

**SB0274**



**96TH GENERAL ASSEMBLY**

**State of Illinois**

**2009 and 2010**

**SB0274**

Introduced 2/6/2009, by Sen. Deanna Demuzio

**SYNOPSIS AS INTRODUCED:**

40 ILCS 5/14-110

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

Amends the State Employee Article of the Illinois Pension Code. Provides the alternative formula for ferry boat operators and deck hands. Effective immediately.

LRB096 08429 AMC 18542 b

FISCAL NOTE ACT  
MAY APPLY

PENSION IMPACT  
NOTE ACT MAY  
APPLY

**A BILL FOR**

1 AN ACT concerning public employee benefits.

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

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

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

8 (a) Any member who has withdrawn from service with not less  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10 age 55, and any member who has withdrawn from service with not  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

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

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

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

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

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

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

23 (1) State policeman;

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

26 (3) air pilot;

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

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

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

6 (c) For the purposes of this Section:

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

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

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

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

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

10 (5) The term "investigator for the Secretary of State"  
11 means any person employed by the Office of the Secretary of  
12 State and vested with such investigative duties as render  
13 him ineligible for coverage under the Social Security Act  
14 by reason of Sections 218(d)(5)(A), 218(d)(8)(D) and  
15 218(1)(1) of that Act.

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

25 (6) The term "Conservation Police Officer" means any  
26 person employed by the Division of Law Enforcement of the

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

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

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

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

14 The changes made to this subdivision (c)(8) by Public  
15 Act 92-14 apply to persons who retire on or after January  
16 1, 2001, notwithstanding Section 1-103.1.

17 (9) "Central Management Services security police  
18 officer" means any person employed by the Department of  
19 Central Management Services who is vested with such law  
20 enforcement duties as render him ineligible for coverage  
21 under the Social Security Act by reason of Sections  
22 218(d)(5)(A), 218(d)(8)(D) and 218(1)(1) of that Act.

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



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

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

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

1 218(d)(8)(D) and 218(1)(1) of that Act.

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

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

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

26 (16) "Commerce Commission police officer" means any

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

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

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

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

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

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

21 (19) "Ferry boat operator" or "deck hand" means a  
22 person employed on a full-time basis by the Illinois  
23 Department of Transportation in the position of Ferry Boat  
24 Operator I or Ferry Boat Operator II or in the position of  
25 deck hand.

26 (d) A security employee of the Department of Corrections or

1 the Department of Juvenile Justice, and a security employee of  
2 the Department of Human Services who is not a mental health  
3 police officer, shall not be eligible for the alternative  
4 retirement annuity provided by this Section unless he or she  
5 meets the following minimum age and service requirements at the  
6 time of retirement:

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

8 or

9 (ii) beginning January 1, 1987, 25 years of eligible  
10 creditable service and age 54, or 24 years of eligible  
11 creditable service and age 55; or

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

15 (iv) beginning January 1, 1989, 25 years of eligible  
16 creditable service and age 52, or 22 years of eligible  
17 creditable service and age 55; or

18 (v) beginning January 1, 1990, 25 years of eligible  
19 creditable service and age 51, or 21 years of eligible  
20 creditable service and age 55; or

21 (vi) beginning January 1, 1991, 25 years of eligible  
22 creditable service and age 50, or 20 years of eligible  
23 creditable service and age 55.

24 Persons who have service credit under Article 16 of this  
25 Code for service as a security employee of the Department of  
26 Corrections or the Department of Juvenile Justice, or the

1 Department of Human Services in a position requiring  
2 certification as a teacher may count such service toward  
3 establishing their eligibility under the service requirements  
4 of this Section; but such service may be used only for  
5 establishing such eligibility, and not for the purpose of  
6 increasing or calculating any benefit.

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

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

1 (1) from the date of service to the date of payment.

