credit, shall
3 be entitled to have her widow's annuity increased, effective
4 January 1, 1991, to an amount equal to 50% of the retirement
5 annuity that the deceased employee received on the date of
6 retirement, or would have been eligible to receive if he had
7 retired on the day preceding the date of his death in service,
8 provided that if the widow had not attained age 60 by the date
9 of the employee's retirement or death in service, the amount of
10 the annuity shall be reduced by 0.25% for each month that her
11 then attained age was less than age 60 if the employee's
12 retirement or death in service occurred on or after January 1,
13 1988, or by 0.5% for each month that her attained age is less
14 than age 60 if the employee's retirement or death in service
15 occurred prior to January 1, 1988. However, in cases where a
16 refund of excess contributions for widow's annuity has been
17 paid by the Fund, the increase in benefit provided by this
18 subsection (h) shall be contingent upon repayment of the refund
19 to the Fund with interest at the effective rate from the date
20 of refund to the date of payment.

21 (i) If a deceased employee is receiving a retirement
22 annuity at the time of death and that death occurs on or after
23 June 27, 1997, the widow may elect to receive, in lieu of any
24 other annuity provided under this Article, 50% of the deceased
25 employee's retirement annuity at the time of death reduced by
26 0.25% for each month that the widow's age on the date of death

1 is less than 55; except that if the employee dies on or after
2 January 1, 1998 and withdrew from service on or after June 27,
3 1997 at age 50 or over with at least 30 years of service or at
4 age 55 or over with at least 25 years of service, there shall
5 be no reduction due to the widow's age if she has attained age
6 50 on or before the employee's date of death, and if the widow
7 has not attained age 50 on or before the employee's date of
8 death the amount otherwise provided in this subsection (i)
9 shall be reduced by 0.25% for each month that her age on the
10 date of death is less than 50 years. However, in cases where a
11 refund of excess contributions for widow's annuity has been
12 paid by the Fund, the benefit provided by this subsection (i)
13 is contingent upon repayment of the refund to the Fund with
14 interest at the effective rate from the date of refund to the
15 date of payment.

16 (j) For widows of employees who died before January 23,
17 1987 after retirement on annuity or in service, the maximum
18 dollar amount limitation on widow's annuity shall cease to
19 apply, beginning with the first annuity payment after the
20 effective date of this amendatory Act of 1997; except that if a
21 refund of excess contributions for widow's annuity has been
22 paid by the Fund, the increase resulting from this subsection
23 (j) shall not begin before the refund has been repaid to the
24 Fund, together with interest at the effective rate from the
25 date of the refund to the date of repayment.

26 (k) In lieu of any other annuity provided in this Article,

1 an eligible spouse of an employee who dies in service on or
2 after January 1, 2002 (regardless of whether that death in
3 service occurs prior to the effective date of this amendatory
4 Act of the 93rd General Assembly) with at least 10 years of
5 service shall be entitled to an annuity of 50% of the minimum
6 formula annuity earned and accrued to the credit of the
7 employee at the date of death. For the purposes of this
8 subsection, the minimum formula annuity earned and accrued to
9 the credit of the employee is equal to 2.40% for each year of
10 service of the highest average annual salary for any 4
11 consecutive years within the last 10 years of service
12 immediately preceding the date of death, up to a maximum of 80%
13 of the highest average annual salary. This annuity shall not be
14 reduced due to the age of the employee or spouse. In addition
15 to any other eligibility requirements under this Article, the
16 spouse is eligible for this annuity only if the marriage was in
17 effect for 10 full years or more.

18 (Source: P.A. 92-599, eff. 6-28-02; 93-654, eff. 1-16-04.)

19 Section 90. The State Mandates Act is amended by adding
20 Section 8.34 as follows:

21 (30 ILCS 805/8.34 new)

22 Sec. 8.34. Exempt mandate. Notwithstanding Sections 6 and 8
23 of this Act, no reimbursement by the State is required for the
24 implementation of any mandate created by this amendatory Act of

1 the 96th General Assembly.

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