



Executive Committee

Filed: 5/5/2010

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LRB096 03600 AMC 41189 a

1 AMENDMENT TO SENATE BILL 49

2 AMENDMENT NO. _____. Amend Senate Bill 49 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The General Obligation Bond Act is amended by
5 changing Sections 2, 2.5, 7.2, 9, 11, and 15 as follows:

6 (30 ILCS 330/2) (from Ch. 127, par. 652)

7 Sec. 2. Authorization for Bonds. The State of Illinois is
8 authorized to issue, sell and provide for the retirement of
9 General Obligation Bonds of the State of Illinois for the
10 categories and specific purposes expressed in Sections 2
11 through 8 of this Act, in the total amount of \$41,314,125,743
12 ~~\$37,217,777,443~~.

13 The bonds authorized in this Section 2 and in Section 16 of
14 this Act are herein called "Bonds".

15 Of the total amount of Bonds authorized in this Act, up to
16 \$2,200,000,000 in aggregate original principal amount may be

1 issued and sold in accordance with the Baccalaureate Savings
2 Act in the form of General Obligation College Savings Bonds.

3 Of the total amount of Bonds authorized in this Act, up to
4 \$300,000,000 in aggregate original principal amount may be
5 issued and sold in accordance with the Retirement Savings Act
6 in the form of General Obligation Retirement Savings Bonds.

7 Of the total amount of Bonds authorized in this Act, the
8 additional \$10,000,000,000 authorized by Public Act 93-2, ~~and~~
9 the \$3,466,000,000 authorized by Public Act 96-43, and the
10 \$4,096,348,300 authorized by this amendatory Act of the 96th
11 General Assembly shall be used solely as provided in Section
12 7.2.

13 The issuance and sale of Bonds pursuant to the General
14 Obligation Bond Act is an economical and efficient method of
15 financing the long-term capital needs of the State. This Act
16 will permit the issuance of a multi-purpose General Obligation
17 Bond with uniform terms and features. This will not only lower
18 the cost of registration but also reduce the overall cost of
19 issuing debt by improving the marketability of Illinois General
20 Obligation Bonds.

21 (Source: P.A. 95-1026, eff. 1-12-09; 96-5, eff. 4-3-09; 96-36,
22 eff. 7-13-09; 96-43, eff. 7-15-09; 96-885, eff. 3-11-10.)

23 (30 ILCS 330/2.5)

24 Sec. 2.5. Limitation on issuance of Bonds.

25 (a) Except as provided in subsection (b), no Bonds may be

1 issued if, after the issuance, in the next State fiscal year
2 after the issuance of the Bonds, the amount of debt service
3 (including principal, whether payable at maturity or pursuant
4 to mandatory sinking fund installments, and interest) on all
5 then-outstanding Bonds, other than Bonds authorized by Public
6 Act 96-43 and other than Bonds authorized by this amendatory
7 Act of the 96th General Assembly ~~this amendatory Act of the~~
8 ~~96th General Assembly~~, would exceed 7% of the aggregate
9 appropriations from the general funds (which consist of the
10 General Revenue Fund, the Common School Fund, the General
11 Revenue Common School Special Account Fund, and the Education
12 Assistance Fund) and the Road Fund for the fiscal year
13 immediately prior to the fiscal year of the issuance.

14 (b) If the Comptroller and Treasurer each consent in
15 writing, Bonds may be issued even if the issuance does not
16 comply with subsection (a).

17 (Source: P.A. 96-43, eff. 7-15-09.)

18 (30 ILCS 330/7.2)

19 Sec. 7.2. State pension funding.

20 (a) The amount of \$10,000,000,000 is authorized to be used
21 for the purpose of making contributions to the designated
22 retirement systems. For the purposes of this Section,
23 "designated retirement systems" means the State Employees'
24 Retirement System of Illinois; the Teachers' Retirement System
25 of the State of Illinois; the State Universities Retirement

1 System; the Judges Retirement System of Illinois; and the
2 General Assembly Retirement System.

3 The amount of \$3,466,000,000 of Bonds authorized by Public
4 Act 96-43 ~~this amendatory Act of the 96th General Assembly~~ is
5 authorized to be used for the purpose of making a portion of
6 the State's Fiscal Year 2010 required contributions to the
7 designated retirement systems.

8 The amount of \$4,096,348,300 of Bonds authorized by this
9 amendatory Act of the 96th General Assembly is authorized to be
10 used for the purpose of making a portion of the State's Fiscal
11 Year 2011 required contributions to the designated retirement
12 systems.

13 (b) The Pension Contribution Fund is created as a special
14 fund in the State Treasury.

15 The proceeds of the additional \$10,000,000,000 of Bonds
16 authorized by Public Act 93-2, less the amounts authorized in
17 the Bond Sale Order to be deposited directly into the
18 capitalized interest account of the General Obligation Bond
19 Retirement and Interest Fund or otherwise directly paid out for
20 bond sale expenses under Section 8, shall be deposited into the
21 Pension Contribution Fund and used as provided in this Section.

22 The proceeds of the additional \$3,466,000,000 of Bonds
23 authorized by Public Act 96-43 ~~this amendatory Act of the 96th~~
24 ~~General Assembly~~, less the amounts directly paid out for bond
25 sale expenses under Section 8, shall be deposited into the
26 Pension Contribution Fund, and the Comptroller and the

1 Treasurer shall, as soon as practical, (i) first, transfer from
2 the Pension Contribution Fund to the General Revenue Fund or
3 Common School Fund an amount equal to the amount of payments,
4 if any, made to the designated retirement systems from the
5 General Revenue Fund or Common School Fund in State fiscal year
6 2010 and (ii) second, make transfers from the Pension
7 Contribution Fund to the designated retirement systems
8 pursuant to Sections 2-124, 14-131, 15-155, 16-158, and 18-131
9 of the Illinois Pension Code.

10 The proceeds of the additional \$4,096,348,300 of Bonds
11 authorized by this amendatory Act of the 96th General Assembly,
12 less the amounts directly paid out for bond sale expenses under
13 Section 8, shall be deposited into the Pension Contribution
14 Fund, and the Comptroller and the Treasurer shall, as soon as
15 practical, (i) first, transfer from the Pension Contribution
16 Fund to the General Revenue Fund or Common School Fund an
17 amount equal to the amount of payments, if any, made to the
18 designated retirement systems from the General Revenue Fund or
19 Common School Fund in State fiscal year 2011 and (ii) second,
20 make transfers from the Pension Contribution Fund to the
21 designated retirement systems pursuant to Sections 2-124,
22 14-131, 15-155, 16-158, and 18-131 of the Illinois Pension
23 Code.

24 (c) Of the amount of Bond proceeds from the bond sale
25 authorized by Public Act 93-2 first deposited into the Pension
26 Contribution Fund, there shall be reserved for transfers under

1 this subsection the sum of \$300,000,000, representing the
2 required State contributions to the designated retirement
3 systems for the last quarter of State fiscal year 2003, plus
4 the sum of \$1,860,000,000, representing the required State
5 contributions to the designated retirement systems for State
6 fiscal year 2004.

7 Upon the deposit of sufficient moneys from the bond sale
8 authorized by Public Act 93-2 into the Pension Contribution
9 Fund, the Comptroller and Treasurer shall immediately transfer
10 the sum of \$300,000,000 from the Pension Contribution Fund to
11 the General Revenue Fund.

12 Whenever any payment of required State contributions for
13 State fiscal year 2004 is made to one of the designated
14 retirement systems, the Comptroller and Treasurer shall, as
15 soon as practicable, transfer from the Pension Contribution
16 Fund to the General Revenue Fund an amount equal to the amount
17 of that payment to the designated retirement system. Beginning
18 on the effective date of this amendatory Act of the 93rd
19 General Assembly, the transfers from the Pension Contribution
20 Fund to the General Revenue Fund shall be suspended until June
21 30, 2004, and the remaining balance in the Pension Contribution
22 Fund shall be transferred directly to the designated retirement
23 systems as provided in Section 6z-61 of the State Finance Act.
24 On and after July 1, 2004, in the event that any amount is on
25 deposit in the Pension Contribution Fund from time to time, the
26 Comptroller and Treasurer shall continue to make such transfers

1 based on fiscal year 2005 payments until the entire amount on
2 deposit has been transferred.

3 (d) All amounts deposited into the Pension Contribution
4 Fund, other than the amounts reserved for the transfers under
5 subsection (c) from the bond sale authorized by Public Act
6 93-2, ~~and~~ other than amounts deposited into the Pension
7 Contribution Fund from the bond sale authorized by Public Act
8 96-43 and other than amounts deposited into the Pension
9 Contribution Fund from the bond sale authorized by this
10 amendatory Act of the 96th General Assembly ~~this amendatory Act~~
11 ~~of the 96th General Assembly~~, shall be appropriated to the
12 designated retirement systems to reduce their actuarial
13 reserve deficiencies. The amount of the appropriation to each
14 designated retirement system shall constitute a portion of the
15 total appropriation under this subsection that is the same as
16 that retirement system's portion of the total actuarial reserve
17 deficiency of the systems, as most recently determined by the
18 Governor's Office of Management and Budget under Section 8.12
19 of the State Finance Act.

20 With respect to proceeds from the bond sale authorized by
21 Public Act 93-2 only, within 15 days after any Bond proceeds in
22 excess of the amounts initially reserved under subsection (c)
23 are deposited into the Pension Contribution Fund, the
24 Governor's Office of Management and Budget shall (i) allocate
25 those proceeds among the designated retirement systems in
26 proportion to their respective actuarial reserve deficiencies,

1 as most recently determined under Section 8.12 of the State
2 Finance Act, and (ii) certify those allocations to the
3 designated retirement systems and the Comptroller.

4 Upon receiving certification of an allocation under this
5 subsection, a designated retirement system shall submit to the
6 Comptroller a voucher for the amount of its allocation. The
7 voucher shall be paid out of the amount appropriated to that
8 designated retirement system from the Pension Contribution
9 Fund pursuant to this subsection.

10 (Source: P.A. 96-43, eff. 7-15-09.)

