

1 AN ACT concerning State government.

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

4 Section 5. The Illinois Pension Code is amended by changing
5 Sections 2-108.1 and 18-125 as follows:

6 (40 ILCS 5/2-108.1) (from Ch. 108 1/2, par. 2-108.1)

7 Sec. 2-108.1. Highest salary for annuity purposes.

8 (a) "Highest salary for annuity purposes" means whichever
9 of the following is applicable to the participant:

10 For a participant who first becomes a participant of this
11 System before the effective date of this amendatory Act of the
12 96th General Assembly:

13 (1) For a participant who is a member of the General
14 Assembly on his or her last day of service: the highest
15 salary that is prescribed by law, on the participant's last
16 day of service, for a member of the General Assembly who is
17 not an officer; plus, if the participant was elected or
18 appointed to serve as an officer of the General Assembly
19 for 2 or more years and has made contributions as required
20 under subsection (d) of Section 2-126, the highest
21 additional amount of compensation prescribed by law, at the
22 time of the participant's service as an officer, for
23 members of the General Assembly who serve in that office.

1 (2) For a participant who holds one of the State
2 executive offices specified in Section 2-105 on his or her
3 last day of service: the highest salary prescribed by law
4 for service in that office on the participant's last day of
5 service.

6 (3) For a participant who is Clerk or Assistant Clerk
7 of the House of Representatives or Secretary or Assistant
8 Secretary of the Senate on his or her last day of service:
9 the salary received for service in that capacity on the
10 last day of service, but not to exceed the highest salary
11 (including additional compensation for service as an
12 officer) that is prescribed by law on the participant's
13 last day of service for the highest paid officer of the
14 General Assembly.

15 (4) For a participant who is a continuing participant
16 under Section 2-117.1 on his or her last day of service:
17 the salary received for service in that capacity on the
18 last day of service, but not to exceed the highest salary
19 (including additional compensation for service as an
20 officer) that is prescribed by law on the participant's
21 last day of service for the highest paid officer of the
22 General Assembly.

23 For a participant who first becomes a participant of this
24 System on or after the effective date of this amendatory Act of
25 the 96th General Assembly, the average monthly salary obtained
26 by dividing the total salary of the participant during the

1 period of: (1) the 48 consecutive months of service within the
2 last 120 months of service in which the total compensation was
3 the highest, or (2) the total period of service, if less than
4 48 months, by the number of months of service in that period.

5 (b) The earnings limitations of subsection (a) apply to
6 earnings under any other participating system under the
7 Retirement Systems Reciprocal Act that are considered in
8 calculating a proportional annuity under this Article, except
9 in the case of a person who first became a member of this
10 System before August 22, 1994.

11 (c) In calculating the subsection (a) earnings limitation
12 to be applied to earnings under any other participating system
13 under the Retirement Systems Reciprocal Act for the purpose of
14 calculating a proportional annuity under this Article, the
15 participant's last day of service shall be deemed to mean the
16 last day of service in any participating system from which the
17 person has applied for a proportional annuity under the
18 Retirement Systems Reciprocal Act.

19 (Source: P.A. 90-655, eff. 7-30-98.)

20 (40 ILCS 5/18-125) (from Ch. 108 1/2, par. 18-125)

21 Sec. 18-125. Retirement annuity amount.

22 (a) The annual retirement annuity for a participant who
23 terminated service as a judge prior to July 1, 1971 shall be
24 based on the law in effect at the time of termination of
25 service.

1 (b) Effective July 1, 1971, the retirement annuity for any
2 participant in service on or after such date shall be 3 1/2% of
3 final average salary, as defined in this Section, for each of
4 the first 10 years of service, and 5% of such final average
5 salary for each year of service on excess of 10.

6 For purposes of this Section, final average salary for a
7 participant who first serves a judge before the effective date
8 of this amendatory Act of the 96th General Assembly shall be:

9 (1) the average salary for the last 4 years of credited
10 service as a judge for a participant who terminates service
11 before July 1, 1975.

12 (2) for a participant who terminates service after June
13 30, 1975 and before July 1, 1982, the salary on the last
14 day of employment as a judge.

15 (3) for any participant who terminates service after
16 June 30, 1982 and before January 1, 1990, the average
17 salary for the final year of service as a judge.

18 (4) for a participant who terminates service on or
19 after January 1, 1990 but before the effective date of this
20 amendatory Act of 1995, the salary on the last day of
21 employment as a judge.

22 (5) for a participant who terminates service on or
23 after the effective date of this amendatory Act of 1995,
24 the salary on the last day of employment as a judge, or the
25 highest salary received by the participant for employment
26 as a judge in a position held by the participant for at

1 least 4 consecutive years, whichever is greater.

2 However, in the case of a participant who elects to
3 discontinue contributions as provided in subdivision (a) (2) of
4 Section 18-133, the time of such election shall be considered
5 the last day of employment in the determination of final
6 average salary under this subsection.

7 For a participant who first serves a judge on or after the
8 effective date of this amendatory Act of the 96th General
9 Assembly, final average salary shall be the average monthly
10 salary obtained by dividing the total salary of the participant
11 during the period of: (1) the 48 consecutive months of service
12 within the last 120 months of service in which the total
13 compensation was the highest, or (2) the total period of
14 service, if less than 48 months, by the number of months of
15 service in that period.

16 The maximum retirement annuity for any participant shall be
17 85% of final average salary.

18 (c) The retirement annuity for a participant who retires
19 prior to age 60 with less than 28 years of service in the
20 System shall be reduced 1/2 of 1% for each month that the
21 participant's age is under 60 years at the time the annuity
22 commences. However, for a participant who retires on or after
23 the effective date of this amendatory Act of the 91st General
24 Assembly, the percentage reduction in retirement annuity
25 imposed under this subsection shall be reduced by 5/12 of 1%
26 for every month of service in this System in excess of 20

1 years, and therefore a participant with at least 26 years of
2 service in this System may retire at age 55 without any
3 reduction in annuity.

4 The reduction in retirement annuity imposed by this
5 subsection shall not apply in the case of retirement on account
6 of disability.

7 (Source: P.A. 91-653, eff. 12-10-99.)

8 Section 99. Effective date. This Act takes effect upon
9 becoming law.