



Rep. Kevin A. McCarthy

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1 AMENDMENT TO SENATE BILL 550

2 AMENDMENT NO. _____. Amend Senate Bill 550, AS AMENDED, by
3 replacing everything after the enacting clause with the
4 following:

5 "Section 5. The Illinois Pension Code is amended by
6 changing Sections 1-160, 2-108.1, 2-119, 2-119.01, 2-119.1,
7 2-121.1, 2-122, 2-126, 8-168, 9-164, 9-220, 11-164, 13-601,
8 14-103.05, 14-103.10, 15-112, 15-113.6, 15-134, 15-136.3,
9 15-146, 18-115, 18-125, 18-125.1, 18-127, 18-128.01, and
10 18-133 as follows:

11 (40 ILCS 5/1-160)

12 Sec. 1-160. Provisions applicable to new hires.

13 (a) The provisions of this Section apply to a person who,
14 on or after January 1, 2011, first becomes a member or an
15 ~~employee and~~ a participant under any reciprocal retirement
16 system or pension fund established under this Code, other than

1 a retirement system or pension fund established under Article
2 2, 3, 4, 5, 6, or 18 of this Code, ~~on or after the effective~~
3 ~~date of this amendatory Act of the 96th General Assembly~~
4 notwithstanding any other provision of this Code to the
5 contrary, but do not apply to any self-managed plan established
6 under this Code, to any person with respect to service as a
7 sheriff's law enforcement employee under Article 7, or to any
8 participant of the retirement plan established under Section
9 22-101.

10 (b) "Final average salary" means the average monthly (or
11 annual) salary obtained by dividing the total salary or
12 earnings calculated under the Article applicable to ~~of~~ the
13 member or participant during the 96 consecutive months (or 8
14 consecutive years) of service within the last 120 months (or 10
15 years) of service in which the total salary or earnings
16 calculated under the applicable Article was the highest by the
17 number of months (or years) of service in that period; ~~however,~~
18 ~~the annual final average salary may not exceed \$106,800, as~~
19 ~~automatically increased by the lesser of 3% or one half of the~~
20 ~~annual increase in the consumer price index u during the~~
21 ~~preceding 12-month calendar year.~~ For the purposes of a person
22 who first becomes a member or participant ~~an employee~~ of any
23 retirement system or pension fund to which this Section applies
24 on or after January 1, 2011 ~~the effective date of this~~
25 ~~amendatory Act of the 96th General Assembly,~~ in this Code,
26 "final average salary" shall be substituted for the following:

1 (1) In Articles 7 (except for service as sheriff's law
2 enforcement employees) and 15, "final rate of earnings".

3 (2) In Articles 8, 9, 10, 11, and 12, "highest average
4 annual salary for any 4 consecutive years within the last
5 10 years of service immediately preceding the date of
6 withdrawal".

7 (3) In Article 13, "average final salary".

8 (4) In Article 14, "final average compensation".

9 (5) In Article 17, "average salary".

10 (6) In Section 22-207, "wages or salary received by him
11 at the date of retirement or discharge".

12 (b-5) Beginning on January 1, 2011, for all purposes under
13 this Code (including without limitation the calculation of
14 benefits and employee contributions), the annual earnings,
15 salary, or wages (based on the plan year) of a member or
16 participant to whom this Section applies shall not exceed
17 \$106,800; however, that amount shall annually thereafter be
18 increased by the lesser of (i) 3% of that amount, including all
19 previous adjustments, or (ii) one-half the annual unadjusted
20 percentage increase (but not less than zero) in the consumer
21 price index-u for the 12 months ending with the September
22 preceding each November 1, including all previous adjustments.

23 For the purposes of this Section, "consumer price index-u"
24 means the index published by the Bureau of Labor Statistics of
25 the United States Department of Labor that measures the average
26 change in prices of goods and services purchased by all urban

1 consumers, United States city average, all items, 1982-84 =
2 100. The new amount resulting from each annual adjustment shall
3 be determined by the Public Pension Division of the Department
4 of Insurance and made available to the boards of the retirement
5 systems and pension funds by November 1 of each year.

6 (c) A member or participant is entitled to a retirement
7 annuity upon ~~beginning on the date specified by the participant~~
8 ~~in a written application only if, on that specified date,~~ he or
9 she has attained age 67 and has at least 10 years of service
10 credit and is otherwise eligible under the requirements of the
11 applicable Article.

12 A member or participant who has attained age 62 and has at
13 least 10 years of service credit and is otherwise eligible
14 under the requirements of the applicable Article may elect to
15 receive the lower retirement annuity provided in subsection (d)
16 of this Section.

17 (d) The retirement annuity of a member or participant who
18 is retiring after attaining age 62 with at least 10 years of
19 service credit shall be reduced by one-half of 1% for each full
20 month that the member's age is under age 67.

21 (e) Any retirement annuity or supplemental annuity shall be
22 subject to annual increases on the January 1 occurring either
23 on or after the attainment of age 67 or the first anniversary
24 of the annuity start date, whichever is later ~~upon (1)~~
25 ~~attainment of age 67 or (2) the first anniversary of the~~
26 ~~commencement of the annuity, whichever occurs later.~~ Each

1 annual increase shall be calculated at 3% or one-half the
2 annual unadjusted percentage increase (but not less than zero)
3 in the consumer price index-u for the 12 months ending with the
4 September preceding each November 1 ~~for the preceding calendar~~
5 ~~year~~, whichever is less, of the originally granted retirement
6 annuity. If the annual unadjusted percentage change ~~increase~~ in
7 the consumer price index-u for the 12 months ending with the
8 September preceding each November 1 ~~calendar year~~ is zero or
9 there is a decrease, then the annuity shall not be increased.

10 (f) The initial survivor's or widow's annuity of an
11 otherwise eligible survivor or widow of a retired member or
12 participant who first became a member or ~~becomes a~~ participant
13 on or after January 1, 2011 ~~the effective date of this~~
14 ~~amendatory Act of the 96th General Assembly~~ shall be in the
15 amount of 66 2/3% of the retired member's or participant's
16 ~~earned~~ retirement annuity at the date of death. In the case of
17 the death of a member or participant who has not retired and
18 who first became a member or participant on or after January 1,
19 2011, eligibility for a survivor's or widow's annuity shall be
20 determined by the applicable Article of this Code. The initial
21 benefit shall be 66 2/3% of the earned annuity without a
22 reduction due to age. A child's annuity of an otherwise
23 eligible child shall be in the amount prescribed under each
24 Article if applicable. Any survivor's or widow's annuity ~~and~~
25 shall be increased (1) on each January 1 occurring on or after
26 the commencement of the annuity if the deceased member died

1 while receiving a retirement annuity or (2) in other cases, on
2 each January 1 occurring after the first anniversary of the
3 commencement of the annuity. Each annual increase shall be
4 calculated at 3% or one-half the annual unadjusted percentage
5 increase (but not less than zero) in the consumer price index-u
6 for the 12 months ending with the September preceding each
7 November 1 ~~for the preceding calendar year~~, whichever is less,
8 of the originally granted survivor's annuity. If the annual
9 unadjusted percentage change ~~increase~~ in the consumer price
10 index-u for the 12 months ending with the September preceding
11 each November 1 ~~calendar year~~ is zero or there is a decrease,
12 then the annuity shall not be increased.

13 (g) The benefits in Section 14-110 apply only if the person
14 is a State policeman, a fire fighter in the fire protection
15 service of a department, or a security employee of the
16 Department of Corrections or the Department of Juvenile
17 Justice, as those terms are defined in subsection (b) of
18 Section 14-110. A person who meets the requirements of this
19 Section is entitled to an annuity calculated under the
20 provisions of Section 14-110, in lieu of the regular or minimum
21 retirement annuity, only if the person has withdrawn from
22 service with not less than 20 years of eligible creditable
23 service and has attained age 60, regardless of whether the
24 attainment of age 60 occurs while the person is still in
25 service.

26 (h) If a person who first becomes a member or a participant

1 of a retirement system or pension fund subject to this Section
2 on or after January 1, 2011 ~~the effective date of this~~
3 ~~amendatory Act of the 96th General Assembly~~ is receiving a
4 retirement annuity or retirement pension under that system or
5 fund and becomes a member or participant under ~~accepts~~
6 ~~employment in a position covered under the same Article or any~~
7 other system or fund created by ~~Article of~~ this Code and is
8 employed on a full-time basis, except for those members or
9 participants exempted from the provisions of this Section under
10 subsection (a) of this Section, then the person's retirement
11 annuity or retirement pension under that system or fund shall
12 be suspended during that employment. Upon termination of that
13 employment, the person's retirement annuity or retirement
14 pension payments shall resume and, ~~if appropriate,~~ be
15 recalculated if recalculation is provided for under the
16 applicable Article provisions of this Code.

17 (i) Notwithstanding any other provision of this Section, a
18 person who first becomes a participant of the retirement system
19 established under Article 15 on or after January 1, 2011 ~~the~~
20 ~~effective date of this amendatory Act of the 96th General~~
21 ~~Assembly~~ shall have the option to enroll in the self-managed
22 plan created under Section 15-158.2 of this Code.

23 (j) In the case of a conflict between the provisions of
24 this Section and any other provision of this Code, the
25 provisions of this Section shall control.

26 (Source: P.A. 96-889, eff. 1-1-11.)

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

2 (Text of Section after amendment by P.A. 96-889)

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

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

6 For a participant who first becomes a participant of this
7 System before August 10, 2009 (the effective date of Public Act
8 96-207):

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

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

25 (3) For a participant who is Clerk or Assistant Clerk

1 of the House of Representatives or Secretary or Assistant
2 Secretary of the Senate on his or her last day of service:
3 the salary received for service in that capacity on the
4 last day of service, but not to exceed the highest salary
5 (including additional compensation for service as an
6 officer) that is prescribed by law on the participant's
7 last day of service for the highest paid officer of the
8 General Assembly.

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

17 For a participant who first becomes a participant of this
18 System on or after August 10, 2009 (the effective date of
19 Public Act 96-207) and before January 1, 2011 (the effective
20 date of Public Act 96-889) ~~this amendatory Act of the 96th~~
21 ~~General Assembly~~, the average monthly salary obtained by
22 dividing the total salary of the participant during the period
23 of: (1) the 48 consecutive months of service within the last
24 120 months of service in which the total compensation was the
25 highest, or (2) the total period of service, if less than 48
26 months, by the number of months of service in that period.