11 (30 ILCS 330/9) (from Ch. 127, par. 659)

12 Sec. 9. Conditions for Issuance and Sale of Bonds -
13 Requirements for Bonds.

14 (a) Except as otherwise provided in this subsection, Bonds
15 shall be issued and sold from time to time, in one or more
16 series, in such amounts and at such prices as may be directed
17 by the Governor, upon recommendation by the Director of the
18 Governor's Office of Management and Budget. Bonds shall be in
19 such form (either coupon, registered or book entry), in such
20 denominations, payable within 25 years from their date, subject
21 to such terms of redemption with or without premium, bear
22 interest payable at such times and at such fixed or variable
23 rate or rates, and be dated as shall be fixed and determined by
24 the Director of the Governor's Office of Management and Budget
25 in the order authorizing the issuance and sale of any series of

1 Bonds, which order shall be approved by the Governor and is
2 herein called a "Bond Sale Order"; provided however, that
3 interest payable at fixed or variable rates shall not exceed
4 that permitted in the Bond Authorization Act, as now or
5 hereafter amended. Bonds shall be payable at such place or
6 places, within or without the State of Illinois, and may be
7 made registrable as to either principal or as to both principal
8 and interest, as shall be specified in the Bond Sale Order.
9 Bonds may be callable or subject to purchase and retirement or
10 tender and remarketing as fixed and determined in the Bond Sale
11 Order. Bonds, other than Bonds issued under Section 3 of this
12 Act for the costs associated with the purchase and
13 implementation of information technology, (i) except for
14 refunding Bonds satisfying the requirements of Section 16 of
15 this Act and sold during fiscal year 2009, 2010, or 2011, must
16 be issued with principal or mandatory redemption amounts in
17 equal amounts, with the first maturity issued occurring within
18 the fiscal year in which the Bonds are issued or within the
19 next succeeding fiscal year and (ii) must mature or be subject
20 to mandatory redemption each fiscal year thereafter up to 25
21 years, except for refunding Bonds satisfying the requirements
22 of Section 16 of this Act and sold during fiscal year 2009,
23 2010, or 2011 which must mature or be subject to mandatory
24 redemption each fiscal year thereafter up to 16 years. Bonds
25 issued under Section 3 of this Act for the costs associated
26 with the purchase and implementation of information technology

1 must be issued with principal or mandatory redemption amounts
 2 in equal amounts, with the first maturity issued occurring with
 3 the fiscal year in which the respective bonds are issued or
 4 with the next succeeding fiscal year, with the respective bonds
 5 issued maturing or subject to mandatory redemption each fiscal
 6 year thereafter up to 10 years. Notwithstanding any provision
 7 of this Act to the contrary, the Bonds authorized by Public Act
 8 96-43 shall be payable within 5 years from their date and must
 9 be issued with principal or mandatory redemption amounts in
 10 equal amounts, with payment of principal or mandatory
 11 redemption beginning in the first fiscal year following the
 12 fiscal year in which the Bonds are issued.

13 Notwithstanding any provision of this Act to the contrary,
 14 the Bonds authorized by this amendatory Act of the 96th General
 15 Assembly shall be payable within 8 years from their date and
 16 shall be issued with payment of maturing principal or scheduled
 17 mandatory redemptions in accordance with the following
 18 schedule, except the following amounts shall be prorated if
 19 less than the total additional amount of Bonds authorized by
 20 this amendatory Act of the 96th General Assembly are issued:

	<u>Fiscal Year After Issuance</u>	<u>Amount</u>
22	<u>1-2</u>	<u>\$0</u>
23	<u>3</u>	<u>\$110,712,120</u>
24	<u>4</u>	<u>\$332,136,360</u>
25	<u>5</u>	<u>\$664,272,720</u>
26	<u>6-8</u>	<u>\$996,409,080</u>

1 In the case of any series of Bonds bearing interest at a
2 variable interest rate ("Variable Rate Bonds"), in lieu of
3 determining the rate or rates at which such series of Variable
4 Rate Bonds shall bear interest and the price or prices at which
5 such Variable Rate Bonds shall be initially sold or remarketed
6 (in the event of purchase and subsequent resale), the Bond Sale
7 Order may provide that such interest rates and prices may vary
8 from time to time depending on criteria established in such
9 Bond Sale Order, which criteria may include, without
10 limitation, references to indices or variations in interest
11 rates as may, in the judgment of a remarketing agent, be
12 necessary to cause Variable Rate Bonds of such series to be
13 remarketable from time to time at a price equal to their
14 principal amount, and may provide for appointment of a bank,
15 trust company, investment bank, or other financial institution
16 to serve as remarketing agent in that connection. The Bond Sale
17 Order may provide that alternative interest rates or provisions
18 for establishing alternative interest rates, different
19 security or claim priorities, or different call or amortization
20 provisions will apply during such times as Variable Rate Bonds
21 of any series are held by a person providing credit or
22 liquidity enhancement arrangements for such Bonds as
23 authorized in subsection (b) of this Section. The Bond Sale
24 Order may also provide for such variable interest rates to be
25 established pursuant to a process generally known as an auction
26 rate process and may provide for appointment of one or more

1 financial institutions to serve as auction agents and
2 broker-dealers in connection with the establishment of such
3 interest rates and the sale and remarketing of such Bonds.

4 (b) In connection with the issuance of any series of Bonds,
5 the State may enter into arrangements to provide additional
6 security and liquidity for such Bonds, including, without
7 limitation, bond or interest rate insurance or letters of
8 credit, lines of credit, bond purchase contracts, or other
9 arrangements whereby funds are made available to retire or
10 purchase Bonds, thereby assuring the ability of owners of the
11 Bonds to sell or redeem their Bonds. The State may enter into
12 contracts and may agree to pay fees to persons providing such
13 arrangements, but only under circumstances where the Director
14 of the Governor's Office of Management and Budget certifies
15 that he or she reasonably expects the total interest paid or to
16 be paid on the Bonds, together with the fees for the
17 arrangements (being treated as if interest), would not, taken
18 together, cause the Bonds to bear interest, calculated to their
19 stated maturity, at a rate in excess of the rate that the Bonds
20 would bear in the absence of such arrangements.

21 The State may, with respect to Bonds issued or anticipated
22 to be issued, participate in and enter into arrangements with
23 respect to interest rate protection or exchange agreements,
24 guarantees, or financial futures contracts for the purpose of
25 limiting, reducing, or managing interest rate exposure. The
26 authority granted under this paragraph, however, shall not

1 increase the principal amount of Bonds authorized to be issued
2 by law. The arrangements may be executed and delivered by the
3 Director of the Governor's Office of Management and Budget on
4 behalf of the State. Net payments for such arrangements shall
5 constitute interest on the Bonds and shall be paid from the
6 General Obligation Bond Retirement and Interest Fund. The
7 Director of the Governor's Office of Management and Budget
8 shall at least annually certify to the Governor and the State
9 Comptroller his or her estimate of the amounts of such net
10 payments to be included in the calculation of interest required
11 to be paid by the State.

12 (c) Prior to the issuance of any Variable Rate Bonds
13 pursuant to subsection (a), the Director of the Governor's
14 Office of Management and Budget shall adopt an interest rate
15 risk management policy providing that the amount of the State's
16 variable rate exposure with respect to Bonds shall not exceed
17 20%. This policy shall remain in effect while any Bonds are
18 outstanding and the issuance of Bonds shall be subject to the
19 terms of such policy. The terms of this policy may be amended
20 from time to time by the Director of the Governor's Office of
21 Management and Budget but in no event shall any amendment cause
22 the permitted level of the State's variable rate exposure with
23 respect to Bonds to exceed 20%.

24 (d) "Build America Bonds" in this Section means Bonds
25 authorized by Section 54AA of the Internal Revenue Code of
26 1986, as amended ("Internal Revenue Code"), and bonds issued

1 from time to time to refund or continue to refund "Build
2 America Bonds".

3 (e) Notwithstanding any other provision of this Section,
4 Qualified School Construction Bonds shall be issued and sold
5 from time to time, in one or more series, in such amounts and
6 at such prices as may be directed by the Governor, upon
7 recommendation by the Director of the Governor's Office of
8 Management and Budget. Qualified School Construction Bonds
9 shall be in such form (either coupon, registered or book
10 entry), in such denominations, payable within 25 years from
11 their date, subject to such terms of redemption with or without
12 premium, and if the Qualified School Construction Bonds are
13 issued with a supplemental coupon, bear interest payable at
14 such times and at such fixed or variable rate or rates, and be
15 dated as shall be fixed and determined by the Director of the
16 Governor's Office of Management and Budget in the order
17 authorizing the issuance and sale of any series of Qualified
18 School Construction Bonds, which order shall be approved by the
19 Governor and is herein called a "Bond Sale Order"; except that
20 interest payable at fixed or variable rates, if any, shall not
21 exceed that permitted in the Bond Authorization Act, as now or
22 hereafter amended. Qualified School Construction Bonds shall
23 be payable at such place or places, within or without the State
24 of Illinois, and may be made registrable as to either principal
25 or as to both principal and interest, as shall be specified in
26 the Bond Sale Order. Qualified School Construction Bonds may be

1 callable or subject to purchase and retirement or tender and
2 remarketing as fixed and determined in the Bond Sale Order.
3 Qualified School Construction Bonds must be issued with
4 principal or mandatory redemption amounts or sinking fund
5 payments into the General Obligation Bond Retirement and
6 Interest Fund (or subaccount therefor) in equal amounts, with
7 the first maturity issued, mandatory redemption payment or
8 sinking fund payment occurring within the fiscal year in which
9 the Qualified School Construction Bonds are issued or within
10 the next succeeding fiscal year, with Qualified School
11 Construction Bonds issued maturing or subject to mandatory
12 redemption or with sinking fund payments thereof deposited each
13 fiscal year thereafter up to 25 years. Sinking fund payments
14 set forth in this subsection shall be permitted only to the
15 extent authorized in Section 54F of the Internal Revenue Code
16 or as otherwise determined by the Director of the Governor's
17 Office of Management and Budget. "Qualified School
18 Construction Bonds" in this subsection means Bonds authorized
19 by Section 54F of the Internal Revenue Code and for bonds
20 issued from time to time to refund or continue to refund such
21 "Qualified School Construction Bonds".

22 (Source: P.A. 96-18, eff. 6-26-09; 96-37, eff. 7-13-09; 96-43,
23 eff. 7-15-09; 96-828, eff. 12-2-09.)

24 (30 ILCS 330/11) (from Ch. 127, par. 661)

25 Sec. 11. Sale of Bonds. Except as otherwise provided in

1 this Section, Bonds shall be sold from time to time pursuant to
2 notice of sale and public bid or by negotiated sale in such
3 amounts and at such times as is directed by the Governor, upon
4 recommendation by the Director of the Governor's Office of
5 Management and Budget. At least 25%, based on total principal
6 amount, of all Bonds issued each fiscal year shall be sold
7 pursuant to notice of sale and public bid. At all times during
8 each fiscal year, no more than 75%, based on total principal
9 amount, of the Bonds issued each fiscal year, shall have been
10 sold by negotiated sale. Failure to satisfy the requirements in
11 the preceding 2 sentences shall not affect the validity of any
12 previously issued Bonds; provided that all Bonds authorized by
13 Public Act 96-43 and this amendatory Act of the 96th General
14 Assembly ~~this amendatory Act of the 96th General Assembly~~ shall
15 not be included in determining compliance for any fiscal year
16 with the requirements of the preceding 2 sentences; and further
17 provided that refunding Bonds satisfying the requirements of
18 Section 16 of this Act and sold during fiscal year 2009, 2010,
19 or 2011 shall not be subject to the requirements in the
20 preceding 2 sentences.

21 If any Bonds, including refunding Bonds, are to be sold by
22 negotiated sale, the Director of the Governor's Office of
23 Management and Budget shall comply with the competitive request
24 for proposal process set forth in the Illinois Procurement Code
25 and all other applicable requirements of that Code.