2 For purposes of calculating retirement annuities under  
3 this Section, periods of service rendered after December 31,  
4 1968 and before January 1, 1982 as a covered employee in the  
5 position of investigator for the Department of Revenue shall be  
6 deemed to have been service as a noncovered employee, provided  
7 that the employee pays to the System prior to retirement an  
8 amount equal to (1) the difference between the employee  
9 contributions that would have been required for such service as  
10 a noncovered employee, and the amount of employee contributions  
11 actually paid, plus (2) if payment is made after January 1,  
12 1990, regular interest on the amount specified in item (1) from  
13 the date of service to the date of payment.

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

26 Subject to the limitation in subsection (i), a State

1 policeman may elect, not later than July 1, 1993, to establish  
2 eligible creditable service for up to 10 years of his service  
3 as a member of the County Police Department under Article 9, by  
4 filing a written election with the Board, accompanied by  
5 payment of an amount to be determined by the Board, equal to  
6 (i) the difference between the amount of employee and employer  
7 contributions transferred to the System under Section 9-121.10  
8 and the amounts that would have been contributed had those  
9 contributions been made at the rates applicable to State  
10 policemen, plus (ii) interest thereon at the effective rate for  
11 each year, compounded annually, from the date of service to the  
12 date of payment.

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

26 Subject to the limitation in subsection (i), a State



1 policeman, conservation police officer, or investigator for  
2 the Secretary of State may elect to establish eligible  
3 creditable service for up to 10 years of service as a sheriff's  
4 law enforcement employee under Article 7, by filing a written  
5 election with the Board on or before January 31, 1993, and  
6 paying to the System by January 31, 1994 an amount to be  
7 determined by the Board, equal to (i) the difference between  
8 the amount of employee and employer contributions transferred  
9 to the System under Section 7-139.7, and the amounts that would  
10 have been contributed had such contributions been made at the  
11 rates applicable to State policemen, plus (ii) interest thereon  
12 at the effective rate for each year, compounded annually, from  
13 the date of service to the date of payment.

14 Subject to the limitation in subsection (i), a State  
15 policeman, conservation police officer, or investigator for  
16 the Secretary of State may elect to establish eligible  
17 creditable service for up to 5 years of service as a police  
18 officer under Article 3, a policeman under Article 5, a  
19 sheriff's law enforcement employee under Article 7, a member of  
20 the county police department under Article 9, or a police  
21 officer under Article 15 by filing a written election with the  
22 Board and paying to the System an amount to be determined by  
23 the Board, equal to (i) the difference between the amount of  
24 employee and employer contributions transferred to the System  
25 under Section 3-110.6, 5-236, 7-139.8, 9-121.10, or 15-134.4  
26 and the amounts that would have been contributed had such

1 contributions been made at the rates applicable to State  
2 policemen, plus (ii) interest thereon at the effective rate for  
3 each year, compounded annually, from the date of service to the  
4 date of payment.

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

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

23 (k) Subject to the limitation in subsection (i) of this  
24 Section, an alternative formula employee may elect to establish  
25 eligible creditable service for periods spent as a full-time  
26 law enforcement officer or full-time corrections officer

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

18 (1) Subject to the limitation in subsection (i), a security  
19 employee of the Department of Corrections may elect, not later  
20 than July 1, 1998, to establish eligible creditable service for  
21 up to 10 years of his or her service as a policeman under  
22 Article 3, by filing a written election with the Board,  
23 accompanied by payment of an amount to be determined by the  
24 Board, equal to (i) the difference between the amount of  
25 employee and employer contributions transferred to the System  
26 under Section 3-110.5, and the amounts that would have been

1 contributed had such contributions been made at the rates  
2 applicable to security employees of the Department of  
3 Corrections, plus (ii) interest thereon at the effective rate  
4 for each year, compounded annually, from the date of service to  
5 the date of payment.

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

23 (Source: P.A. 94-4, eff. 6-1-05; 94-696, eff. 6-1-06; 95-530,  
24 eff. 8-28-07.)

25 Section 99. Effective date. This Act takes effect upon  
26 becoming law.