1 For a participant who first becomes a participant of this
2 System on or after January 1, 2011 (the effective date of
3 Public Act 96-889) ~~this amendatory Act of the 96th General~~
4 ~~Assembly~~, the average monthly salary obtained by dividing the
5 total salary of the participant during the 96 consecutive
6 months of service within the last 120 months of service in
7 which the total compensation was the highest by the number of
8 months of service in that period; however, beginning January 1,
9 2011, the highest salary for annuity purposes may not exceed
10 \$106,800, except that that amount shall annually thereafter be
11 increased by the lesser of (i) 3% of that amount, including all
12 previous adjustments, or (ii) the annual unadjusted percentage
13 increase (but not less than zero) ~~the Social Security Covered~~
14 ~~Wage Base for 2010,~~ and shall automatically be increased or
15 ~~decreased, as applicable, by a percentage equal to the~~
16 ~~percentage change~~ in the consumer price index-u for the 12
17 months ending with the September preceding each November 1
18 ~~during the preceding 12 month calendar year.~~ "Consumer price
19 index-u" means the index published by the Bureau of Labor
20 Statistics of the United States Department of Labor that
21 measures the average change in prices of goods and services
22 purchased by all urban consumers, United States city average,
23 all items, 1982-84 = 100. The new amount resulting from each
24 annual adjustment shall be determined by the Public Pension
25 Division of the Department of Insurance and made available to
26 the Board by November 1 of each year.

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

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

15 (Source: P.A. 96-207, eff. 8-10-09; 96-889, eff. 1-1-11.)

16 (40 ILCS 5/2-119) (from Ch. 108 1/2, par. 2-119)

17 (Text of Section after amendment by P.A. 96-889)

18 Sec. 2-119. Retirement annuity - conditions for
19 eligibility.

20 (a) A participant whose service as a member is terminated,
21 regardless of age or cause, is entitled to a retirement annuity
22 beginning on the date specified by the participant in a written
23 application subject to the following conditions:

24 1. The date the annuity begins does not precede the
25 date of final termination of service, or is not more than

1 30 days before the receipt of the application by the board
2 in the case of annuities based on disability or one year
3 before the receipt of the application in the case of
4 annuities based on attained age;

5 2. The participant meets one of the following
6 eligibility requirements:

7 For a participant who first becomes a participant of
8 this System before January 1, 2011 (the effective date of
9 Public Act 96-889) ~~this amendatory Act of the 96th General~~
10 ~~Assembly:~~

11 (A) He or she has attained age 55 and has at least
12 8 years of service credit;

13 (B) He or she has attained age 62 and terminated
14 service after July 1, 1971 with at least 4 years of
15 service credit; or

16 (C) He or she has completed 8 years of service and
17 has become permanently disabled and as a consequence,
18 is unable to perform the duties of his or her office.

19 For a participant who first becomes a participant of
20 this System on or after January 1, 2011 (the effective date
21 of Public Act 96-889) ~~this amendatory Act of the 96th~~
22 ~~General Assembly~~, he or she has attained age 67 and has at
23 least 8 years of service credit.

24 (a-5) A participant who first becomes a participant of this
25 System on or after January 1, 2011 (the effective date of
26 Public Act 96-889) ~~this amendatory Act of the 96th General~~

1 ~~Assembly~~ who has attained age 62 and has at least 8 years of
2 service credit may elect to receive the lower retirement
3 annuity provided in paragraph (c) of Section 2-119.01 of this
4 Code.

5 (b) A participant shall be considered permanently disabled
6 only if: (1) disability occurs while in service and is of such
7 a nature as to prevent him or her from reasonably performing
8 the duties of his or her office at the time; and (2) the board
9 has received a written certificate by at least 2 licensed
10 physicians appointed by the board stating that the member is
11 disabled and that the disability is likely to be permanent.

12 (Source: P.A. 96-889, eff. 1-1-11.)

13 (40 ILCS 5/2-119.01) (from Ch. 108 1/2, par. 2-119.01)

14 (Text of Section after amendment by P.A. 96-889)

15 Sec. 2-119.01. Retirement annuities - Amount.

16 (a) For a participant in service after June 30, 1977 who
17 has not made contributions to this System after January 1,
18 1982, the annual retirement annuity is 3% for each of the first
19 8 years of service, plus 4% for each of the next 4 years of
20 service, plus 5% for each year of service in excess of 12
21 years, based on the participant's highest salary for annuity
22 purposes. The maximum retirement annuity payable shall be 80%
23 of the participant's highest salary for annuity purposes.

24 (b) For a participant in service after June 30, 1977 who
25 has made contributions to this System on or after January 1,

1 1982, the annual retirement annuity is 3% for each of the first
2 4 years of service, plus 3 1/2% for each of the next 2 years of
3 service, plus 4% for each of the next 2 years of service, plus
4 4 1/2% for each of the next 4 years of service, plus 5% for each
5 year of service in excess of 12 years, of the participant's
6 highest salary for annuity purposes. The maximum retirement
7 annuity payable shall be 85% of the participant's highest
8 salary for annuity purposes.

9 (c) Notwithstanding any other provision of this Article,
10 for a participant who first becomes a participant on or after
11 January 1, 2011 (the effective date of Public Act 96-889) ~~this~~
12 ~~amendatory Act of the 96th General Assembly~~, the annual
13 retirement annuity is 3% of the participant's highest salary
14 for annuity purposes for each year of service. The maximum
15 retirement annuity payable shall be 60% of the participant's
16 highest salary for annuity purposes.

17 (d) Notwithstanding any other provision of this Article,
18 for a participant who first becomes a participant on or after
19 January 1, 2011 (the effective date of Public Act 96-889) ~~this~~
20 ~~amendatory Act of the 96th General Assembly~~ and who is retiring
21 after attaining age 62 with at least 8 years of service credit,
22 the retirement annuity shall be reduced by one-half of 1% for
23 each month that the member's age is under age 67.

24 (Source: P.A. 96-889, eff. 1-1-11.)

1 (Text of Section after amendment by P.A. 96-889)

2 Sec. 2-119.1. Automatic increase in retirement annuity.

3 (a) A participant who retires after June 30, 1967, and who
4 has not received an initial increase under this Section before
5 the effective date of this amendatory Act of 1991, shall, in
6 January or July next following the first anniversary of
7 retirement, whichever occurs first, and in the same month of
8 each year thereafter, but in no event prior to age 60, have the
9 amount of the originally granted retirement annuity increased
10 as follows: for each year through 1971, 1 1/2%; for each year
11 from 1972 through 1979, 2%; and for 1980 and each year
12 thereafter, 3%. Annuitants who have received an initial
13 increase under this subsection prior to the effective date of
14 this amendatory Act of 1991 shall continue to receive their
15 annual increases in the same month as the initial increase.

16 (b) Beginning January 1, 1990, for eligible participants
17 who remain in service after attaining 20 years of creditable
18 service, the 3% increases provided under subsection (a) shall
19 begin to accrue on the January 1 next following the date upon
20 which the participant (1) attains age 55, or (2) attains 20
21 years of creditable service, whichever occurs later, and shall
22 continue to accrue while the participant remains in service;
23 such increases shall become payable on January 1 or July 1,
24 whichever occurs first, next following the first anniversary of
25 retirement. For any person who has service credit in the System
26 for the entire period from January 15, 1969 through December

1 31, 1992, regardless of the date of termination of service, the
2 reference to age 55 in clause (1) of this subsection (b) shall
3 be deemed to mean age 50.

4 This subsection (b) does not apply to any person who first
5 becomes a member of the System after the effective date of this
6 amendatory Act of the 93rd General Assembly.

7 (b-5) Notwithstanding any other provision of this Article,
8 a participant who first becomes a participant on or after
9 January 1, 2011 (the effective date of Public Act 96-889) ~~this~~
10 ~~amendatory Act of the 96th General Assembly~~ shall, in January
11 or July next following the first anniversary of retirement,
12 whichever occurs first, and in the same month of each year
13 thereafter, but in no event prior to age 67, have the amount of
14 the retirement annuity then being paid increased by 3% or the
15 annual unadjusted percentage increase ~~change~~ in the Consumer
16 Price Index for All Urban Consumers as determined by the Public
17 Pension Division of the Department of Insurance under
18 subsection (a) of Section 2-108.1, whichever is less.

19 (c) The foregoing provisions relating to automatic
20 increases are not applicable to a participant who retires
21 before having made contributions (at the rate prescribed in
22 Section 2-126) for automatic increases for less than the
23 equivalent of one full year. However, in order to be eligible
24 for the automatic increases, such a participant may make
25 arrangements to pay to the system the amount required to bring
26 the total contributions for the automatic increase to the

1 equivalent of one year's contributions based upon his or her
2 last salary.

3 (d) A participant who terminated service prior to July 1,
4 1967, with at least 14 years of service is entitled to an
5 increase in retirement annuity beginning January, 1976, and to
6 additional increases in January of each year thereafter.

7 The initial increase shall be 1 1/2% of the originally
8 granted retirement annuity multiplied by the number of full
9 years that the annuitant was in receipt of such annuity prior
10 to January 1, 1972, plus 2% of the originally granted
11 retirement annuity for each year after that date. The
12 subsequent annual increases shall be at the rate of 2% of the
13 originally granted retirement annuity for each year through
14 1979 and at the rate of 3% for 1980 and thereafter.

15 (e) Beginning January 1, 1990, all automatic annual
16 increases payable under this Section shall be calculated as a
17 percentage of the total annuity payable at the time of the
18 increase, including previous increases granted under this
19 Article.

20 (Source: P.A. 96-889, eff. 1-1-11.)

21 (40 ILCS 5/2-121.1) (from Ch. 108 1/2, par. 2-121.1)

22 (Text of Section after amendment by P.A. 96-889)

23 Sec. 2-121.1. Survivor's annuity - amount.

24 (a) A surviving spouse shall be entitled to 66 2/3% of the
25 amount of retirement annuity to which the participant or

1 annuitant was entitled on the date of death, without regard to
2 whether the participant had attained age 55 prior to his or her
3 death, subject to a minimum payment of 10% of salary. If a
4 surviving spouse, regardless of age, has in his or her care at
5 the date of death any eligible child or children of the
6 participant, the survivor's annuity shall be the greater of the
7 following: (1) 66 2/3% of the amount of retirement annuity to
8 which the participant or annuitant was entitled on the date of
9 death, or (2) 30% of the participant's salary increased by 10%
10 of salary on account of each such child, subject to a total
11 payment for the surviving spouse and children of 50% of salary.
12 If eligible children survive but there is no surviving spouse,
13 or if the surviving spouse dies or becomes disqualified by
14 remarriage while eligible children survive, each eligible
15 child shall be entitled to an annuity of 20% of salary, subject
16 to a maximum total payment for all such children of 50% of
17 salary.

18 However, the survivor's annuity payable under this Section
19 shall not be less than 100% of the amount of retirement annuity
20 to which the participant or annuitant was entitled on the date
21 of death, if he or she is survived by a dependent disabled
22 child.