26 If Bonds are to be sold pursuant to notice of sale and

1 public bid, the Director of the Governor's Office of Management
2 and Budget shall, from time to time, as Bonds are to be sold,
3 advertise the sale of the Bonds in at least 2 daily newspapers,
4 one of which is published in the City of Springfield and one in
5 the City of Chicago. The sale of the Bonds shall also be
6 advertised in the volume of the Illinois Procurement Bulletin
7 that is published by the Department of Central Management
8 Services. Each of the advertisements for proposals shall be
9 published once at least 10 days prior to the date fixed for the
10 opening of the bids. The Director of the Governor's Office of
11 Management and Budget may reschedule the date of sale upon the
12 giving of such additional notice as the Director deems adequate
13 to inform prospective bidders of such change; provided,
14 however, that all other conditions of the sale shall continue
15 as originally advertised.

16 Executed Bonds shall, upon payment therefor, be delivered
17 to the purchaser, and the proceeds of Bonds shall be paid into
18 the State Treasury as directed by Section 12 of this Act.

19 (Source: P.A. 96-18, eff. 6-26-09; 96-43, eff. 7-15-09.)

20 (30 ILCS 330/15) (from Ch. 127, par. 665)

21 Sec. 15. Computation of Principal and Interest; transfers.

22 (a) Upon each delivery of Bonds authorized to be issued
23 under this Act, the Comptroller shall compute and certify to
24 the Treasurer the total amount of principal of, interest on,
25 and premium, if any, on Bonds issued that will be payable in

1 order to retire such Bonds, the amount of principal of,
2 interest on and premium, if any, on such Bonds that will be
3 payable on each payment date according to the tenor of such
4 Bonds during the then current and each succeeding fiscal year,
5 and the amount of sinking fund payments needed to be deposited
6 in connection with Qualified School Construction Bonds
7 authorized by subsection (e) of Section 9. With respect to the
8 interest payable on variable rate bonds, such certifications
9 shall be calculated at the maximum rate of interest that may be
10 payable during the fiscal year, after taking into account any
11 credits permitted in the related indenture or other instrument
12 against the amount of such interest required to be appropriated
13 for such period pursuant to subsection (c) of Section 14 of
14 this Act. With respect to the interest payable, such
15 certifications shall include the amounts certified by the
16 Director of the Governor's Office of Management and Budget
17 under subsection (b) of Section 9 of this Act.

18 On or before the last day of each month the State Treasurer
19 and Comptroller shall transfer from (1) the Road Fund with
20 respect to Bonds issued under paragraph (a) of Section 4 of
21 this Act or Bonds issued for the purpose of refunding such
22 bonds, and from (2) the General Revenue Fund, with respect to
23 all other Bonds issued under this Act, to the General
24 Obligation Bond Retirement and Interest Fund an amount
25 sufficient to pay the aggregate of the principal of, interest
26 on, and premium, if any, on Bonds payable, by their terms on

1 the next payment date divided by the number of full calendar
2 months between the date of such Bonds and the first such
3 payment date, and thereafter, divided by the number of months
4 between each succeeding payment date after the first. Such
5 computations and transfers shall be made for each series of
6 Bonds issued and delivered. Interest payable on variable rate
7 bonds shall be calculated at the maximum rate of interest that
8 may be payable for the relevant period, after taking into
9 account any credits permitted in the related indenture or other
10 instrument against the amount of such interest required to be
11 appropriated for such period pursuant to subsection (c) of
12 Section 14 of this Act. Computations of interest shall include
13 the amounts certified by the Director of the Governor's Office
14 of Management and Budget under subsection (b) of Section 9 of
15 this Act. Interest for which moneys have already been deposited
16 into the capitalized interest account within the General
17 Obligation Bond Retirement and Interest Fund shall not be
18 included in the calculation of the amounts to be transferred
19 under this subsection. Notwithstanding any other provision in
20 this Section, the transfer provisions provided in this
21 paragraph shall not apply to transfers made in fiscal year 2010
22 or fiscal year 2011 with respect to Bonds issued in fiscal year
23 2010 for fiscal year 2011 pursuant to Section 7.2 of this Act.
24 In the case of transfers made in fiscal year 2010 or fiscal
25 year 2011 with respect to the Bonds issued in fiscal year 2010
26 or fiscal year 2011 pursuant to Section 7.2 of this Act, on or

1 before the 15th day of the month prior to the required debt
2 service payment, the State Treasurer and Comptroller shall
3 transfer from the General Revenue Fund to the General
4 Obligation Bond Retirement and Interest Fund an amount
5 sufficient to pay the aggregate of the principal of, interest
6 on, and premium, if any, on the Bonds payable in that next
7 month.

8 The transfer of monies herein and above directed is not
9 required if monies in the General Obligation Bond Retirement
10 and Interest Fund are more than the amount otherwise to be
11 transferred as herein above provided, and if the Governor or
12 his authorized representative notifies the State Treasurer and
13 Comptroller of such fact in writing.

14 (b) After the effective date of this Act, the balance of,
15 and monies directed to be included in the Capital Development
16 Bond Retirement and Interest Fund, Anti-Pollution Bond
17 Retirement and Interest Fund, Transportation Bond, Series A
18 Retirement and Interest Fund, Transportation Bond, Series B
19 Retirement and Interest Fund, and Coal Development Bond
20 Retirement and Interest Fund shall be transferred to and
21 deposited in the General Obligation Bond Retirement and
22 Interest Fund. This Fund shall be used to make debt service
23 payments on the State's general obligation Bonds heretofore
24 issued which are now outstanding and payable from the Funds
25 herein listed as well as on Bonds issued under this Act.

26 (c) The unused portion of federal funds received for a

1 capital facilities project, as authorized by Section 3 of this
2 Act, for which monies from the Capital Development Fund have
3 been expended shall be deposited upon completion of the project
4 in the General Obligation Bond Retirement and Interest Fund.
5 Any federal funds received as reimbursement for the completed
6 construction of a capital facilities project, as authorized by
7 Section 3 of this Act, for which monies from the Capital
8 Development Fund have been expended shall be deposited in the
9 General Obligation Bond Retirement and Interest Fund.

10 (Source: P.A. 96-43, eff. 7-15-09; 96-828, eff. 12-2-09.)

11 Section 10. The Illinois Pension Code is amended by
12 changing Sections 2-124, 2-134, 14-131, 14-135.08, 15-155,
13 15-165, 16-158, 18-131, and 18-140 as follows:

14 (40 ILCS 5/2-124) (from Ch. 108 1/2, par. 2-124)

15 Sec. 2-124. Contributions by State.

16 (a) The State shall make contributions to the System by
17 appropriations of amounts which, together with the
18 contributions of participants, interest earned on investments,
19 and other income will meet the cost of maintaining and
20 administering the System on a 90% funded basis in accordance
21 with actuarial recommendations.

22 (b) The Board shall determine the amount of State
23 contributions required for each fiscal year on the basis of the
24 actuarial tables and other assumptions adopted by the Board and

1 the prescribed rate of interest, using the formula in
2 subsection (c).

3 (c) For State fiscal years 2012 ~~2011~~ through 2045, the
4 minimum contribution to the System to be made by the State for
5 each fiscal year shall be an amount determined by the System to
6 be sufficient to bring the total assets of the System up to 90%
7 of the total actuarial liabilities of the System by the end of
8 State fiscal year 2045. In making these determinations, the
9 required State contribution shall be calculated each year as a
10 level percentage of payroll over the years remaining to and
11 including fiscal year 2045 and shall be determined under the
12 projected unit credit actuarial cost method.

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

18 Notwithstanding any other provision of this Article, the
19 total required State contribution for State fiscal year 2006 is
20 \$4,157,000.

21 Notwithstanding any other provision of this Article, the
22 total required State contribution for State fiscal year 2007 is
23 \$5,220,300.

24 For each of State fiscal years 2008 through 2009, the State
25 contribution to the System, as a percentage of the applicable
26 employee payroll, shall be increased in equal annual increments

1 from the required State contribution for State fiscal year
2 2007, so that by State fiscal year 2011, the State is
3 contributing at the rate otherwise required under this Section.

4 Notwithstanding any other provision of this Article, the
5 total required State contribution for State fiscal year 2010 is
6 \$10,454,000 and shall be made from the proceeds of bonds sold
7 in fiscal year 2010 pursuant to Section 7.2 of the General
8 Obligation Bond Act, less (i) the pro rata share of bond sale
9 expenses determined by the System's share of total bond
10 proceeds, (ii) any amounts received from the General Revenue
11 Fund in fiscal year 2010, and (iii) any reduction in bond
12 proceeds due to the issuance of discounted bonds, if
13 applicable.

14 Notwithstanding any other provision of this Article, the
15 total required State contribution for State fiscal year 2011 is
16 \$12,058,000 and shall be made from the proceeds of bonds sold
17 in fiscal year 2011 pursuant to Section 7.2 of the General
18 Obligation Bond Act, less (i) the pro rata share of bond sale
19 expenses determined by the System's share of total bond
20 proceeds, (ii) any amounts received from the General Revenue
21 Fund in fiscal year 2011, and (iii) any reduction in bond
22 proceeds due to the issuance of discounted bonds, if
23 applicable.

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

1 actuarial liabilities of the System.

2 Amounts received by the System pursuant to Section 25 of
3 the Budget Stabilization Act or Section 8.12 of the State
4 Finance Act in any fiscal year do not reduce and do not
5 constitute payment of any portion of the minimum State
6 contribution required under this Article in that fiscal year.
7 Such amounts shall not reduce, and shall not be included in the
8 calculation of, the required State contributions under this
9 Article in any future year until the System has reached a
10 funding ratio of at least 90%. A reference in this Article to
11 the "required State contribution" or any substantially similar
12 term does not include or apply to any amounts payable to the
13 System under Section 25 of the Budget Stabilization Act.

14 Notwithstanding any other provision of this Section, the
15 required State contribution for State fiscal year 2005 and for
16 fiscal year 2008 and each fiscal year thereafter, as calculated
17 under this Section and certified under Section 2-134, shall not
18 exceed an amount equal to (i) the amount of the required State
19 contribution that would have been calculated under this Section
20 for that fiscal year if the System had not received any
21 payments under subsection (d) of Section 7.2 of the General
22 Obligation Bond Act, minus (ii) the portion of the State's
23 total debt service payments for that fiscal year on the bonds
24 issued for the purposes of that Section 7.2, as determined and
25 certified by the Comptroller, that is the same as the System's
26 portion of the total moneys distributed under subsection (d) of

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

12 (d) For purposes of determining the required State
13 contribution to the System, the value of the System's assets
14 shall be equal to the actuarial value of the System's assets,
15 which shall be calculated as follows:

16 As of June 30, 2008, the actuarial value of the System's
17 assets shall be equal to the market value of the assets as of
18 that date. In determining the actuarial value of the System's
19 assets for fiscal years after June 30, 2008, any actuarial
20 gains or losses from investment return incurred in a fiscal
21 year shall be recognized in equal annual amounts over the
22 5-year period following that fiscal year.

23 (e) For purposes of determining the required State
24 contribution to the system for a particular year, the actuarial
25 value of assets shall be assumed to earn a rate of return equal
26 to the system's actuarially assumed rate of return.