23 The salary to be used for determining these benefits shall
24 be the salary used for determining the amount of retirement
25 annuity as provided in Section 2-119.01.

26 (b) Upon the death of a participant after the termination

1 of service or upon death of an annuitant, the maximum total
2 payment to a surviving spouse and eligible children, or to
3 eligible children alone if there is no surviving spouse, shall
4 be 75% of the retirement annuity to which the participant or
5 annuitant was entitled, unless there is a dependent disabled
6 child among the survivors.

7 (c) When a child ceases to be an eligible child, the
8 annuity to that child, or to the surviving spouse on account of
9 that child, shall thereupon cease, and the annuity payable to
10 the surviving spouse or other eligible children shall be
11 recalculated if necessary.

12 Upon the ineligibility of the last eligible child, the
13 annuity shall immediately revert to the amount payable upon
14 death of a participant or annuitant who leaves no eligible
15 children. If the surviving spouse is then under age 50, the
16 annuity as revised shall be deferred until the attainment of
17 age 50.

18 (d) Beginning January 1, 1990, every survivor's annuity
19 shall be increased (1) on each January 1 occurring on or after
20 the commencement of the annuity if the deceased member died
21 while receiving a retirement annuity, or (2) in other cases, on
22 each January 1 occurring on or after the first anniversary of
23 the commencement of the annuity, by an amount equal to 3% of
24 the current amount of the annuity, including any previous
25 increases under this Article. Such increases shall apply
26 without regard to whether the deceased member was in service on

1 or after the effective date of this amendatory Act of 1991, but
2 shall not accrue for any period prior to January 1, 1990.

3 (d-5) Notwithstanding any other provision of this Article,
4 the initial survivor's annuity of a survivor of a participant
5 who first becomes a participant on or after January 1, 2011
6 ~~(the effective date of Public Act 96-889) ~~this amendatory Act~~~~
7 ~~of the 96th General Assembly~~ shall be in the amount of 66 2/3%
8 of the amount of the retirement annuity to which the
9 participant or annuitant was entitled on the date of death and
10 shall be increased (1) on each January 1 occurring on or after
11 the commencement of the annuity if the deceased member died
12 while receiving a retirement annuity or (2) in other cases, on
13 each January 1 occurring on or after the first anniversary of
14 the commencement of the annuity, by an amount equal to 3% or
15 the annual unadjusted percentage increase ~~change~~ in the
16 Consumer Price Index for All Urban Consumers as determined by
17 the Public Pension Division of the Department of Insurance
18 under subsection (a) of Section 2-108.1, whichever is less, of
19 the survivor's annuity then being paid.

20 (e) Notwithstanding any other provision of this Article,
21 beginning January 1, 1990, the minimum survivor's annuity
22 payable to any person who is entitled to receive a survivor's
23 annuity under this Article shall be \$300 per month, without
24 regard to whether or not the deceased participant was in
25 service on the effective date of this amendatory Act of 1989.

26 (f) In the case of a proportional survivor's annuity

1 arising under the Retirement Systems Reciprocal Act where the
2 amount payable by the System on January 1, 1993 is less than
3 \$300 per month, the amount payable by the System shall be
4 increased beginning on that date by a monthly amount equal to
5 \$2 for each full year that has expired since the annuity began.

6 (Source: P.A. 96-889, eff. 1-1-11.)

7 (40 ILCS 5/2-122) (from Ch. 108 1/2, par. 2-122)

8 (Text of Section after amendment by P.A. 96-889)

9 Sec. 2-122. Re-entry after retirement. An annuitant who
10 re-enters service as a member shall become a participant on the
11 date of re-entry and retirement annuity payments shall cease at
12 that time. The participant shall resume contributions to the
13 system on the date of re-entry at the rates then in effect and
14 shall begin to accrue additional service credit. He or she
15 shall be entitled to all rights and privileges in the system,
16 including death and disability benefits, subject to the
17 limitations herein provided, except refund of retirement
18 annuity contributions.

19 Upon subsequent retirement, the participant shall be
20 entitled to a retirement annuity consisting of: (1) the amount
21 of retirement annuity previously granted and terminated by
22 re-entry into service; and (2) the amount of additional
23 retirement annuity earned during the additional service based
24 on the provisions in effect at the date of such subsequent
25 retirement. However, the total retirement annuity shall not

1 exceed the maximum retirement annuity applicable at the date of
2 the participant's last retirement. If the salary of the
3 participant following the latest re-entry into service is
4 higher than that in effect at the date of the previous
5 retirement and the participant restores to the system all
6 amounts previously received as retirement annuity payments,
7 upon subsequent retirement, the retirement annuity shall be
8 recalculated for all service credited under the system as
9 though the participant had not previously retired.

10 The repayment of retirement annuity payments must be made
11 by the participant in a single sum or by a withholding from
12 salary within a period of 6 years from date of re-entry and in
13 any event before subsequent retirement. If previous annuity
14 payments have not been repaid to the system at the date of
15 death of the participant, any remaining balance must be fully
16 repaid to the system before any further annuity shall be
17 payable.

18 Such member, if unmarried at date of his last retirement,
19 shall also be entitled to a refund of widow's and widower's
20 annuity contributions, without interest, covering the period
21 from the date of re-entry into service to the date of last
22 retirement.

23 Notwithstanding any other provision of this Article, if a
24 person who first becomes a participant under this System on or
25 after January 1, 2011 (the effective date of Public Act 96-889)
26 ~~this amendatory Act of the 96th General Assembly~~ is receiving a

1 retirement annuity under this Article and becomes a member or
2 participant ~~accepts employment in a position covered~~ under this
3 Article or any other Article of this Code and is employed on a
4 full-time basis, then the person's retirement annuity under
5 this System shall be suspended during that employment. Upon
6 termination of that employment, the person's retirement
7 annuity shall resume and, if appropriate, be recalculated under
8 the applicable provisions of this Article.

9 (Source: P.A. 96-889, eff. 1-1-11.)

10 (40 ILCS 5/2-126) (from Ch. 108 1/2, par. 2-126)

11 Sec. 2-126. Contributions by participants.

12 (a) Each participant shall contribute toward the cost of
13 his or her retirement annuity a percentage of each payment of
14 salary received by him or her for service as a member as
15 follows: for service between October 31, 1947 and January 1,
16 1959, 5%; for service between January 1, 1959 and June 30,
17 1969, 6%; for service between July 1, 1969 and January 10,
18 1973, 6 1/2%; for service after January 10, 1973, 7%; for
19 service after December 31, 1981, 8 1/2%.

20 (b) Beginning August 2, 1949, each male participant, and
21 from July 1, 1971, each female participant shall contribute
22 towards the cost of the survivor's annuity 2% of salary.

23 A participant who has no eligible survivor's annuity
24 beneficiary may elect to cease making contributions for
25 survivor's annuity under this subsection. A survivor's annuity

1 shall not be payable upon the death of a person who has made
2 this election, unless prior to that death the election has been
3 revoked and the amount of the contributions that would have
4 been paid under this subsection in the absence of the election
5 is paid to the System, together with interest at the rate of 4%
6 per year from the date the contributions would have been made
7 to the date of payment.

8 (c) Beginning July 1, 1967, each participant shall
9 contribute 1% of salary towards the cost of automatic increase
10 in annuity provided in Section 2-119.1. These contributions
11 shall be made concurrently with contributions for retirement
12 annuity purposes.

13 (d) In addition, each participant serving as an officer of
14 the General Assembly shall contribute, for the same purposes
15 and at the same rates as are required of a regular participant,
16 on each additional payment received as an officer. If the
17 participant serves as an officer for at least 2 but less than 4
18 years, he or she shall contribute an amount equal to the amount
19 that would have been contributed had the participant served as
20 an officer for 4 years. Persons who serve as officers in the
21 87th General Assembly but cannot receive the additional payment
22 to officers because of the ban on increases in salary during
23 their terms may nonetheless make contributions based on those
24 additional payments for the purpose of having the additional
25 payments included in their highest salary for annuity purposes;
26 however, persons electing to make these additional

1 contributions must also pay an amount representing the
2 corresponding employer contributions, as calculated by the
3 System.

4 (e) Notwithstanding any other provision of this Article,
5 the required contribution of a participant who first becomes a
6 participant on or after January 1, 2011 shall not exceed the
7 contribution that would be due under this Article if that
8 participant's highest salary for annuity purposes were
9 \$106,800, plus any increases in that amount under Section
10 2-108.1.

11 (Source: P.A. 90-766, eff. 8-14-98.)

12 (40 ILCS 5/8-168) (from Ch. 108 1/2, par. 8-168)

13 Sec. 8-168. Refunds - Withdrawal before age 55 or age 62 or
14 with less than 10 years of service.

15 1. An employee who first became a member before January 1,
16 2011, without regard to length of service, who withdraws before
17 age 55, and any employee with less than 10 years of service who
18 withdraws before age 60, shall be entitled to a refund of the
19 accumulated sums to his credit, as of the date of withdrawal,
20 for age and service annuity and widow's annuity from amounts
21 contributed by him, including interest credited and including
22 amounts contributed for him for age and service and widow's
23 annuity purposes by the city while receiving duty disability
24 benefits; provided that such amounts contributed by the city
25 after December 31, 1981, while the employee is receiving duty

1 disability benefits, and amounts credited to the employee for
2 annuity purposes by the fund after December 31, 2000, while the
3 employee is receiving ordinary disability benefits, shall not
4 be credited for refund purposes. If he is a present employee he
5 shall also be entitled to a refund of the accumulations from
6 any sums contributed by him, and applied to any municipal
7 pension fund superseded by this fund.

8 An employee who first becomes a member on or after January
9 1, 2011 who withdraws before age 62 without regard to length of
10 service, or who withdraws with less than 10 years of service
11 regardless of age, shall be entitled to a refund of the total
12 sum accumulated to his credit as of date of withdrawal for age
13 and service annuity and widow's annuity provided that such
14 amounts contributed by the city while the employee is receiving
15 duty disability benefits and amounts credited to the employee
16 for annuity purposes by the fund while the employee is
17 receiving ordinary disability benefits shall not be credited
18 for refund purposes.

19 2. Upon receipt of the refund, the employee surrenders and
20 forfeits all rights to any annuity or other benefits, for
21 himself and for any other persons who might have benefited
22 through him; provided that he may have such period of service
23 counted in computing the term of his service if he becomes an
24 employee before age 65, excepting as limited by the provisions
25 of paragraph (a) (3) of Section 8-232 of this Article relating
26 to the basis of computing the term of service.

1 3. Any such employee shall retain such right to a refund of
2 such amounts when he shall apply for same until he re-enters
3 the service or until the amount of annuity shall have been
4 fixed as provided in this Article. Thereafter, no such right
5 shall exist in the case of any such employee.

6 4. Any such municipal employee who shall have served 10 or
7 more years and who shall not withdraw the amounts aforesaid to
8 which he shall have a right of refund shall have a right to
9 annuity as stated in this Article.

10 5. Any such municipal employee who shall have served less
11 than 10 years and who shall not withdraw the amounts to which
12 he shall have a right to refund shall have a right to have all
13 such amounts and all other amounts to his credit for annuity
14 purposes on date of his withdrawal from service retained to his
15 credit and improved by interest while he shall be out of the
16 service at the rate of 3 1/2% or 3% per annum (whichever rate
17 shall apply under the provisions of Section 8-155 of this
18 Article) and used for annuity purposes for his benefit and the
19 benefit of any person who may have any right to annuity through
20 him because of his service, according to the provisions of this
21 Article in the event that he shall subsequently re-enter the
22 service and complete the number of years of service necessary
23 to attain a right to annuity; but such sum shall be improved by
24 interest to his credit while he shall be out of the service
25 only until he shall have become 65 years of age.

26 (Source: P.A. 92-599, eff. 6-28-02.)

1 (40 ILCS 5/9-164) (from Ch. 108 1/2, par. 9-164)

2 Sec. 9-164. Refunds - Withdrawal before age 55 or with less
3 than 10 years of service.

4 (1) An employee, without regard to length of service, who
5 withdraws before age 55 (age 62 for an employee who first
6 becomes a member on or after January 1, 2011), and any employee
7 with less than 10 years of service who withdraws before age 60,
8 and any employee who first becomes a member on or after January
9 1, 2011 who withdraws with less than 10 years of service, shall
10 be entitled to a refund of the total sums accumulated to his
11 credit as of date of withdrawal for age and service annuity and
12 widow's annuity resulting from amounts contributed by him or by
13 the county in lieu of employee contributions during duty
14 disability. If he is a present employee he shall also be
15 entitled to a refund of the total sum accumulated from any sums
16 contributed by him and applied to any county pension fund
17 superseded by this fund. An employee withdrawing on or after
18 January 1, 1984 may receive a refund only after he has been off
19 the payroll for at least 30 days during which time he has
20 received no salary.

21 (2) Upon receipt of the refund, the employee surrenders and
22 forfeits all rights to any annuity or other benefits for
23 himself and for any other persons who might have benefited
24 through him; provided that he may have any such period of
25 service counted in computing the term of his service - for age

1 and service annuity purposes only - if he becomes an employee
2 before age 65, excepting as limited by the provisions of this
3 Article relating to the basis of computing the term of service.

4 (3) An employee who does not receive a refund shall have
5 all amounts to his credit for annuity purposes on the date of
6 his withdrawal improved by interest only until he becomes 65
7 while out of service at the effective rate for his benefit and
8 the benefit of any person who may have any right to annuity
9 through him if he re-enters service and attains a right to
10 annuity.

11 (4) Any such employee shall retain such right to a refund
12 of such amounts when he shall apply for same until he re-enters
13 the service or until the amount of annuity shall have been
14 fixed as provided in this Article. Thereafter, no such right
15 shall exist in the case of any such employee.

16 (Source: P.A. 83-869.)

17 (40 ILCS 5/9-220) (from Ch. 108 1/2, par. 9-220)

18 Sec. 9-220. Basis of service credit.

19 (a) In computing the period of service of any employee for
20 annuity purposes under Section 9-134, the following provisions
21 shall govern:

22 (1) All periods prior to the effective date shall be
23 computed in accordance with the provisions governing the
24 computation of such service.

25 (2) Service on or after the effective date shall

1 include:

2 (i) The actual period of time the employee
3 contributes or has contributed to the fund for service
4 rendered to age 65 plus the actual period of time after
5 age 65 for which the employee performs the duties of
6 his position or performs such duties and is given a
7 county contribution for age and service annuity or
8 minimum annuity purposes.

9 (ii) Leaves of absence from duty, or vacation, for
10 which an employee receives all or part of his salary.

11 (iii) Accumulated vacation or other time for which
12 an employee who retires on or after November 1, 1990
13 receives a lump sum payment at the time of retirement,
14 provided that contributions were made to the fund at
15 the time such lump sum payment was received. The
16 service granted for the lump sum payment shall not
17 change the employee's date of withdrawal for computing
18 the effective date of the annuity.

19 (iv) Accumulated sick leave as of the date of the
20 employee's withdrawal from service, not to exceed a
21 total of 180 days, provided that the amount of such
22 accumulated sick leave is certified by the County
23 Comptroller to the Board and the employee pays an
24 amount equal to 8.5% (9% for members of the County
25 Police Department who are eligible to receive an
26 annuity under Section 9-128.1) of the amount that would

1 have been paid had such accumulated sick leave been
2 paid at the employee's final rate of salary. Such
3 payment shall be made within 30 days after the date of
4 withdrawal and prior to receipt of the first annuity
5 check. The service credit granted for such accumulated
6 sick leave shall not change the employee's date of
7 withdrawal for the purpose of computing the effective
8 date of the annuity.

9 (v) Periods during which the employee has had
10 contributions for annuity purposes made for him in
11 accordance with law while on military leave of absence
12 during World War II.

13 (vi) Periods during which the employee receives a
14 disability benefit under this Article.

15 (vii) For any person who first becomes a member on
16 or after January 1, 2011, the actual period of time the
17 employee contributes or has contributed to the fund for
18 service rendered up to the limitation on salary in
19 subsection (b-5) of Section 1-160 plus the actual
20 period of time thereafter for which the employee
21 performs the duties of his position and ceased
22 contributing due to the salary limitation in
23 subsection (b-5) of Section 1-160.

24 (3) The right to have certain periods of time
25 considered as service as stated in paragraph (2) of Section
26 9-164 shall not apply for annuity purposes unless the

1 refunds shall have been repaid in accordance with this
2 Article.

3 (4) All service shall be computed in whole calendar
4 months, and at least 15 days of service in any one calendar
5 month shall constitute one calendar month of service, and 1
6 year of service shall be equal to the number of months,
7 days or hours for which an appropriation was made in the
8 annual appropriation ordinance for the position held by the
9 employee.

10 (b) For all other annuity purposes of this Article the
11 following schedule shall govern the computation of a year of
12 service of an employee whose salary or wages is on the basis
13 stated, and any fractional part of a year of service shall be
14 determined according to said schedule:

15 Annual or Monthly Basis: Service during 4 months in any 1
16 calendar year;

17 Weekly Basis: Service during any 17 weeks of any 1 calendar
18 year, and service during any week shall constitute a week of
19 service;

20 Daily Basis: Service during 100 days in any 1 calendar
21 year, and service during any day shall constitute a day of
22 service;

23 Hourly Basis: Service during 800 hours in any 1 calendar
24 year, and service during any hour shall constitute an hour of
25 service.

26 (Source: P.A. 86-1488; 87-794.)

1 (40 ILCS 5/11-164) (from Ch. 108 1/2, par. 11-164)
2 Sec. 11-164. Refunds - Withdrawal before age 55 or age 62
3 or with less than 10 years of service.

4 (1) An employee who first became a member before January 1,
5 2011, without regard to length of service, who withdraws before
6 age 55, and any employee with less than 10 years of service who
7 withdraws before age 60, shall be entitled to a refund of the
8 total sum accumulated to his credit as of date of withdrawal
9 for age and service annuity and widow's annuity from amounts
10 contributed by him or by the City in lieu of employee
11 contributions during duty disability; provided that such
12 amounts contributed by the city after December 31, 1983 while
13 the employee is receiving duty disability benefits and amounts
14 credited to the employee for annuity purposes by the fund after
15 December 31, 2000 while the employee is receiving ordinary
16 disability benefits shall not be credited for refund purposes.

17 An employee who first becomes a member on or after January
18 1, 2011 who withdraws before age 62 without regard to length of
19 service, or who withdraws with less than 10 years of service
20 regardless of age, shall be entitled to a refund of the total
21 sum accumulated to his credit as of date of withdrawal for age
22 and service annuity and widow's annuity provided that such
23 amounts contributed by the city while the employee is receiving
24 duty disability benefits and amounts credited to the employee
25 for annuity purposes by the fund while the employee is

1 receiving ordinary disability benefits shall not be credited
2 for refund purposes.

3 The board may in its discretion withhold payment of refund
4 for a period not to exceed 6 months from the date of
5 withdrawal. Interest at the effective rate shall be paid on any
6 such refund withheld during such withheld period not to exceed
7 6 months.

8 (2) Upon receipt of the refund, the employee surrenders and
9 forfeits all rights to any annuity or other benefits, for
10 himself and for any other persons who might have benefited
11 through him; provided that he may have such period of service
12 counted in computing the term of his service for age and
13 service annuity purposes only if he becomes an employee before
14 age 65.

15 (3) An employee who does not receive a refund shall have
16 all amounts to his credit for annuity purposes on the date of
17 his withdrawal improved by interest only until he becomes age
18 65, while out of service, at the effective rate, for his
19 benefit and the benefit of any person who may have any right to
20 annuity through him if he re-enters the service and attains a
21 right to annuity.

22 (4) Any such employee shall retain such right to refund of
23 such amounts when he shall apply for same, until he re-enters
24 the service or until the amount of annuity to which he shall
25 have a right shall have been fixed as provided in this Article.
26 Thereafter, no such right shall exist in the case of any such

1 employee.

2 (Source: P.A. 92-599, eff. 6-28-02.)

3 (40 ILCS 5/13-601) (from Ch. 108 1/2, par. 13-601)

4 Sec. 13-601. Refunds.

5 (a) Withdrawal from service. Upon withdrawal from service,
6 an employee who first became a member before January 1, 2011,
7 who is under age 55 (age 50 if the employee first entered
8 service before June 13, 1997), or an employee age 55 (age 50 if
9 the employee first entered service before June 13, 1997) or
10 over but less than age 60 having less than 20 years of service,
11 or an employee age 60 or over having less than 5 years of
12 service shall be entitled, upon application, to a refund of
13 total contributions from salary deductions or amounts
14 otherwise paid under this Article by the employee. An employee
15 who first becomes a member on or after January 1, 2011, who
16 withdraws before age 62 regardless of length of service, or who
17 withdraws with less than 10 years of service regardless of age
18 is entitled to a refund of total contributions from salary
19 deductions or amounts otherwise paid under this Article by the
20 employee. The refund shall not include interest credited to the
21 contributions. The Board may, in its discretion, withhold
22 payment of a refund for a period not to exceed one year from
23 the date of filing an application for refund.