1 (Source: P.A. 95-950, eff. 8-29-08; 96-43, eff. 7-15-09.)

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

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

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

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

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

21 On or before June 15, 2010, the Board shall recalculate and
22 recertify to the Governor the amount of the required State
23 contribution to the System for State fiscal year 2011, applying
24 the changes made by Public Act 96-889 to the System's assets
25 and liabilities as of June 30, 2009 as though Public Act 96-889

1 was approved on that date.

2 (b) Beginning in State fiscal year 1996, on or as soon as
3 possible after the 15th day of each month the Board shall
4 submit vouchers for payment of State contributions to the
5 System, in a total monthly amount of one-twelfth of the
6 required annual State contribution certified under subsection
7 (a). From the effective date of this amendatory Act of the 93rd
8 General Assembly through June 30, 2004, the Board shall not
9 submit vouchers for the remainder of fiscal year 2004 in excess
10 of the fiscal year 2004 certified contribution amount
11 determined under this Section after taking into consideration
12 the transfer to the System under subsection (d) of Section
13 6z-61 of the State Finance Act. These vouchers shall be paid by
14 the State Comptroller and Treasurer by warrants drawn on the
15 funds appropriated to the System for that fiscal year. If in
16 any month the amount remaining unexpended from all other
17 appropriations to the System for the applicable fiscal year
18 (including the appropriations to the System under Section 8.12
19 of the State Finance Act and Section 1 of the State Pension
20 Funds Continuing Appropriation Act) is less than the amount
21 lawfully vouchered under this Section, the difference shall be
22 paid from the General Revenue Fund under the continuing
23 appropriation authority provided in Section 1.1 of the State
24 Pension Funds Continuing Appropriation Act.

25 (c) The full amount of any annual appropriation for the
26 System for State fiscal year 1995 shall be transferred and made

1 available to the System at the beginning of that fiscal year at
2 the request of the Board. Any excess funds remaining at the end
3 of any fiscal year from appropriations shall be retained by the
4 System as a general reserve to meet the System's accrued
5 liabilities.

6 (Source: P.A. 94-4, eff. 6-1-05; 94-536, eff. 8-10-05; 95-331,
7 eff. 8-21-07.)

8 (40 ILCS 5/14-131)

9 Sec. 14-131. Contributions by State.

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

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

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

1 The Board shall also determine a State contribution rate
2 for each fiscal year, expressed as a percentage of payroll,
3 based on the total required State contribution for that fiscal
4 year (less the amount received by the System from
5 appropriations under Section 8.12 of the State Finance Act and
6 Section 1 of the State Pension Funds Continuing Appropriation
7 Act, if any, for the fiscal year ending on the June 30
8 immediately preceding the applicable November 15 certification
9 deadline), the estimated payroll (including all forms of
10 compensation) for personal services rendered by eligible
11 employees, and the recommendations of the actuary.

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

19 (c) Contributions shall be made by the several departments
20 for each pay period by warrants drawn by the State Comptroller
21 against their respective funds or appropriations based upon
22 vouchers stating the amount to be so contributed. These amounts
23 shall be based on the full rate certified by the Board under
24 Section 14-135.08 for that fiscal year. From the effective date
25 of this amendatory Act of the 93rd General Assembly through the
26 payment of the final payroll from fiscal year 2004

1 appropriations, the several departments shall not make
2 contributions for the remainder of fiscal year 2004 but shall
3 instead make payments as required under subsection (a-1) of
4 Section 14.1 of the State Finance Act. The several departments
5 shall resume those contributions at the commencement of fiscal
6 year 2005.

7 (c-1) Notwithstanding subsection (c) of this Section, for
8 fiscal year 2010 only, contributions by the several departments
9 are not required to be made for General Revenue Funds payrolls
10 processed by the Comptroller. Payrolls paid by the several
11 departments from all other State funds must continue to be
12 processed pursuant to subsection (c) of this Section.

13 (c-2) For State fiscal year 2010 only, on or as soon as
14 possible after the 15th day of each month the Board shall
15 submit vouchers for payment of State contributions to the
16 System, in a total monthly amount of one-twelfth of the fiscal
17 year 2010 General Revenue Fund appropriation to the System.

18 (d) If an employee is paid from trust funds or federal
19 funds, the department or other employer shall pay employer
20 contributions from those funds to the System at the certified
21 rate, unless the terms of the trust or the federal-State
22 agreement preclude the use of the funds for that purpose, in
23 which case the required employer contributions shall be paid by
24 the State. From the effective date of this amendatory Act of
25 the 93rd General Assembly through the payment of the final
26 payroll from fiscal year 2004 appropriations, the department or

1 other employer shall not pay contributions for the remainder of
2 fiscal year 2004 but shall instead make payments as required
3 under subsection (a-1) of Section 14.1 of the State Finance
4 Act. The department or other employer shall resume payment of
5 contributions at the commencement of fiscal year 2005.

6 (e) For State fiscal years 2012 ~~2011~~ through 2045, the
7 minimum contribution to the System to be made by the State for
8 each fiscal year shall be an amount determined by the System to
9 be sufficient to bring the total assets of the System up to 90%
10 of the total actuarial liabilities of the System by the end of
11 State fiscal year 2045. In making these determinations, the
12 required State contribution shall be calculated each year as a
13 level percentage of payroll over the years remaining to and
14 including fiscal year 2045 and shall be determined under the
15 projected unit credit actuarial cost method.

16 For State fiscal years 1996 through 2005, the State
17 contribution to the System, as a percentage of the applicable
18 employee payroll, shall be increased in equal annual increments
19 so that by State fiscal year 2011, the State is contributing at
20 the rate required under this Section; except that (i) for State
21 fiscal year 1998, for all purposes of this Code and any other
22 law of this State, the certified percentage of the applicable
23 employee payroll shall be 5.052% for employees earning eligible
24 creditable service under Section 14-110 and 6.500% for all
25 other employees, notwithstanding any contrary certification
26 made under Section 14-135.08 before the effective date of this

1 amendatory Act of 1997, and (ii) in the following specified
2 State fiscal years, the State contribution to the System shall
3 not be less than the following indicated percentages of the
4 applicable employee payroll, even if the indicated percentage
5 will produce a State contribution in excess of the amount
6 otherwise required under this subsection and subsection (a):
7 9.8% in FY 1999; 10.0% in FY 2000; 10.2% in FY 2001; 10.4% in FY
8 2002; 10.6% in FY 2003; and 10.8% in FY 2004.

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

12 Notwithstanding any other provision of this Article, the
13 total required State contribution to the System for State
14 fiscal year 2007 is \$344,164,400.

15 For each of State fiscal years 2008 through 2009, the State
16 contribution to the System, as a percentage of the applicable
17 employee payroll, shall be increased in equal annual increments
18 from the required State contribution for State fiscal year
19 2007, so that by State fiscal year 2011, the State is
20 contributing at the rate otherwise required under this Section.

21 Notwithstanding any other provision of this Article, the
22 total required State General Revenue Fund contribution for
23 State fiscal year 2010 is \$723,703,100 and shall be made from
24 the proceeds of bonds sold in fiscal year 2010 pursuant to
25 Section 7.2 of the General Obligation Bond Act, less (i) the
26 pro rata share of bond sale expenses determined by the System's

1 share of total bond proceeds, (ii) any amounts received from
2 the General Revenue Fund in fiscal year 2010, and (iii) any
3 reduction in bond proceeds due to the issuance of discounted
4 bonds, if applicable.

5 Notwithstanding any other provision of this Article, the
6 total required State General Revenue Fund contribution for
7 State fiscal year 2011 is \$786,706,300 and shall be made from
8 the proceeds of bonds sold in fiscal year 2011 pursuant to
9 Section 7.2 of the General Obligation Bond Act, less (i) the
10 pro rata share of bond sale expenses determined by the System's
11 share of total bond proceeds, (ii) any amounts received from
12 the General Revenue Fund in fiscal year 2011, and (iii) any
13 reduction in bond proceeds due to the issuance of discounted
14 bonds, if applicable.

15 Beginning in State fiscal year 2046, the minimum State
16 contribution for each fiscal year shall be the amount needed to
17 maintain the total assets of the System at 90% of the total
18 actuarial liabilities of the System.

19 Amounts received by the System pursuant to Section 25 of
20 the Budget Stabilization Act or Section 8.12 of the State
21 Finance Act in any fiscal year do not reduce and do not
22 constitute payment of any portion of the minimum State
23 contribution required under this Article in that fiscal year.
24 Such amounts shall not reduce, and shall not be included in the
25 calculation of, the required State contributions under this
26 Article in any future year until the System has reached a

1 funding ratio of at least 90%. A reference in this Article to
2 the "required State contribution" or any substantially similar
3 term does not include or apply to any amounts payable to the
4 System under Section 25 of the Budget Stabilization Act.

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

1 year 2011, the State is contributing at the rate otherwise
2 required under this Section.

3 (f) After the submission of all payments for eligible
4 employees from personal services line items in fiscal year 2004
5 have been made, the Comptroller shall provide to the System a
6 certification of the sum of all fiscal year 2004 expenditures
7 for personal services that would have been covered by payments
8 to the System under this Section if the provisions of this
9 amendatory Act of the 93rd General Assembly had not been
10 enacted. Upon receipt of the certification, the System shall
11 determine the amount due to the System based on the full rate
12 certified by the Board under Section 14-135.08 for fiscal year
13 2004 in order to meet the State's obligation under this
14 Section. The System shall compare this amount due to the amount
15 received by the System in fiscal year 2004 through payments
16 under this Section and under Section 6z-61 of the State Finance
17 Act. If the amount due is more than the amount received, the
18 difference shall be termed the "Fiscal Year 2004 Shortfall" for
19 purposes of this Section, and the Fiscal Year 2004 Shortfall
20 shall be satisfied under Section 1.2 of the State Pension Funds
21 Continuing Appropriation Act. If the amount due is less than
22 the amount received, the difference shall be termed the "Fiscal
23 Year 2004 Overpayment" for purposes of this Section, and the
24 Fiscal Year 2004 Overpayment shall be repaid by the System to
25 the Pension Contribution Fund as soon as practicable after the
26 certification.

1 (g) For purposes of determining the required State
2 contribution to the System, the value of the System's assets
3 shall be equal to the actuarial value of the System's assets,
4 which shall be calculated as follows:

5 As of June 30, 2008, the actuarial value of the System's
6 assets shall be equal to the market value of the assets as of
7 that date. In determining the actuarial value of the System's
8 assets for fiscal years after June 30, 2008, any actuarial
9 gains or losses from investment return incurred in a fiscal
10 year shall be recognized in equal annual amounts over the
11 5-year period following that fiscal year.

12 (h) For purposes of determining the required State
13 contribution to the System for a particular year, the actuarial
14 value of assets shall be assumed to earn a rate of return equal
15 to the System's actuarially assumed rate of return.