24 (b) Surviving spouse's annuity contributions. A refund of
25 all amounts deducted from salary or otherwise contributed by an

1 employee for the surviving spouse's annuity shall be paid upon
2 retirement to any employee who on the date of retirement is
3 either not married or is married but whose spouse is not
4 eligible for a surviving spouse's annuity paid wholly or in
5 part under this Article. The refund shall include interest on
6 each contribution at the rate of 3% per annum compounded
7 annually from the date of the contribution to the date of the
8 refund.

9 (c) Payment of Refunds After Death. Whenever any refund is
10 payable after the death of the employee or annuitant as
11 provided for in this Article, the refund shall be paid as
12 follows: to the employee's surviving spouse, but if there is no
13 surviving spouse then in accordance with the employee's written
14 designation of beneficiary filed with the Board on the
15 prescribed form before the employee's death. If there is no
16 such designation of beneficiary, then to the employee's
17 surviving children in equal parts to each. If there are no such
18 children, the refund shall be paid to the heirs of the employee
19 according to the law of descent and distribution of the State
20 of Illinois.

21 If a personal representative of the estate has not been
22 appointed within 90 days from the date on which a refund became
23 payable, the refund may be applied, in the discretion of the
24 Board, toward the payment of the employee's or the surviving
25 spouse's burial expenses. Any remaining balance shall be paid
26 to the heirs of the employee according to the law of descent

1 and distribution of the State of Illinois.

2 Whenever the total accumulations to the account of an
3 employee from employee contributions other than the
4 contribution for the cost of living increase, including
5 interest to the employee's date of withdrawal, have not been
6 paid to the employee and surviving spouse as a retirement or
7 spouse's annuity before the death of the employee and spouse, a
8 refund shall be paid as follows: an amount equal to the excess
9 of such amounts over the amounts paid on such annuities without
10 interest on either such amount.

11 If a reversionary annuity becomes payable under Section
12 13-303, the refund provided in this section shall not be paid
13 until the death of the reversionary annuitant and the refund
14 otherwise payable under this section shall be then further
15 reduced by the amount of the reversionary annuity paid.

16 (d) In lieu of annuity. Notwithstanding the provisions set
17 forth in subsection (a) of this section, whenever an employee's
18 or surviving spouse's annuity will be less than \$200 per month,
19 the employee or surviving spouse, as the case may be, may elect
20 to receive a refund of accumulated employee contributions;
21 provided, however, that if the election is made by a surviving
22 spouse the refund shall be reduced by any amounts theretofore
23 paid to the employee in the form of an annuity.

24 (e) Forfeiture of rights. An employee or surviving spouse
25 who receives a refund forfeits the right to receive an annuity
26 or any other benefit payable under this Article except that if

1 the refund is to a surviving spouse, any child or children of
2 the employee shall not be deprived of the right to receive a
3 child's annuity as provided in Section 13-308 of this Article,
4 and the payment of a child's annuity shall not reduce the
5 amount refundable to the surviving spouse.

6 (Source: P.A. 95-586, eff. 8-31-07; 96-251, eff. 8-11-09.)

7 (40 ILCS 5/14-103.05) (from Ch. 108 1/2, par. 14-103.05)

8 Sec. 14-103.05. Employee.

9 (a) Any person employed by a Department who receives salary
10 for personal services rendered to the Department on a warrant
11 issued pursuant to a payroll voucher certified by a Department
12 and drawn by the State Comptroller upon the State Treasurer,
13 including an elected official described in subparagraph (d) of
14 Section 14-104, shall become an employee for purpose of
15 membership in the Retirement System on the first day of such
16 employment.

17 A person entering service on or after January 1, 1972 and
18 prior to January 1, 1984 shall become a member as a condition
19 of employment and shall begin making contributions as of the
20 first day of employment.

21 A person entering service on or after January 1, 1984
22 shall, upon completion of 6 months of continuous service which
23 is not interrupted by a break of more than 2 months, become a
24 member as a condition of employment. Contributions shall begin
25 the first of the month after completion of the qualifying

1 period.

2 A person employed by the Chicago Metropolitan Agency for
3 Planning on the effective date of this amendatory Act of the
4 95th General Assembly who was a member of this System as an
5 employee of the Chicago Area Transportation Study and makes an
6 election under Section 14-104.13 to participate in this System
7 for his or her employment with the Chicago Metropolitan Agency
8 for Planning.

9 The qualifying period of 6 months of service is not
10 applicable to: (1) a person who has been granted credit for
11 service in a position covered by the State Universities
12 Retirement System, the Teachers' Retirement System of the State
13 of Illinois, the General Assembly Retirement System, or the
14 Judges Retirement System of Illinois unless that service has
15 been forfeited under the laws of those systems; (2) a person
16 entering service on or after July 1, 1991 in a noncovered
17 position; ~~or~~ (3) a person to whom Section 14-108.2a or
18 14-108.2b applies; or (4) a person to whom subsection (a-5) of
19 this Section applies.

20 (a-5) A person entering service on or after December 1,
21 2010 shall become a member as a condition of employment and
22 shall begin making contributions as of the first day of
23 employment. A person serving in the qualifying period on
24 December 1, 2010 will become a member on December 1, 2010 and
25 shall begin making contributions as of December 1, 2010.

26 (b) The term "employee" does not include the following:

1 (1) members of the State Legislature, and persons
2 electing to become members of the General Assembly
3 Retirement System pursuant to Section 2-105;

4 (2) incumbents of offices normally filled by vote of
5 the people;

6 (3) except as otherwise provided in this Section, any
7 person appointed by the Governor with the advice and
8 consent of the Senate unless that person elects to
9 participate in this system;

10 (3.1) any person serving as a commissioner of an ethics
11 commission created under the State Officials and Employees
12 Ethics Act unless that person elects to participate in this
13 system with respect to that service as a commissioner;

14 (3.2) any person serving as a part-time employee in any
15 of the following positions: Legislative Inspector General,
16 Special Legislative Inspector General, employee of the
17 Office of the Legislative Inspector General, Executive
18 Director of the Legislative Ethics Commission, or staff of
19 the Legislative Ethics Commission, regardless of whether
20 he or she is in active service on or after July 8, 2004
21 (the effective date of Public Act 93-685), unless that
22 person elects to participate in this System with respect to
23 that service; in this item (3.2), a "part-time employee" is
24 a person who is not required to work at least 35 hours per
25 week;

26 (3.3) any person who has made an election under Section

1 1-123 and who is serving either as legal counsel in the
2 Office of the Governor or as Chief Deputy Attorney General;

3 (4) except as provided in Section 14-108.2 or
4 14-108.2c, any person who is covered or eligible to be
5 covered by the Teachers' Retirement System of the State of
6 Illinois, the State Universities Retirement System, or the
7 Judges Retirement System of Illinois;

8 (5) an employee of a municipality or any other
9 political subdivision of the State;

10 (6) any person who becomes an employee after June 30,
11 1979 as a public service employment program participant
12 under the Federal Comprehensive Employment and Training
13 Act and whose wages or fringe benefits are paid in whole or
14 in part by funds provided under such Act;

15 (7) enrollees of the Illinois Young Adult Conservation
16 Corps program, administered by the Department of Natural
17 Resources, authorized grantee pursuant to Title VIII of the
18 "Comprehensive Employment and Training Act of 1973", 29 USC
19 993, as now or hereafter amended;

20 (8) enrollees and temporary staff of programs
21 administered by the Department of Natural Resources under
22 the Youth Conservation Corps Act of 1970;

23 (9) any person who is a member of any professional
24 licensing or disciplinary board created under an Act
25 administered by the Department of Professional Regulation
26 or a successor agency or created or re-created after the

1 effective date of this amendatory Act of 1997, and who
2 receives per diem compensation rather than a salary,
3 notwithstanding that such per diem compensation is paid by
4 warrant issued pursuant to a payroll voucher; such persons
5 have never been included in the membership of this System,
6 and this amendatory Act of 1987 (P.A. 84-1472) is not
7 intended to effect any change in the status of such
8 persons;

9 (10) any person who is a member of the Illinois Health
10 Care Cost Containment Council, and receives per diem
11 compensation rather than a salary, notwithstanding that
12 such per diem compensation is paid by warrant issued
13 pursuant to a payroll voucher; such persons have never been
14 included in the membership of this System, and this
15 amendatory Act of 1987 is not intended to effect any change
16 in the status of such persons;

17 (11) any person who is a member of the Oil and Gas
18 Board created by Section 1.2 of the Illinois Oil and Gas
19 Act, and receives per diem compensation rather than a
20 salary, notwithstanding that such per diem compensation is
21 paid by warrant issued pursuant to a payroll voucher; or

22 (12) a person employed by the State Board of Higher
23 Education in a position with the Illinois Century Network
24 as of June 30, 2004, who remains continuously employed
25 after that date by the Department of Central Management
26 Services in a position with the Illinois Century Network

1 and participates in the Article 15 system with respect to
2 that employment.

3 (c) An individual who represents or is employed as an
4 officer or employee of a statewide labor organization that
5 represents members of this System may participate in the System
6 and shall be deemed an employee, provided that (1) the
7 individual has previously earned creditable service under this
8 Article, (2) the individual files with the System an
9 irrevocable election to become a participant within 6 months
10 after the effective date of this amendatory Act of the 94th
11 General Assembly, and (3) the individual does not receive
12 credit for that employment under any other provisions of this
13 Code. An employee under this subsection (c) is responsible for
14 paying to the System both (i) employee contributions based on
15 the actual compensation received for service with the labor
16 organization and (ii) employer contributions based on the
17 percentage of payroll certified by the board; all or any part
18 of these contributions may be paid on the employee's behalf or
19 picked up for tax purposes (if authorized under federal law) by
20 the labor organization.

21 A person who is an employee as defined in this subsection
22 (c) may establish service credit for similar employment prior
23 to becoming an employee under this subsection by paying to the
24 System for that employment the contributions specified in this
25 subsection, plus interest at the effective rate from the date
26 of service to the date of payment. However, credit shall not be

1 granted under this subsection (c) for any such prior employment
2 for which the applicant received credit under any other
3 provision of this Code or during which the applicant was on a
4 leave of absence.

5 (Source: P.A. 94-1111, eff. 2-27-07; 95-677, eff. 10-11-07.)

6 (40 ILCS 5/14-103.10) (from Ch. 108 1/2, par. 14-103.10)

7 Sec. 14-103.10. Compensation.

8 (a) For periods of service prior to January 1, 1978, the
9 full rate of salary or wages payable to an employee for
10 personal services performed if he worked the full normal
11 working period for his position, subject to the following
12 maximum amounts: (1) prior to July 1, 1951, \$400 per month or
13 \$4,800 per year; (2) between July 1, 1951 and June 30, 1957
14 inclusive, \$625 per month or \$7,500 per year; (3) beginning
15 July 1, 1957, no limitation.