16 (i) ~~(g)~~ After the submission of all payments for eligible
17 employees from personal services line items paid from the
18 General Revenue Fund in fiscal year 2010 have been made, the
19 Comptroller shall provide to the System a certification of the
20 sum of all fiscal year 2010 expenditures for personal services
21 that would have been covered by payments to the System under
22 this Section if the provisions of this amendatory Act of the
23 96th General Assembly had not been enacted. Upon receipt of the
24 certification, the System shall determine the amount due to the
25 System based on the full rate certified by the Board under
26 Section 14-135.08 for fiscal year 2010 in order to meet the

1 State's obligation under this Section. The System shall compare
2 this amount due to the amount received by the System in fiscal
3 year 2010 through payments under this Section. If the amount
4 due is more than the amount received, the difference shall be
5 termed the "Fiscal Year 2010 Shortfall" for purposes of this
6 Section, and the Fiscal Year 2010 Shortfall shall be satisfied
7 under Section 1.2 of the State Pension Funds Continuing
8 Appropriation Act. If the amount due is less than the amount
9 received, the difference shall be termed the "Fiscal Year 2010
10 Overpayment" for purposes of this Section, and the Fiscal Year
11 2010 Overpayment shall be repaid by the System to the General
12 Revenue Fund as soon as practicable after the certification.

13 (Source: P.A. 95-950, eff. 8-29-08; 96-43, eff. 7-15-09; 96-45,
14 eff. 7-15-09; revised 11-3-09.)

15 (40 ILCS 5/14-135.08) (from Ch. 108 1/2, par. 14-135.08)

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

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

23 (b) The certification shall include an additional amount
24 necessary to pay all principal of and interest on those general
25 obligation bonds due the next fiscal year authorized by Section

1 7.2(a) of the General Obligation Bond Act and issued to provide
2 the proceeds deposited by the State with the System in July
3 2003, representing deposits other than amounts reserved under
4 Section 7.2(c) of the General Obligation Bond Act. For State
5 fiscal year 2005, the Board shall make a supplemental
6 certification of the additional amount necessary to pay all
7 principal of and interest on those general obligation bonds due
8 in State fiscal years 2004 and 2005 authorized by Section
9 7.2(a) of the General Obligation Bond Act and issued to provide
10 the proceeds deposited by the State with the System in July
11 2003, representing deposits other than amounts reserved under
12 Section 7.2(c) of the General Obligation Bond Act, as soon as
13 practical after the effective date of this amendatory Act of
14 the 93rd General Assembly.

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

22 On or before July 1, 2005, the Board shall recalculate and
23 recertify to the Governor and to each department the amount of
24 the required State contribution to the System and the required
25 rates for State contributions to the System for State fiscal
26 year 2006, taking into account the changes in required State

1 contributions made by this amendatory Act of the 94th General
2 Assembly.

3 On or before June 15, 2010, the Board shall recalculate and
4 recertify to the Governor and to each department the amount of
5 the required State contribution to the System for State fiscal
6 year 2011, applying the changes made by Public Act 96-889 to
7 the System's assets and liabilities as of June 30, 2009 as
8 though Public Act 96-889 was approved on that date.

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

11 (40 ILCS 5/15-155) (from Ch. 108 1/2, par. 15-155)
12 Sec. 15-155. Employer contributions.

13 (a) The State of Illinois shall make contributions by
14 appropriations of amounts which, together with the other
15 employer contributions from trust, federal, and other funds,
16 employee contributions, income from investments, and other
17 income of this System, will be sufficient to meet the cost of
18 maintaining and administering the System on a 90% funded basis
19 in accordance with actuarial recommendations.

20 The Board shall determine the amount of State contributions
21 required for each fiscal year on the basis of the actuarial
22 tables and other assumptions adopted by the Board and the
23 recommendations of the actuary, using the formula in subsection
24 (a-1).

25 (a-1) For State fiscal years 2012 ~~2011~~ through 2045, the

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

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

15 Notwithstanding any other provision of this Article, the
16 total required State contribution for State fiscal year 2006 is
17 \$166,641,900.

18 Notwithstanding any other provision of this Article, the
19 total required State contribution for State fiscal year 2007 is
20 \$252,064,100.

21 For each of State fiscal years 2008 through 2009, the State
22 contribution to the System, as a percentage of the applicable
23 employee payroll, shall be increased in equal annual increments
24 from the required State contribution for State fiscal year
25 2007, so that by State fiscal year 2011, the State is
26 contributing at the rate otherwise required under this Section.

1 Notwithstanding any other provision of this Article, the
2 total required State contribution for State fiscal year 2010 is
3 \$702,514,000 and shall be made from the State Pensions Fund and
4 proceeds of bonds sold in fiscal year 2010 pursuant to Section
5 7.2 of the General Obligation Bond Act, less (i) the pro rata
6 share of bond sale expenses determined by the System's share of
7 total bond proceeds, (ii) any amounts received from the General
8 Revenue Fund in fiscal year 2010, (iii) any reduction in bond
9 proceeds due to the issuance of discounted bonds, if
10 applicable.

11 Notwithstanding any other provision of this Article, the
12 total required State contribution for State fiscal year 2011 is
13 \$848,142,000 and shall be made from the State Pensions Fund and
14 proceeds of bonds sold in fiscal year 2011 pursuant to Section
15 7.2 of the General Obligation Bond Act, less (i) the pro rata
16 share of bond sale expenses determined by the System's share of
17 total bond proceeds, (ii) any amounts received from the General
18 Revenue Fund in fiscal year 2011, and (iii) any reduction in
19 bond proceeds due to the issuance of discounted bonds, if
20 applicable.

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

25 Amounts received by the System pursuant to Section 25 of
26 the Budget Stabilization Act or Section 8.12 of the State

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

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

1 percentage of the applicable employee payroll, in equal
2 increments calculated from the sum of the required State
3 contribution for State fiscal year 2007 plus the applicable
4 portion of the State's total debt service payments for fiscal
5 year 2007 on the bonds issued for the purposes of Section 7.2
6 of the General Obligation Bond Act, so that, by State fiscal
7 year 2011, the State is contributing at the rate otherwise
8 required under this Section.

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

24 (b-1) The City of Urbana and the City of Champaign shall
25 each make employer contributions to this System for their
26 respective firefighter employees who participate in this

1 System pursuant to subsection (h) of Section 15-107. The rate
2 of contributions to be made by those municipalities shall be
3 determined annually by the Board on the basis of the actuarial
4 assumptions adopted by the Board and the recommendations of the
5 actuary, and shall be expressed as a percentage of salary for
6 each such employee. The Board shall certify the rate to the
7 affected municipalities as soon as may be practical. The
8 employer contributions required under this subsection shall be
9 remitted by the municipality to the System at the same time and
10 in the same manner as employee contributions.

11 (c) Through State fiscal year 1995: The total employer
12 contribution shall be apportioned among the various funds of
13 the State and other employers, whether trust, federal, or other
14 funds, in accordance with actuarial procedures approved by the
15 Board. State of Illinois contributions for employers receiving
16 State appropriations for personal services shall be payable
17 from appropriations made to the employers or to the System. The
18 contributions for Class I community colleges covering earnings
19 other than those paid from trust and federal funds, shall be
20 payable solely from appropriations to the Illinois Community
21 College Board or the System for employer contributions.

22 (d) Beginning in State fiscal year 1996, the required State
23 contributions to the System shall be appropriated directly to
24 the System and shall be payable through vouchers issued in
25 accordance with subsection (c) of Section 15-165, except as
26 provided in subsection (g).

1 (e) The State Comptroller shall draw warrants payable to
2 the System upon proper certification by the System or by the
3 employer in accordance with the appropriation laws and this
4 Code.

5 (f) Normal costs under this Section means liability for
6 pensions and other benefits which accrues to the System because
7 of the credits earned for service rendered by the participants
8 during the fiscal year and expenses of administering the
9 System, but shall not include the principal of or any
10 redemption premium or interest on any bonds issued by the Board
11 or any expenses incurred or deposits required in connection
12 therewith.

13 (g) If the amount of a participant's earnings for any
14 academic year used to determine the final rate of earnings,
15 determined on a full-time equivalent basis, exceeds the amount
16 of his or her earnings with the same employer for the previous
17 academic year, determined on a full-time equivalent basis, by
18 more than 6%, the participant's employer shall pay to the
19 System, in addition to all other payments required under this
20 Section and in accordance with guidelines established by the
21 System, the present value of the increase in benefits resulting
22 from the portion of the increase in earnings that is in excess
23 of 6%. This present value shall be computed by the System on
24 the basis of the actuarial assumptions and tables used in the
25 most recent actuarial valuation of the System that is available
26 at the time of the computation. The System may require the

1 employer to provide any pertinent information or
2 documentation.

3 Whenever it determines that a payment is or may be required
4 under this subsection (g), the System shall calculate the
5 amount of the payment and bill the employer for that amount.
6 The bill shall specify the calculations used to determine the
7 amount due. If the employer disputes the amount of the bill, it
8 may, within 30 days after receipt of the bill, apply to the
9 System in writing for a recalculation. The application must
10 specify in detail the grounds of the dispute and, if the
11 employer asserts that the calculation is subject to subsection
12 (h) or (i) of this Section, must include an affidavit setting
13 forth and attesting to all facts within the employer's
14 knowledge that are pertinent to the applicability of subsection
15 (h) or (i). Upon receiving a timely application for
16 recalculation, the System shall review the application and, if
17 appropriate, recalculate the amount due.

18 The employer contributions required under this subsection
19 (f) may be paid in the form of a lump sum within 90 days after
20 receipt of the bill. If the employer contributions are not paid
21 within 90 days after receipt of the bill, then interest will be
22 charged at a rate equal to the System's annual actuarially
23 assumed rate of return on investment compounded annually from
24 the 91st day after receipt of the bill. Payments must be
25 concluded within 3 years after the employer's receipt of the
26 bill.

1 (h) This subsection (h) applies only to payments made or
2 salary increases given on or after June 1, 2005 but before July
3 1, 2011. The changes made by Public Act 94-1057 shall not
4 require the System to refund any payments received before July
5 31, 2006 (the effective date of Public Act 94-1057).

6 When assessing payment for any amount due under subsection
7 (g), the System shall exclude earnings increases paid to
8 participants under contracts or collective bargaining
9 agreements entered into, amended, or renewed before June 1,
10 2005.

11 When assessing payment for any amount due under subsection
12 (g), the System shall exclude earnings increases paid to a
13 participant at a time when the participant is 10 or more years
14 from retirement eligibility under Section 15-135.

15 When assessing payment for any amount due under subsection
16 (g), the System shall exclude earnings increases resulting from
17 overload work, including a contract for summer teaching, or
18 overtime when the employer has certified to the System, and the
19 System has approved the certification, that: (i) in the case of
20 overloads (A) the overload work is for the sole purpose of
21 academic instruction in excess of the standard number of
22 instruction hours for a full-time employee occurring during the
23 academic year that the overload is paid and (B) the earnings
24 increases are equal to or less than the rate of pay for
25 academic instruction computed using the participant's current
26 salary rate and work schedule; and (ii) in the case of

1 overtime, the overtime was necessary for the educational
2 mission.