16 In the case of service of an employee in a position
17 involving part-time employment, compensation shall be
18 determined according to the employees' earnings record.

19 (b) For periods of service on and after January 1, 1978,
20 all remuneration for personal services performed defined as
21 "wages" under the Social Security Enabling Act, including that
22 part of such remuneration which is in excess of any maximum
23 limitation provided in such Act, and including any benefits
24 received by an employee under a sick pay plan in effect before
25 January 1, 1981, but excluding lump sum salary payments:

- 1 (1) for vacation,
- 2 (2) for accumulated unused sick leave,
- 3 (3) upon discharge or dismissal,
- 4 (4) for approved holidays.

5 (c) For periods of service on or after December 16, 1978,
6 compensation also includes any benefits, other than lump sum
7 salary payments made at termination of employment, which an
8 employee receives or is eligible to receive under a sick pay
9 plan authorized by law.

10 (d) For periods of service after September 30, 1985,
11 compensation also includes any remuneration for personal
12 services not included as "wages" under the Social Security
13 Enabling Act, which is deducted for purposes of participation
14 in a program established pursuant to Section 125 of the
15 Internal Revenue Code or its successor laws.

16 (e) For members for which Section 1-160 applies for periods
17 of service on and after January 1, 2011, all remuneration for
18 personal services performed defined as "wages" under the Social
19 Security Enabling Act, excluding remuneration that is in excess
20 of the annual earnings, salary, or wages of a member or
21 participant, as provided in subsection (b-5) of Section 1-160,
22 but including any benefits received by an employee under a sick
23 pay plan in effect before January 1, 1981. Compensation shall
24 exclude lump sum salary payments:

- 25 (1) for vacation;
- 26 (2) for accumulated unused sick leave;

1 (3) upon discharge or dismissal; and

2 (4) for approved holidays.

3 (Source: P.A. 87-1265.)

4 (40 ILCS 5/15-112) (from Ch. 108 1/2, par. 15-112)

5 Sec. 15-112. Final rate of earnings.

6 "Final rate of earnings":

7 (a) This subsection (a) applies only to a person who first
8 becomes a participant of any system before January 1, 2011.

9 For an employee who is paid on an hourly basis or who
10 receives an annual salary in installments during 12 months of
11 each academic year, the average annual earnings during the 48
12 consecutive calendar month period ending with the last day of
13 final termination of employment or the 4 consecutive academic
14 years of service in which the employee's earnings were the
15 highest, whichever is greater. For any other employee, the
16 average annual earnings during the 4 consecutive academic years
17 of service in which his or her earnings were the highest. For
18 an employee with less than 48 months or 4 consecutive academic
19 years of service, the average earnings during his or her entire
20 period of service. The earnings of an employee with more than
21 36 months of service prior to the date of becoming a
22 participant are, for such period, considered equal to the
23 average earnings during the last 36 months of such service.

24 (b) This subsection (b) applies to a person to whom
25 subsection (a) does not apply.

1 For an employee who is paid on an hourly basis or who
2 receives an annual salary in installments during 12 months of
3 each academic year, the average annual earnings obtained by
4 dividing by 8 the total earnings of the employee during the 96
5 consecutive months in which the total earnings were the highest
6 within the last 120 months prior to termination.

7 For any other employee, the average annual earnings during
8 the 8 consecutive academic years within the 10 years prior to
9 termination in which the employee's earnings were the highest.

10 For an employee with less than 96 consecutive months or 8
11 consecutive academic years of service, whichever is necessary,
12 the average earnings during his or her entire period of
13 service.

14 (c) For an employee on leave of absence with pay, or on
15 leave of absence without pay who makes contributions during
16 such leave, earnings are assumed to be equal to the basic
17 compensation on the date the leave began.

18 (d) For an employee on disability leave, earnings are
19 assumed to be equal to the basic compensation on the date
20 disability occurs or the average earnings during the 24 months
21 immediately preceding the month in which disability occurs,
22 whichever is greater.

23 (e) For a participant who retires on or after the effective
24 date of this amendatory Act of 1997 with at least 20 years of
25 service as a firefighter or police officer under this Article,
26 the final rate of earnings shall be the annual rate of earnings

1 received by the participant on his or her last day as a
2 firefighter or police officer under this Article, if that is
3 greater than the final rate of earnings as calculated under the
4 other provisions of this Section.

5 (f) If a participant to whom subsection (a) of this Section
6 applies is an employee for at least 6 months during the
7 academic year in which his or her employment is terminated, the
8 annual final rate of earnings shall be 25% of the sum of (1)
9 the annual basic compensation for that year, and (2) the amount
10 earned during the 36 months immediately preceding that year, if
11 this is greater than the final rate of earnings as calculated
12 under the other provisions of this Section.

13 (g) In the determination of the final rate of earnings for
14 an employee, that part of an employee's earnings for any
15 academic year beginning after June 30, 1997, which exceeds the
16 employee's earnings with that employer for the preceding year
17 by more than 20 percent shall be excluded; in the event that an
18 employee has more than one employer this limitation shall be
19 calculated separately for the earnings with each employer. In
20 making such calculation, only the basic compensation of
21 employees shall be considered, without regard to vacation or
22 overtime or to contracts for summer employment.

23 (h) The following are not considered as earnings in
24 determining final rate of earnings: (1) severance or separation
25 pay, (2) retirement pay, (3) payment for unused sick leave, and
26 (4) payments from an employer for the period used in

1 determining final rate of earnings for any purpose other than
2 (i) services rendered, (ii) leave of absence or vacation
3 granted during that period, and (iii) vacation of up to 56 work
4 days allowed upon termination of employment; except that, if
5 the benefit has been collectively bargained between the
6 employer and the recognized collective bargaining agent
7 pursuant to the Illinois Educational Labor Relations Act,
8 payment received during a period of up to 2 academic years for
9 unused sick leave may be considered as earnings in accordance
10 with the applicable collective bargaining agreement, subject
11 to the 20% increase limitation of this Section. Any unused sick
12 leave considered as earnings under this Section shall not be
13 taken into account in calculating service credit under Section
14 15-113.4.

15 (i) Intermittent periods of service shall be considered as
16 consecutive in determining final rate of earnings.

17 (Source: P.A. 92-599, eff. 6-28-02; 93-347, eff. 7-24-03.)

18 (40 ILCS 5/15-113.6) (from Ch. 108 1/2, par. 15-113.6)

19 Sec. 15-113.6. Service for employment in public schools.
20 "Service for employment in public schools": Includes those
21 periods not exceeding the lesser of 10 years or 2/3 of the
22 service granted under other Sections of this Article dealing
23 with service credit, during which a person who entered the
24 system after September 1, 1974 was employed full time by a
25 public common school, public college and public university, or

1 by an agency or instrumentality of any of the foregoing, of any
2 state, territory, dependency or possession of the United States
3 of America, including the Philippine Islands, or a school
4 operated by or under the auspices of any agency or department
5 of any other state, if the person (1) cannot qualify for a
6 retirement pension or other benefit based upon employer
7 contributions from another retirement system, exclusive of
8 federal social security, based in whole or in part upon this
9 employment, and (2) pays the lesser of (A) an amount equal to
10 8% of his or her annual basic compensation on the date of
11 becoming a participating employee subsequent to this service
12 multiplied by the number of years of such service, together
13 with compound interest from the date participation begins to
14 the date payment is received by the board at the rate of 6% per
15 annum through August 31, 1982, and at the effective rates after
16 that date, and (B) 50% of the actuarial value of the increase
17 in the retirement annuity provided by this service, and (3)
18 contributes for at least 5 years subsequent to this employment
19 to one or more of the following systems: the State Universities
20 Retirement System, the Teachers' Retirement System of the State
21 of Illinois, and the Public School Teachers' Pension and
22 Retirement Fund of Chicago.

23 The service granted under this Section shall not be
24 considered in determining whether the person has the minimum of
25 8 years of service required to qualify for a retirement annuity
26 at age 55 or the 5 years of service required to qualify for a

1 retirement annuity at age 62, as provided in Section 15-135, or
2 the 10 years required by subsection (c) of Section 1-160 for a
3 person who first becomes a participant on or after January 1,
4 2011. The maximum allowable service of 10 years for this
5 governmental employment shall be reduced by the service credit
6 which is validated under paragraph (2) of subsection (b) of
7 Section 16-127 and paragraph 1 of Section 17-133.

8 (Source: P.A. 95-83, eff. 8-13-07.)

9 (40 ILCS 5/15-134) (from Ch. 108 1/2, par. 15-134)

10 Sec. 15-134. Participant.

11 (a) Each person shall, as a condition of employment, become
12 a participant and be subject to this Article on the date that
13 he or she becomes an employee, makes an election to participate
14 in, or otherwise becomes a participant in one of the retirement
15 programs offered under this Article, whichever date is later.

16 An employee who becomes a participant shall continue to be
17 a participant until he or she becomes an annuitant, dies or
18 accepts a refund of contributions. For purposes of subsection
19 (f) of Section 1-160, the term "participant" shall include a
20 person receiving a retirement annuity.

21 (b) A person employed concurrently by 2 or more employers
22 is eligible to participate in the system on compensation
23 received from all employers.

24 (Source: P.A. 93-347, eff. 7-24-03.)

1 (40 ILCS 5/15-136.3)

2 Sec. 15-136.3. Minimum retirement annuity.

3 (a) Beginning January 1, 1997, any person who is receiving
4 a monthly retirement annuity under this Article which, after
5 inclusion of (1) all one-time and automatic annual increases to
6 which the person is entitled, (2) any supplemental annuity
7 payable under Section 15-136.1, and (3) any amount deducted
8 under Section 15-138 or 15-140 to provide a reversionary
9 annuity, is less than the minimum monthly retirement benefit
10 amount specified in subsection (b) of this Section, shall be
11 entitled to a monthly supplemental payment equal to the
12 difference.

13 (b) For purposes of the calculation in subsection (a), the
14 minimum monthly retirement benefit amount is the sum of \$25 for
15 each year of service credit, up to a maximum of 30 years of
16 service.

17 (c) This Section applies to all persons receiving a
18 retirement annuity under this Article, without regard to
19 whether or not employment terminated prior to the effective
20 date of this Section. The annual increase provided in
21 subsection (e) of Section 1-160 does not apply to any benefit
22 provided under this Section.

23 (Source: P.A. 89-616, eff. 8-9-96.)

24 (40 ILCS 5/15-146) (from Ch. 108 1/2, par. 15-146)

25 Sec. 15-146. Survivors insurance benefits - Minimum

1 amounts.

2 (a) The minimum total survivors annuity payable on account
3 of the death of a participant shall be 50% of the retirement
4 annuity which would have been provided under Rule 1, Rule 2,
5 Rule 3, or Rule 5 of Section 15-136 upon the participant's
6 attainment of the minimum age at which the penalty for early
7 retirement would not be applicable or the date of the
8 participant's death, whichever is later, on the basis of
9 credits earned prior to the time of death.

10 (b) The minimum total survivors annuity payable on account
11 of the death of an annuitant shall be 50% of the retirement
12 annuity which is payable under Section 15-136 at the time of
13 death or 50% of the disability retirement annuity payable under
14 Section 15-153.2. This minimum survivors annuity shall apply to
15 each participant and annuitant who dies after September 16,
16 1979, whether or not his or her employee status terminates
17 before or after that date.

18 (c) If an annuitant has elected a reversionary annuity, the
19 retirement annuity referred to in this Section is that which
20 would have been payable had such election not been filed.

21 (d) Beginning January 1, 2002, any person who is receiving
22 a survivors annuity under this Article which, after inclusion
23 of all one-time and automatic annual increases to which the
24 person is entitled, is less than the sum of \$17.50 for each
25 year (up to a maximum of 30 years) of the deceased member's
26 service credit, shall be entitled to a monthly supplemental

1 payment equal to the difference.

2 If 2 or more persons are receiving survivors annuities
3 based on the same deceased member, the calculation of the
4 supplemental payment under this subsection shall be based on
5 the total of those annuities and divided pro rata. The
6 supplemental payment is not subject to any limitation on the
7 maximum amount of the annuity and shall not be included in the
8 calculation of any automatic annual increase under Section
9 15-145. The annual increase provided in subsection (f) of
10 Section 1-160 does not apply to any benefit provided under this
11 subsection.

12 (Source: P.A. 91-887, eff. 7-6-00; 92-749, eff. 8-2-02.)

13 (40 ILCS 5/18-115) (from Ch. 108 1/2, par. 18-115)

14 Sec. 18-115. Beneficiary. "Beneficiary": A surviving
15 spouse or children eligible for an annuity; or, if no eligible
16 surviving spouse or children survives, the person or persons
17 designated by the participant or annuitant in the last written
18 designation on file with the Board; or, if no person so
19 designated survives, or if no designation is on file, the
20 estate of the participant or annuitant. If a special needs
21 trust as described in Section 1396p(d)(4) of Title 42 of the
22 United States Code, as amended from time to time, has been
23 established for a disabled child, then the special needs trust
24 may stand in lieu of the disabled adult child as a beneficiary
25 for the purposes of this Article.

1 (Source: P.A. 83-1440.)

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

3 Sec. 18-125. Retirement annuity amount.

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

8 (b) Except as provided in subsection (b-5), effective July
9 1, 1971, the retirement annuity for any participant in service
10 on or after such date shall be 3 1/2% of final average salary,
11 as defined in this Section, for each of the first 10 years of
12 service, and 5% of such final average salary for each year of
13 service on excess of 10.

14 For purposes of this Section, final average salary for a
15 participant who first serves as a judge before August 10, 2009
16 (the effective date of Public Act 96-207) shall be:

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

20 (2) for a participant who terminates service after June
21 30, 1975 and before July 1, 1982, the salary on the last
22 day of employment as a judge.

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

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

5 (5) for a participant who terminates service on or
6 after the effective date of this amendatory Act of 1995,
7 the salary on the last day of employment as a judge, or the
8 highest salary received by the participant for employment
9 as a judge in a position held by the participant for at
10 least 4 consecutive years, whichever is greater.

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

16 For a participant who first serves as a judge on or after
17 August 10, 2009 (the effective date of Public Act 96-207) and
18 before January 1, 2011 (the effective date of Public Act
19 96-889) ~~this amendatory Act of the 96th General Assembly~~, final
20 average salary shall be the average monthly salary obtained by
21 dividing the total salary of the participant during the period
22 of: (1) the 48 consecutive months of service within the last
23 120 months of service in which the total compensation was the
24 highest, or (2) the total period of service, if less than 48
25 months, by the number of months of service in that period.

26 The maximum retirement annuity for any participant shall be

1 85% of final average salary.

2 (b-5) Notwithstanding any other provision of this Article,
3 for a participant who first serves as a judge on or after
4 January 1, 2011 (the effective date of Public Act 96-889) ~~this~~
5 ~~amendatory Act of the 96th General Assembly,~~ the annual
6 retirement annuity is 3% of the participant's final average
7 salary for each year of service. The maximum retirement annuity
8 payable shall be 60% of the participant's final average salary.

9 For a participant who first serves as a judge on or after
10 January 1, 2011 (the effective date of Public Act 96-889) ~~this~~
11 ~~amendatory Act of the 96th General Assembly,~~ final average
12 salary shall be the average monthly salary obtained by dividing
13 the total salary of the judge during the 96 consecutive months
14 of service within the last 120 months of service in which the
15 total salary was the highest by the number of months of service
16 in that period; however, beginning January 1, 2011, the annual
17 ~~final average~~ salary may not exceed \$106,800, except that that
18 amount shall annually thereafter be increased by the lesser of
19 (i) 3% of that amount, including all previous adjustments, or
20 (ii) the annual unadjusted percentage increase (but not less
21 than zero) ~~the Social Security Covered Wage Base for 2010, and~~
22 ~~shall automatically be increased or decreased, as applicable,~~
23 ~~by a percentage equal to the percentage change in the consumer~~
24 ~~price index-u~~ for the 12 months ending with the September
25 preceding each November 1 ~~during the preceding 12 month~~
26 ~~calendar year.~~ "Consumer price index-u" means the index

1 published by the Bureau of Labor Statistics of the United
2 States Department of Labor that measures the average change in
3 prices of goods and services purchased by all urban consumers,
4 United States city average, all items, 1982-84 = 100. The new
5 amount resulting from each annual adjustment shall be
6 determined by the Public Pension Division of the Department of
7 Insurance and made available to the Board by November 1st of
8 each year.

9 (c) The retirement annuity for a participant who retires
10 prior to age 60 with less than 28 years of service in the
11 System shall be reduced 1/2 of 1% for each month that the
12 participant's age is under 60 years at the time the annuity
13 commences. However, for a participant who retires on or after
14 the effective date of this amendatory Act of the 91st General
15 Assembly, the percentage reduction in retirement annuity
16 imposed under this subsection shall be reduced by 5/12 of 1%
17 for every month of service in this System in excess of 20
18 years, and therefore a participant with at least 26 years of
19 service in this System may retire at age 55 without any
20 reduction in annuity.

21 The reduction in retirement annuity imposed by this
22 subsection shall not apply in the case of retirement on account
23 of disability.

24 (d) Notwithstanding any other provision of this Article,
25 for a participant who first serves as a judge on or after
26 January 1, 2011 (the effective date of Public Act 96-889) ~~this~~

1 ~~amendatory Act of the 96th General Assembly~~ and who is retiring
2 after attaining age 62, the retirement annuity shall be reduced
3 by 1/2 of 1% for each month that the participant's age is under
4 age 67 at the time the annuity commences.

5 (Source: P.A. 96-207, eff. 8-10-09; 96-889, eff. 1-1-11;
6 96-1000, eff. 7-2-10.)

7 (40 ILCS 5/18-125.1) (from Ch. 108 1/2, par. 18-125.1)

8 (Text of Section after amendment by P.A. 96-889)

9 Sec. 18-125.1. Automatic increase in retirement annuity. A
10 participant who retires from service after June 30, 1969,
11 shall, in January of the year next following the year in which
12 the first anniversary of retirement occurs, and in January of
13 each year thereafter, have the amount of his or her originally
14 granted retirement annuity increased as follows: for each year
15 up to and including 1971, 1 1/2%; for each year from 1972
16 through 1979 inclusive, 2%; and for 1980 and each year
17 thereafter, 3%.

18 Notwithstanding any other provision of this Article, a
19 retirement annuity for a participant who first serves as a
20 judge on or after January 1, 2011 (the effective date of Public
21 Act 96-889) ~~this amendatory Act of the 96th General Assembly~~
22 shall be increased in January of the year next following the
23 year in which the first anniversary of retirement occurs, but
24 in no event prior to age 67, and in January of each year
25 thereafter, by an amount equal to 3% or the annual percentage

1 increase ~~change~~ in the consumer price index-u as determined by
2 the Public Pension Division of the Department of Insurance
3 under subsection (b-5) of Section 18-125 ~~Consumer Price Index~~
4 ~~for All Urban Consumers~~, whichever is less, of the retirement
5 annuity then being paid.

6 This Section is not applicable to a participant who retires
7 before he or she has made contributions at the rate prescribed
8 in Section 18-133 for automatic increases for not less than the
9 equivalent of one full year, unless such a participant arranges
10 to pay the system the amount required to bring the total
11 contributions for the automatic increase to the equivalent of
12 one year's contribution based upon his or her last year's
13 salary.

14 This Section is applicable to all participants in service
15 after June 30, 1969 unless a participant has elected, prior to
16 September 1, 1969, in a written direction filed with the board
17 not to be subject to the provisions of this Section. Any
18 participant in service on or after July 1, 1992 shall have the
19 option of electing prior to April 1, 1993, in a written
20 direction filed with the board, to be covered by the provisions
21 of the 1969 amendatory Act. Such participant shall be required
22 to make the aforesaid additional contributions with compound
23 interest at 4% per annum.

24 Any participant who has become eligible to receive the
25 maximum rate of annuity and who resumes service as a judge
26 after receiving a retirement annuity under this Article shall

1 have the amount of his or her retirement annuity increased by
2 3% of the originally granted annuity amount for each year of
3 such resumed service, beginning in January of the year next
4 following the date of such resumed service, upon subsequent
5 termination of such resumed service.

6 Beginning January 1, 1990, all automatic annual increases
7 payable under this Section shall be calculated as a percentage
8 of the total annuity payable at the time of the increase,
9 including previous increases granted under this Article.

10 (Source: P.A. 96-889, eff. 1-1-11.)

11 (40 ILCS 5/18-127) (from Ch. 108 1/2, par. 18-127)

12 (Text of Section after amendment by P.A. 96-889)

13 Sec. 18-127. Retirement annuity - suspension on
14 reemployment.

15 (a) A participant receiving a retirement annuity who is
16 regularly employed for compensation by an employer other than a
17 county, in any capacity, shall have his or her retirement
18 annuity payments suspended during such employment. Upon
19 termination of such employment, retirement annuity payments at
20 the previous rate shall be resumed.