3 When assessing payment for any amount due under subsection
4 (g), the System shall exclude any earnings increase resulting
5 from (i) a promotion for which the employee moves from one
6 classification to a higher classification under the State
7 Universities Civil Service System, (ii) a promotion in academic
8 rank for a tenured or tenure-track faculty position, or (iii) a
9 promotion that the Illinois Community College Board has
10 recommended in accordance with subsection (k) of this Section.
11 These earnings increases shall be excluded only if the
12 promotion is to a position that has existed and been filled by
13 a member for no less than one complete academic year and the
14 earnings increase as a result of the promotion is an increase
15 that results in an amount no greater than the average salary
16 paid for other similar positions.

17 (i) When assessing payment for any amount due under
18 subsection (g), the System shall exclude any salary increase
19 described in subsection (h) of this Section given on or after
20 July 1, 2011 but before July 1, 2014 under a contract or
21 collective bargaining agreement entered into, amended, or
22 renewed on or after June 1, 2005 but before July 1, 2011.
23 Notwithstanding any other provision of this Section, any
24 payments made or salary increases given after June 30, 2014
25 shall be used in assessing payment for any amount due under
26 subsection (g) of this Section.

1 (j) The System shall prepare a report and file copies of
2 the report with the Governor and the General Assembly by
3 January 1, 2007 that contains all of the following information:

4 (1) The number of recalculations required by the
5 changes made to this Section by Public Act 94-1057 for each
6 employer.

7 (2) The dollar amount by which each employer's
8 contribution to the System was changed due to
9 recalculations required by Public Act 94-1057.

10 (3) The total amount the System received from each
11 employer as a result of the changes made to this Section by
12 Public Act 94-4.

13 (4) The increase in the required State contribution
14 resulting from the changes made to this Section by Public
15 Act 94-1057.

16 (k) The Illinois Community College Board shall adopt rules
17 for recommending lists of promotional positions submitted to
18 the Board by community colleges and for reviewing the
19 promotional lists on an annual basis. When recommending
20 promotional lists, the Board shall consider the similarity of
21 the positions submitted to those positions recognized for State
22 universities by the State Universities Civil Service System.
23 The Illinois Community College Board shall file a copy of its
24 findings with the System. The System shall consider the
25 findings of the Illinois Community College Board when making
26 determinations under this Section. The System shall not exclude

1 any earnings increases resulting from a promotion when the
2 promotion was not submitted by a community college. Nothing in
3 this subsection (k) shall require any community college to
4 submit any information to the Community College Board.

5 (l) For purposes of determining the required State
6 contribution to the System, the value of the System's assets
7 shall be equal to the actuarial value of the System's assets,
8 which shall be calculated as follows:

9 As of June 30, 2008, the actuarial value of the System's
10 assets shall be equal to the market value of the assets as of
11 that date. In determining the actuarial value of the System's
12 assets for fiscal years after June 30, 2008, any actuarial
13 gains or losses from investment return incurred in a fiscal
14 year shall be recognized in equal annual amounts over the
15 5-year period following that fiscal year.

16 (m) For purposes of determining the required State
17 contribution to the system for a particular year, the actuarial
18 value of assets shall be assumed to earn a rate of return equal
19 to the system's actuarially assumed rate of return.

20 (Source: P.A. 95-331, eff. 8-21-07; 95-950, eff. 8-29-08;
21 96-43, eff. 7-15-09.)

22 (40 ILCS 5/15-165) (from Ch. 108 1/2, par. 15-165)

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

24 (a) The Board shall certify to the Governor on or before
25 November 15 of each year the appropriation required from State

1 funds for the purposes of this System for the following fiscal
2 year. The certification shall include a copy of the actuarial
3 recommendations upon which it is based.

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

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

15 On or before June 15, 2010, the Board shall recalculate and
16 recertify to the Governor the amount of the required State
17 contribution to the System for State fiscal year 2011, applying
18 the changes made by Public Act 96-889 to the System's assets
19 and liabilities as of June 30, 2009 as though Public Act 96-889
20 was approved on that date.

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

25 (c) Beginning in State fiscal year 1996, on or as soon as
26 possible after the 15th day of each month the Board shall

1 submit vouchers for payment of State contributions to the
2 System, in a total monthly amount of one-twelfth of the
3 required annual State contribution certified under subsection
4 (a). From the effective date of this amendatory Act of the 93rd
5 General Assembly through June 30, 2004, the Board shall not
6 submit vouchers for the remainder of fiscal year 2004 in excess
7 of the fiscal year 2004 certified contribution amount
8 determined under this Section after taking into consideration
9 the transfer to the System under subsection (b) of Section
10 6z-61 of the State Finance Act. These vouchers shall be paid by
11 the State Comptroller and Treasurer by warrants drawn on the
12 funds appropriated to the System for that fiscal year.

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

22 (d) So long as the payments received are the full amount
23 lawfully vouchered under this Section, payments received by the
24 System under this Section shall be applied first toward the
25 employer contribution to the self-managed plan established
26 under Section 15-158.2. Payments shall be applied second toward

1 the employer's portion of the normal costs of the System, as
2 defined in subsection (f) of Section 15-155. The balance shall
3 be applied toward the unfunded actuarial liabilities of the
4 System.

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

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

18 (40 ILCS 5/16-158) (from Ch. 108 1/2, par. 16-158)

19 Sec. 16-158. Contributions by State and other employing
20 units.

21 (a) The State shall make contributions to the System by
22 means of appropriations from the Common School Fund and other
23 State funds of amounts which, together with other employer
24 contributions, employee contributions, investment income, and
25 other income, will be sufficient to meet the cost of

1 maintaining and administering the System on a 90% funded basis
2 in accordance with actuarial recommendations.

3 The Board shall determine the amount of State contributions
4 required for each fiscal year on the basis of the actuarial
5 tables and other assumptions adopted by the Board and the
6 recommendations of the actuary, using the formula in subsection
7 (b-3).

8 (a-1) Annually, on or before November 15, the Board shall
9 certify to the Governor the amount of the required State
10 contribution for the coming fiscal year. The certification
11 shall include a copy of the actuarial recommendations upon
12 which it is based.

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

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

24 On or before June 15, 2010, the Board shall recalculate and
25 recertify to the Governor the amount of the required State
26 contribution to the System for State fiscal year 2011, applying

1 the changes made by Public Act 96-889 to the System's assets
2 and liabilities as of June 30, 2009 as though Public Act 96-889
3 was approved on that date.

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

7 (b-1) Beginning in State fiscal year 1996, on the 15th day
8 of each month, or as soon thereafter as may be practicable, the
9 Board shall submit vouchers for payment of State contributions
10 to the System, in a total monthly amount of one-twelfth of the
11 required annual State contribution certified under subsection
12 (a-1). From the effective date of this amendatory Act of the
13 93rd General Assembly through June 30, 2004, the Board shall
14 not submit vouchers for the remainder of fiscal year 2004 in
15 excess of the fiscal year 2004 certified contribution amount
16 determined under this Section after taking into consideration
17 the transfer to the System under subsection (a) of Section
18 6z-61 of the State Finance Act. These vouchers shall be paid by
19 the State Comptroller and Treasurer by warrants drawn on the
20 funds appropriated to the System for that fiscal year.

21 If in any month the amount remaining unexpended from all
22 other appropriations to the System for the applicable fiscal
23 year (including the appropriations to the System under Section
24 8.12 of the State Finance Act and Section 1 of the State
25 Pension Funds Continuing Appropriation Act) is less than the
26 amount lawfully vouchered under this subsection, the

1 difference shall be paid from the Common School Fund under the
2 continuing appropriation authority provided in Section 1.1 of
3 the State Pension Funds Continuing Appropriation Act.

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

7 (b-3) For State fiscal years 2012 ~~2011~~ through 2045, the
8 minimum contribution to the System to be made by the State for
9 each fiscal year shall be an amount determined by the System to
10 be sufficient to bring the total assets of the System up to 90%
11 of the total actuarial liabilities of the System by the end of
12 State fiscal year 2045. In making these determinations, the
13 required State contribution shall be calculated each year as a
14 level percentage of payroll over the years remaining to and
15 including fiscal year 2045 and shall be determined under the
16 projected unit credit actuarial cost method.

17 For State fiscal years 1996 through 2005, the State
18 contribution to the System, as a percentage of the applicable
19 employee payroll, shall be increased in equal annual increments
20 so that by State fiscal year 2011, the State is contributing at
21 the rate required under this Section; except that in the
22 following specified State fiscal years, the State contribution
23 to the System shall not be less than the following indicated
24 percentages of the applicable employee payroll, even if the
25 indicated percentage will produce a State contribution in
26 excess of the amount otherwise required under this subsection

1 and subsection (a), and notwithstanding any contrary
2 certification made under subsection (a-1) before the effective
3 date of this amendatory Act of 1998: 10.02% in FY 1999; 10.77%
4 in FY 2000; 11.47% in FY 2001; 12.16% in FY 2002; 12.86% in FY
5 2003; and 13.56% in FY 2004.

6 Notwithstanding any other provision of this Article, the
7 total required State contribution for State fiscal year 2006 is
8 \$534,627,700.

9 Notwithstanding any other provision of this Article, the
10 total required State contribution for State fiscal year 2007 is
11 \$738,014,500.

12 For each of State fiscal years 2008 through 2009, the State
13 contribution to the System, as a percentage of the applicable
14 employee payroll, shall be increased in equal annual increments
15 from the required State contribution for State fiscal year
16 2007, so that by State fiscal year 2011, the State is
17 contributing at the rate otherwise required under this Section.

18 Notwithstanding any other provision of this Article, the
19 total required State contribution for State fiscal year 2010 is
20 \$2,089,268,000 and shall be made from the proceeds of bonds
21 sold in fiscal year 2010 pursuant to Section 7.2 of the General
22 Obligation Bond Act, less (i) the pro rata share of bond sale
23 expenses determined by the System's share of total bond
24 proceeds, (ii) any amounts received from the Common School Fund
25 in fiscal year 2010, and (iii) any reduction in bond proceeds
26 due to the issuance of discounted bonds, if applicable.

1 Notwithstanding any other provision of this Article, the
2 total required State contribution for State fiscal year 2011 is
3 \$2,358,441,000 and shall be made from the proceeds of bonds
4 sold in fiscal year 2011 pursuant to Section 7.2 of the General
5 Obligation Bond Act, less (i) the pro rata share of bond sale
6 expenses determined by the System's share of total bond
7 proceeds, (ii) any amounts received from the Common School Fund
8 in fiscal year 2011, and (iii) any reduction in bond proceeds
9 due to the issuance of discounted bonds, if applicable. This
10 amount shall include employer contributions required by the
11 State as an employer under paragraph (e) of this Section and
12 may be used by the System for contributions required by
13 paragraph (a) of Section 16-127.

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

18 Amounts received by the System pursuant to Section 25 of
19 the Budget Stabilization Act or Section 8.12 of the State
20 Finance Act in any fiscal year do not reduce and do not
21 constitute payment of any portion of the minimum State
22 contribution required under this Article in that fiscal year.
23 Such amounts shall not reduce, and shall not be included in the
24 calculation of, the required State contributions under this
25 Article in any future year until the System has reached a
26 funding ratio of at least 90%. A reference in this Article to

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

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

1 required under this Section.

2 (c) Payment of the required State contributions and of all
3 pensions, retirement annuities, death benefits, refunds, and
4 other benefits granted under or assumed by this System, and all
5 expenses in connection with the administration and operation
6 thereof, are obligations of the State.

7 If members are paid from special trust or federal funds
8 which are administered by the employing unit, whether school
9 district or other unit, the employing unit shall pay to the
10 System from such funds the full accruing retirement costs based
11 upon that service, as determined by the System. Employer
12 contributions, based on salary paid to members from federal
13 funds, may be forwarded by the distributing agency of the State
14 of Illinois to the System prior to allocation, in an amount
15 determined in accordance with guidelines established by such
16 agency and the System.

17 (d) Effective July 1, 1986, any employer of a teacher as
18 defined in paragraph (8) of Section 16-106 shall pay the
19 employer's normal cost of benefits based upon the teacher's
20 service, in addition to employee contributions, as determined
21 by the System. Such employer contributions shall be forwarded
22 monthly in accordance with guidelines established by the
23 System.

24 However, with respect to benefits granted under Section
25 16-133.4 or 16-133.5 to a teacher as defined in paragraph (8)
26 of Section 16-106, the employer's contribution shall be 12%

1 (rather than 20%) of the member's highest annual salary rate
2 for each year of creditable service granted, and the employer
3 shall also pay the required employee contribution on behalf of
4 the teacher. For the purposes of Sections 16-133.4 and
5 16-133.5, a teacher as defined in paragraph (8) of Section
6 16-106 who is serving in that capacity while on leave of
7 absence from another employer under this Article shall not be
8 considered an employee of the employer from which the teacher
9 is on leave.

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

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

16 (2) Beginning July 1, 1999 and thereafter, the employer
17 contribution shall be equal to 0.58% of each teacher's
18 salary.

19 The school district or other employing unit may pay these
20 employer contributions out of any source of funding available
21 for that purpose and shall forward the contributions to the
22 System on the schedule established for the payment of member
23 contributions.

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

1 Each employer of teachers is entitled to a credit against
2 the contributions required under this subsection (e) with
3 respect to salaries paid to teachers for the period January 1,
4 2002 through June 30, 2003, equal to the amount paid by that
5 employer under subsection (a-5) of Section 6.6 of the State
6 Employees Group Insurance Act of 1971 with respect to salaries
7 paid to teachers for that period.

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

13 If an employer is required by a contract in effect on May
14 1, 1998 between the employer and an employee organization to
15 pay, on behalf of all its full-time employees covered by this
16 Article, all mandatory employee contributions required under
17 this Article, then the employer shall be excused from paying
18 the employer contribution required under this subsection (e)
19 for the balance of the term of that contract. The employer and
20 the employee organization shall jointly certify to the System
21 the existence of the contractual requirement, in such form as
22 the System may prescribe. This exclusion shall cease upon the
23 termination, extension, or renewal of the contract at any time
24 after May 1, 1998.

25 (f) If the amount of a teacher's salary for any school year
26 used to determine final average salary exceeds the member's

1 annual full-time salary rate with the same employer for the
2 previous school year by more than 6%, the teacher's employer
3 shall pay to the System, in addition to all other payments
4 required under this Section and in accordance with guidelines
5 established by the System, the present value of the increase in
6 benefits resulting from the portion of the increase in salary
7 that is in excess of 6%. This present value shall be computed
8 by the System on the basis of the actuarial assumptions and
9 tables used in the most recent actuarial valuation of the
10 System that is available at the time of the computation. If a
11 teacher's salary for the 2005-2006 school year is used to
12 determine final average salary under this subsection (f), then
13 the changes made to this subsection (f) by Public Act 94-1057
14 shall apply in calculating whether the increase in his or her
15 salary is in excess of 6%. For the purposes of this Section,
16 change in employment under Section 10-21.12 of the School Code
17 on or after June 1, 2005 shall constitute a change in employer.
18 The System may require the employer to provide any pertinent
19 information or documentation. The changes made to this
20 subsection (f) by this amendatory Act of the 94th General
21 Assembly apply without regard to whether the teacher was in
22 service on or after its effective date.

23 Whenever it determines that a payment is or may be required
24 under this subsection, the System shall calculate the amount of
25 the payment and bill the employer for that amount. The bill
26 shall specify the calculations used to determine the amount

1 due. If the employer disputes the amount of the bill, it may,
2 within 30 days after receipt of the bill, apply to the System
3 in writing for a recalculation. The application must specify in
4 detail the grounds of the dispute and, if the employer asserts
5 that the calculation is subject to subsection (g) or (h) of
6 this Section, must include an affidavit setting forth and
7 attesting to all facts within the employer's knowledge that are
8 pertinent to the applicability of that subsection. Upon
9 receiving a timely application for recalculation, the System
10 shall review the application and, if appropriate, recalculate
11 the amount due.

12 The employer contributions required under this subsection
13 (f) may be paid in the form of a lump sum within 90 days after
14 receipt of the bill. If the employer contributions are not paid
15 within 90 days after receipt of the bill, then interest will be
16 charged at a rate equal to the System's annual actuarially
17 assumed rate of return on investment compounded annually from
18 the 91st day after receipt of the bill. Payments must be
19 concluded within 3 years after the employer's receipt of the
20 bill.

21 (g) This subsection (g) applies only to payments made or
22 salary increases given on or after June 1, 2005 but before July
23 1, 2011. The changes made by Public Act 94-1057 shall not
24 require the System to refund any payments received before July
25 31, 2006 (the effective date of Public Act 94-1057).

26 When assessing payment for any amount due under subsection

1 (f), the System shall exclude salary increases paid to teachers
2 under contracts or collective bargaining agreements entered
3 into, amended, or renewed before June 1, 2005.

4 When assessing payment for any amount due under subsection
5 (f), the System shall exclude salary increases paid to a
6 teacher at a time when the teacher is 10 or more years from
7 retirement eligibility under Section 16-132 or 16-133.2.

8 When assessing payment for any amount due under subsection
9 (f), the System shall exclude salary increases resulting from
10 overload work, including summer school, when the school
11 district has certified to the System, and the System has
12 approved the certification, that (i) the overload work is for
13 the sole purpose of classroom instruction in excess of the
14 standard number of classes for a full-time teacher in a school
15 district during a school year and (ii) the salary increases are
16 equal to or less than the rate of pay for classroom instruction
17 computed on the teacher's current salary and work schedule.

18 When assessing payment for any amount due under subsection
19 (f), the System shall exclude a salary increase resulting from
20 a promotion (i) for which the employee is required to hold a
21 certificate or supervisory endorsement issued by the State
22 Teacher Certification Board that is a different certification
23 or supervisory endorsement than is required for the teacher's
24 previous position and (ii) to a position that has existed and
25 been filled by a member for no less than one complete academic
26 year and the salary increase from the promotion is an increase

1 that results in an amount no greater than the lesser of the
2 average salary paid for other similar positions in the district
3 requiring the same certification or the amount stipulated in
4 the collective bargaining agreement for a similar position
5 requiring the same certification.

6 When assessing payment for any amount due under subsection
7 (f), the System shall exclude any payment to the teacher from
8 the State of Illinois or the State Board of Education over
9 which the employer does not have discretion, notwithstanding
10 that the payment is included in the computation of final
11 average salary.

12 (h) When assessing payment for any amount due under
13 subsection (f), the System shall exclude any salary increase
14 described in subsection (g) of this Section given on or after
15 July 1, 2011 but before July 1, 2014 under a contract or
16 collective bargaining agreement entered into, amended, or
17 renewed on or after June 1, 2005 but before July 1, 2011.
18 Notwithstanding any other provision of this Section, any
19 payments made or salary increases given after June 30, 2014
20 shall be used in assessing payment for any amount due under
21 subsection (f) of this Section.

22 (i) The System shall prepare a report and file copies of
23 the report with the Governor and the General Assembly by
24 January 1, 2007 that contains all of the following information:

25 (1) The number of recalculations required by the
26 changes made to this Section by Public Act 94-1057 for each

1 employer.

2 (2) The dollar amount by which each employer's
3 contribution to the System was changed due to
4 recalculations required by Public Act 94-1057.

5 (3) The total amount the System received from each
6 employer as a result of the changes made to this Section by
7 Public Act 94-4.

8 (4) The increase in the required State contribution
9 resulting from the changes made to this Section by Public
10 Act 94-1057.

11 (j) For purposes of determining the required State
12 contribution to the System, the value of the System's assets
13 shall be equal to the actuarial value of the System's assets,
14 which shall be calculated as follows:

15 As of June 30, 2008, the actuarial value of the System's
16 assets shall be equal to the market value of the assets as of
17 that date. In determining the actuarial value of the System's
18 assets for fiscal years after June 30, 2008, any actuarial
19 gains or losses from investment return incurred in a fiscal
20 year shall be recognized in equal annual amounts over the
21 5-year period following that fiscal year.

22 (k) For purposes of determining the required State
23 contribution to the system for a particular year, the actuarial
24 value of assets shall be assumed to earn a rate of return equal
25 to the system's actuarially assumed rate of return.

26 (Source: P.A. 95-331, eff. 8-21-07; 95-950, eff. 8-29-08;

1 96-43, eff. 7-15-09.)

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

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

4 (a) The State of Illinois shall make contributions to this
5 System by appropriations of the amounts which, together with
6 the contributions of participants, net earnings on
7 investments, and other income, will meet the costs of
8 maintaining and administering this System on a 90% funded basis
9 in accordance with actuarial recommendations.

10 (b) The Board shall determine the amount of State
11 contributions required for each fiscal year on the basis of the
12 actuarial tables and other assumptions adopted by the Board and
13 the prescribed rate of interest, using the formula in
14 subsection (c).

15 (c) For State fiscal years 2012 ~~2011~~ through 2045, the
16 minimum contribution to the System to be made by the State for
17 each fiscal year shall be an amount determined by the System to
18 be sufficient to bring the total assets of the System up to 90%
19 of the total actuarial liabilities of the System by the end of
20 State fiscal year 2045. In making these determinations, the
21 required State contribution shall be calculated each year as a
22 level percentage of payroll over the years remaining to and
23 including fiscal year 2045 and shall be determined under the
24 projected unit credit actuarial cost method.

25 For State fiscal years 1996 through 2005, the State

1 contribution to the System, as a percentage of the applicable
2 employee payroll, shall be increased in equal annual increments
3 so that by State fiscal year 2011, the State is contributing at
4 the rate required under this Section.

5 Notwithstanding any other provision of this Article, the
6 total required State contribution for State fiscal year 2006 is
7 \$29,189,400.

8 Notwithstanding any other provision of this Article, the
9 total required State contribution for State fiscal year 2007 is
10 \$35,236,800.

11 For each of State fiscal years 2008 through 2009, the State
12 contribution to the System, as a percentage of the applicable
13 employee payroll, shall be increased in equal annual increments
14 from the required State contribution for State fiscal year
15 2007, so that by State fiscal year 2011, the State is
16 contributing at the rate otherwise required under this Section.