21 If such a participant resumes service as a judge, he or she
22 shall receive credit for any additional service. Upon
23 subsequent retirement, his or her retirement annuity shall be
24 the amount previously granted, plus the amount earned by the
25 additional judicial service under the provisions in effect

1 during the period of such additional service. However, if the
2 participant was receiving the maximum rate of annuity at the
3 time of re-employment, he or she may elect, in a written
4 direction filed with the board, not to receive any additional
5 service credit during the period of re-employment. In such
6 case, contributions shall not be required during the period of
7 re-employment. Any such election shall be irrevocable.

8 (b) Beginning January 1, 1991, any participant receiving a
9 retirement annuity who accepts temporary employment from an
10 employer other than a county for a period not exceeding 75
11 working days in any calendar year shall not be deemed to be
12 regularly employed for compensation or to have resumed service
13 as a judge for the purposes of this Article. A day shall be
14 considered a working day if the annuitant performs on it any of
15 his duties under the temporary employment agreement.

16 (c) Except as provided in subsection (a), beginning January
17 1, 1993, retirement annuities shall not be subject to
18 suspension upon resumption of employment for an employer, and
19 any retirement annuity that is then so suspended shall be
20 reinstated on that date.

21 (d) The changes made in this Section by this amendatory Act
22 of 1993 shall apply to judges no longer in service on its
23 effective date, as well as to judges serving on or after that
24 date.

25 (e) A participant receiving a retirement annuity under this
26 Article who serves as a part-time employee in any of the

1 following positions: Legislative Inspector General, Special
2 Legislative Inspector General, employee of the Office of the
3 Legislative Inspector General, Executive Director of the
4 Legislative Ethics Commission, or staff of the Legislative
5 Ethics Commission, but has not elected to participate in the
6 Article 14 System with respect to that service, shall not be
7 deemed to be regularly employed for compensation by an employer
8 other than a county, nor to have resumed service as a judge, on
9 the basis of that service, and the retirement annuity payments
10 and other benefits of that person under this Code shall not be
11 suspended, diminished, or otherwise impaired solely as a
12 consequence of that service. This subsection (e) applies
13 without regard to whether the person is in service as a judge
14 under this Article on or after the effective date of this
15 amendatory Act of the 93rd General Assembly. In this
16 subsection, a "part-time employee" is a person who is not
17 required to work at least 35 hours per week.

18 (f) A participant receiving a retirement annuity under this
19 Article who has made an election under Section 1-123 and who is
20 serving either as legal counsel in the Office of the Governor
21 or as Chief Deputy Attorney General shall not be deemed to be
22 regularly employed for compensation by an employer other than a
23 county, nor to have resumed service as a judge, on the basis of
24 that service, and the retirement annuity payments and other
25 benefits of that person under this Code shall not be suspended,
26 diminished, or otherwise impaired solely as a consequence of

1 that service. This subsection (f) applies without regard to
2 whether the person is in service as a judge under this Article
3 on or after the effective date of this amendatory Act of the
4 93rd General Assembly.

5 (g) Notwithstanding any other provision of this Article, if
6 a person who first becomes a participant under this System on
7 or after January 1, 2011 (the effective date of this amendatory
8 Act of the 96th General Assembly) is receiving a retirement
9 annuity under this Article and becomes a member or participant
10 ~~accepts employment in a position covered~~ under this Article or
11 any other Article of this Code and is employed on a full-time
12 basis, then the person's retirement annuity under this System
13 shall be suspended during that employment. Upon termination of
14 that employment, the person's retirement annuity shall resume
15 and, if appropriate, be recalculated under the applicable
16 provisions of this Article.

17 (Source: P.A. 96-889, eff. 1-1-11.)

18 (40 ILCS 5/18-128.01) (from Ch. 108 1/2, par. 18-128.01)

19 (Text of Section after amendment by P.A. 96-889)

20 Sec. 18-128.01. Amount of survivor's annuity.

21 (a) Upon the death of an annuitant, his or her surviving
22 spouse shall be entitled to a survivor's annuity of 66 2/3% of
23 the annuity the annuitant was receiving immediately prior to
24 his or her death, inclusive of annual increases in the
25 retirement annuity to the date of death.

1 (b) Upon the death of an active participant, his or her
2 surviving spouse shall receive a survivor's annuity of 66 2/3%
3 of the annuity earned by the participant as of the date of his
4 or her death, determined without regard to whether the
5 participant had attained age 60 as of that time, or 7 1/2% of
6 the last salary of the decedent, whichever is greater.

7 (c) Upon the death of a participant who had terminated
8 service with at least 10 years of service, his or her surviving
9 spouse shall be entitled to a survivor's annuity of 66 2/3% of
10 the annuity earned by the deceased participant at the date of
11 death.

12 (d) Upon the death of an annuitant, active participant, or
13 participant who had terminated service with at least 10 years
14 of service, each surviving child under the age of 18 or
15 disabled as defined in Section 18-128 shall be entitled to a
16 child's annuity in an amount equal to 5% of the decedent's
17 final salary, not to exceed in total for all such children the
18 greater of 20% of the decedent's last salary or 66 2/3% of the
19 annuity received or earned by the decedent as provided under
20 subsections (a) and (b) of this Section. This child's annuity
21 shall be paid whether or not a survivor's annuity was elected
22 under Section 18-123.

23 (e) The changes made in the survivor's annuity provisions
24 by Public Act 82-306 shall apply to the survivors of a deceased
25 participant or annuitant whose death occurs on or after August
26 21, 1981.

1 (f) Beginning January 1, 1990, every survivor's annuity
2 shall be increased (1) on each January 1 occurring on or after
3 the commencement of the annuity if the deceased member died
4 while receiving a retirement annuity, or (2) in other cases, on
5 each January 1 occurring on or after the first anniversary of
6 the commencement of the annuity, by an amount equal to 3% of
7 the current amount of the annuity, including any previous
8 increases under this Article. Such increases shall apply
9 without regard to whether the deceased member was in service on
10 or after the effective date of this amendatory Act of 1991, but
11 shall not accrue for any period prior to January 1, 1990.

12 (g) Notwithstanding any other provision of this Article,
13 the initial survivor's annuity for a survivor of a participant
14 who first serves as a judge after January 1, 2011 (the
15 effective date of Public Act 96-889) ~~this amendatory Act of the~~
16 ~~96th General Assembly~~ shall be in the amount of 66 2/3% of the
17 annuity received or earned by the decedent, and shall be
18 increased (1) on each January 1 occurring on or after the
19 commencement of the annuity if the deceased participant died
20 while receiving a retirement annuity, or (2) in other cases, on
21 each January 1 occurring on or after the first anniversary of
22 the commencement of the annuity, but in no event prior to age
23 67, by an amount equal to 3% or the annual unadjusted
24 percentage increase ~~change~~ in the consumer price index-u as
25 determined by the Public Pension Division of the Department of
26 Insurance under subsection (b-5) of Section 18-125 ~~Consumer~~

1 ~~Price Index for All Urban Consumers~~, whichever is less, of the
2 survivor's annuity then being paid.

3 (Source: P.A. 96-889, eff. 1-1-11.)

4 (40 ILCS 5/18-133) (from Ch. 108 1/2, par. 18-133)

5 Sec. 18-133. Financing; employee contributions.

6 (a) Effective July 1, 1967, each participant is required to
7 contribute 7 1/2% of each payment of salary toward the
8 retirement annuity. Such contributions shall continue during
9 the entire time the participant is in service, with the
10 following exceptions:

11 (1) Contributions for the retirement annuity are not
12 required on salary received after 18 years of service by
13 persons who were participants before January 2, 1954.

14 (2) A participant who continues to serve as a judge
15 after becoming eligible to receive the maximum rate of
16 annuity may elect, through a written direction filed with
17 the Board, to discontinue contributing to the System. Any
18 such option elected by a judge shall be irrevocable unless
19 prior to January 1, 2000, and while continuing to serve as
20 judge, the judge (A) files with the Board a letter
21 cancelling the direction to discontinue contributing to
22 the System and requesting that such contributing resume,
23 and (B) pays into the System an amount equal to the total
24 of the discontinued contributions plus interest thereon at
25 5% per annum. Service credits earned in any other

1 "participating system" as defined in Article 20 of this
2 Code shall be considered for purposes of determining a
3 judge's eligibility to discontinue contributions under
4 this subdivision (a) (2).

5 (3) A participant who (i) has attained age 60, (ii)
6 continues to serve as a judge after becoming eligible to
7 receive the maximum rate of annuity, and (iii) has not
8 elected to discontinue contributing to the System under
9 subdivision (a) (2) of this Section (or has revoked any such
10 election) may elect, through a written direction filed with
11 the Board, to make contributions to the System based only
12 on the amount of the increases in salary received by the
13 judge on or after the date of the election, rather than the
14 total salary received. If a judge who is making
15 contributions to the System on the effective date of this
16 amendatory Act of the 91st General Assembly makes an
17 election to limit contributions under this subdivision
18 (a) (3) within 90 days after that effective date, the
19 election shall be deemed to become effective on that
20 effective date and the judge shall be entitled to receive a
21 refund of any excess contributions paid to the System
22 during that 90-day period; any other election under this
23 subdivision (a) (3) becomes effective on the first of the
24 month following the date of the election. An election to
25 limit contributions under this subdivision (a) (3) is
26 irrevocable. Service credits earned in any other

1 participating system as defined in Article 20 of this Code
2 shall be considered for purposes of determining a judge's
3 eligibility to make an election under this subdivision
4 (a) (3).

5 (b) Beginning July 1, 1969, each participant is required to
6 contribute 1% of each payment of salary towards the automatic
7 increase in annuity provided in Section 18-125.1. However, such
8 contributions need not be made by any participant who has
9 elected prior to September 15, 1969, not to be subject to the
10 automatic increase in annuity provisions.

11 (c) Effective July 13, 1953, each married participant
12 subject to the survivor's annuity provisions is required to
13 contribute 2 1/2% of each payment of salary, whether or not he
14 or she is required to make any other contributions under this
15 Section. Such contributions shall be made concurrently with the
16 contributions made for annuity purposes.

17 (d) Notwithstanding any other provision of this Article,
18 the required contributions for a participant who first becomes
19 a participant on or after January 1, 2011 shall not exceed the
20 contributions that would be due under this Article if that
21 participant's highest salary for annuity purposes were
22 \$106,800, plus any increase in that amount under Section
23 18-125.

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

25 Section 95. No acceleration or delay. Where this Act makes

1 changes in a statute that is represented in this Act by text
2 that is not yet or no longer in effect (for example, a Section
3 represented by multiple versions), the use of that text does
4 not accelerate or delay the taking effect of (i) the changes
5 made by this Act or (ii) provisions derived from any other
6 Public Act.

7 Section 99. Effective date. This Act takes effect January
8 1, 2011."