17 Notwithstanding any other provision of this Article, the
18 total required State contribution for State fiscal year 2010 is
19 \$78,832,000 and shall be made from the proceeds of bonds sold
20 in fiscal year 2010 pursuant to Section 7.2 of the General
21 Obligation Bond Act, less (i) the pro rata share of bond sale
22 expenses determined by the System's share of total bond
23 proceeds, (ii) any amounts received from the General Revenue
24 Fund in fiscal year 2010, and (iii) any reduction in bond
25 proceeds due to the issuance of discounted bonds, if
26 applicable.

1 Notwithstanding any other provision of this Article, the
2 total required State contribution for State fiscal year 2011 is
3 \$90,251,000 and shall be made from the proceeds of bonds sold
4 in fiscal year 2011 pursuant to Section 7.2 of the General
5 Obligation Bond Act, less (i) the pro rata share of bond sale
6 expenses determined by the System's share of total bond
7 proceeds, (ii) any amounts received from the General Revenue
8 Fund in fiscal year 2011, and (iii) any reduction in bond
9 proceeds due to the issuance of discounted bonds, if
10 applicable.

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

15 Amounts received by the System pursuant to Section 25 of
16 the Budget Stabilization Act or Section 8.12 of the State
17 Finance Act in any fiscal year do not reduce and do not
18 constitute payment of any portion of the minimum State
19 contribution required under this Article in that fiscal year.
20 Such amounts shall not reduce, and shall not be included in the
21 calculation of, the required State contributions under this
22 Article in any future year until the System has reached a
23 funding ratio of at least 90%. A reference in this Article to
24 the "required State contribution" or any substantially similar
25 term does not include or apply to any amounts payable to the
26 System under Section 25 of the Budget Stabilization Act.

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

25 (d) For purposes of determining the required State
26 contribution to the System, the value of the System's assets

1 shall be equal to the actuarial value of the System's assets,
2 which shall be calculated as follows:

3 As of June 30, 2008, the actuarial value of the System's
4 assets shall be equal to the market value of the assets as of
5 that date. In determining the actuarial value of the System's
6 assets for fiscal years after June 30, 2008, any actuarial
7 gains or losses from investment return incurred in a fiscal
8 year shall be recognized in equal annual amounts over the
9 5-year period following that fiscal year.

10 (e) For purposes of determining the required State
11 contribution to the system for a particular year, the actuarial
12 value of assets shall be assumed to earn a rate of return equal
13 to the system's actuarially assumed rate of return.

14 (Source: P.A. 95-950, eff. 8-29-08; 96-43, eff. 7-15-09.)

15 (40 ILCS 5/18-140) (from Ch. 108 1/2, par. 18-140)

16 Sec. 18-140. To certify required State contributions and
17 submit vouchers.

18 (a) The Board shall certify to the Governor, on or before
19 November 15 of each year, the amount of the required State
20 contribution to the System for the following fiscal year. The
21 certification shall include a copy of the actuarial
22 recommendations upon which it is based.

23 On or before May 1, 2004, the Board shall recalculate and
24 recertify to the Governor the amount of the required State
25 contribution to the System for State fiscal year 2005, taking

1 into account the amounts appropriated to and received by the
2 System under subsection (d) of Section 7.2 of the General
3 Obligation Bond Act.

4 On or before July 1, 2005, the Board shall recalculate and
5 recertify to the Governor the amount of the required State
6 contribution to the System for State fiscal year 2006, taking
7 into account the changes in required State contributions made
8 by this amendatory Act of the 94th General Assembly.

9 On or before June 15, 2010, the Board shall recalculate and
10 recertify to the Governor the amount of the required State
11 contribution to the System for State fiscal year 2011, applying
12 the changes made by Public Act 96-889 to the System's assets
13 and liabilities as of June 30, 2009 as though Public Act 96-889
14 was approved on that date.

15 (b) Beginning in State fiscal year 1996, on or as soon as
16 possible after the 15th day of each month the Board shall
17 submit vouchers for payment of State contributions to the
18 System, in a total monthly amount of one-twelfth of the
19 required annual State contribution certified under subsection
20 (a). From the effective date of this amendatory Act of the 93rd
21 General Assembly through June 30, 2004, the Board shall not
22 submit vouchers for the remainder of fiscal year 2004 in excess
23 of the fiscal year 2004 certified contribution amount
24 determined under this Section after taking into consideration
25 the transfer to the System under subsection (c) of Section
26 6z-61 of the State Finance Act. These vouchers shall be paid by

1 the State Comptroller and Treasurer by warrants drawn on the
2 funds appropriated to the System for that fiscal year.

3 If in any month the amount remaining unexpended from all
4 other appropriations to the System for the applicable fiscal
5 year (including the appropriations to the System under Section
6 8.12 of the State Finance Act and Section 1 of the State
7 Pension Funds Continuing Appropriation Act) is less than the
8 amount lawfully vouchered under this Section, the difference
9 shall be paid from the General Revenue Fund under the
10 continuing appropriation authority provided in Section 1.1 of
11 the State Pension Funds Continuing Appropriation Act.

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

14 Section 15. The State Pension Funds Continuing
15 Appropriation Act is amended by changing Sections 1.1 and 1.2
16 as follows:

17 (40 ILCS 15/1.1)

18 Sec. 1.1. Appropriations to certain retirement systems.

19 (a) There is hereby appropriated from the General Revenue
20 Fund to the General Assembly Retirement System, on a continuing
21 monthly basis, the amount, if any, by which the total available
22 amount of all other appropriations to that retirement system
23 for the payment of State contributions is less than the total
24 amount of the vouchers for required State contributions

1 lawfully submitted by the retirement system for that month
2 under Section 2-134 of the Illinois Pension Code.

3 (b) There is hereby appropriated from the General Revenue
4 Fund to the State Universities Retirement System, on a
5 continuing monthly basis, the amount, if any, by which the
6 total available amount of all other appropriations to that
7 retirement system for the payment of State contributions,
8 including any deficiency in the required contributions of the
9 optional retirement program established under Section 15-158.2
10 of the Illinois Pension Code, is less than the total amount of
11 the vouchers for required State contributions lawfully
12 submitted by the retirement system for that month under Section
13 15-165 of the Illinois Pension Code.

14 (c) There is hereby appropriated from the Common School
15 Fund to the Teachers' Retirement System of the State of
16 Illinois, on a continuing monthly basis, the amount, if any, by
17 which the total available amount of all other appropriations to
18 that retirement system for the payment of State contributions
19 is less than the total amount of the vouchers for required
20 State contributions lawfully submitted by the retirement
21 system for that month under Section 16-158 of the Illinois
22 Pension Code.

23 (d) There is hereby appropriated from the General Revenue
24 Fund to the Judges Retirement System of Illinois, on a
25 continuing monthly basis, the amount, if any, by which the
26 total available amount of all other appropriations to that

1 retirement system for the payment of State contributions is
2 less than the total amount of the vouchers for required State
3 contributions lawfully submitted by the retirement system for
4 that month under Section 18-140 of the Illinois Pension Code.

5 (e) The continuing appropriations provided by this Section
6 shall first be available in State fiscal year 1996.

7 (f) For State fiscal year 2010 only, the continuing
8 appropriations provided by this Section are equal to the amount
9 certified by each System on or before December 31, 2008, less
10 (i) the gross proceeds of the bonds sold in fiscal year 2010
11 under the authorization contained in subsection (a) of Section
12 7.2 of the General Obligation Bond Act and (ii) any amounts
13 received from the State Pensions Fund.

14 (g) For State fiscal year 2011 only, the continuing
15 appropriations provided by this Section are equal to the amount
16 certified by each System on or before December 31, 2009, less
17 (i) the gross proceeds of the bonds sold in fiscal year 2011
18 under the authorization contained in subsection (a) of Section
19 7.2 of the General Obligation Bond Act and (ii) any amounts
20 received from the State Pensions Fund.

21 (Source: P.A. 96-43, eff. 7-15-09.)

22 (40 ILCS 15/1.2)

23 Sec. 1.2. Appropriations for the State Employees'
24 Retirement System.

25 (a) From each fund from which an amount is appropriated for

1 personal services to a department or other employer under
2 Article 14 of the Illinois Pension Code, there is hereby
3 appropriated to that department or other employer, on a
4 continuing annual basis for each State fiscal year, an
5 additional amount equal to the amount, if any, by which (1) an
6 amount equal to the percentage of the personal services line
7 item for that department or employer from that fund for that
8 fiscal year that the Board of Trustees of the State Employees'
9 Retirement System of Illinois has certified under Section
10 14-135.08 of the Illinois Pension Code to be necessary to meet
11 the State's obligation under Section 14-131 of the Illinois
12 Pension Code for that fiscal year, exceeds (2) the amounts
13 otherwise appropriated to that department or employer from that
14 fund for State contributions to the State Employees' Retirement
15 System for that fiscal year. From the effective date of this
16 amendatory Act of the 93rd General Assembly through the final
17 payment from a department or employer's personal services line
18 item for fiscal year 2004, payments to the State Employees'
19 Retirement System that otherwise would have been made under
20 this subsection (a) shall be governed by the provisions in
21 subsection (a-1).

22 (a-1) If a Fiscal Year 2004 Shortfall is certified under
23 subsection (f) of Section 14-131 of the Illinois Pension Code,
24 there is hereby appropriated to the State Employees' Retirement
25 System of Illinois on a continuing basis from the General
26 Revenue Fund an additional aggregate amount equal to the Fiscal

1 Year 2004 Shortfall.

2 (a-2) If a Fiscal Year 2010 Shortfall is certified under
3 subsection (g) of Section 14-131 of the Illinois Pension Code,
4 there is hereby appropriated to the State Employees' Retirement
5 System of Illinois on a continuing basis from the General
6 Revenue Fund an additional aggregate amount equal to the Fiscal
7 Year 2010 Shortfall.

8 (b) The continuing appropriations provided for by this
9 Section shall first be available in State fiscal year 1996.

10 (c) Beginning in Fiscal Year 2005, any continuing
11 appropriation under this Section arising out of an
12 appropriation for personal services from the Road Fund to the
13 Department of State Police or the Secretary of State shall be
14 payable from the General Revenue Fund rather than the Road
15 Fund.

16 (d) For State fiscal year 2010 only, a continuing
17 appropriation is provided to the State Employees' Retirement
18 System equal to the amount certified by the System on or before
19 December 31, 2008, less the gross proceeds of the bonds sold in
20 fiscal year 2010 under the authorization contained in
21 subsection (a) of Section 7.2 of the General Obligation Bond
22 Act.

23 (e) For State fiscal year 2011 only, a continuing
24 appropriation is provided to the State Employees' Retirement
25 System equal to the amount certified by the System on or before
26 December 31, 2009, less the gross proceeds of the bonds sold in

1 fiscal year 2011 under the authorization contained in
2 subsection (a) of Section 7.2 of the General Obligation Bond
3 Act.

4 (Source: P.A. 96-43, eff. 7-15-09; 96-45, eff. 7-15-09; revised
5 11-3-09.)

6 Section 99. Effective date. This Act takes effect upon
7 becoming law."