



Personnel and Pensions Committee

Filed: 1/10/2011

09600SB1858ham002

LRB096 06188 JDS 44862 a

1 AMENDMENT TO SENATE BILL 1858

2 AMENDMENT NO. _____. Amend Senate Bill 1858, AS AMENDED,
3 by replacing everything after the enacting clause with the
4 following:

5 "Section 5. If and only if Senate Bill 3514 (as amended by
6 House Amendments Nos. 3, 4, and 5) becomes law, the Illinois
7 Pension Code is amended by changing Sections 2-124, 2-134,
8 14-131, 14-135.08, 15-155, 15-165, 16-158, 18-131, and 18-140
9 as follows:

10 (40 ILCS 5/2-124) (from Ch. 108 1/2, par. 2-124)

11 Sec. 2-124. Contributions by State.

12 (a) The State shall make contributions to the System by
13 appropriations of amounts which, together with the
14 contributions of participants, interest earned on investments,
15 and other income will meet the cost of maintaining and
16 administering the System on a 90% funded basis in accordance

1 with actuarial recommendations.

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

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

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

22 Notwithstanding any other provision of this Article, the
23 total required State contribution for State fiscal year 2006 is
24 \$4,157,000.

25 Notwithstanding any other provision of this Article, the
26 total required State contribution for State fiscal year 2007 is

1 \$5,220,300.

2 For each of State fiscal years 2008 through 2009, the State
3 contribution to the System, as a percentage of the applicable
4 employee payroll, shall be increased in equal annual increments
5 from the required State contribution for State fiscal year
6 2007, so that by State fiscal year 2011, the State is
7 contributing at the rate otherwise required under this Section.

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

18 Notwithstanding any other provision of this Article, the
19 total required State contribution for State fiscal year 2011 is
20 the amount recertified by the System on or before April 1, 2011
21 ~~June 15, 2010~~ pursuant to Section 2-134 and shall be made from
22 the proceeds of bonds sold in fiscal year 2011 pursuant to
23 Section 7.2 of the General Obligation Bond Act, less (i) the
24 pro rata share of bond sale expenses determined by the System's
25 share of total bond proceeds, (ii) any amounts received from
26 the General Revenue Fund in fiscal year 2011, and (iii) any

1 reduction in bond proceeds due to the issuance of discounted
2 bonds, if applicable.

3 Beginning in State fiscal year 2046, the minimum State
4 contribution for each fiscal year shall be the amount needed to
5 maintain the total assets of the System at 90% of the total
6 actuarial liabilities of the System.

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

19 Notwithstanding any other provision of this Section, the
20 required State contribution for State fiscal year 2005 and for
21 fiscal year 2008 and each fiscal year thereafter, as calculated
22 under this Section and certified under Section 2-134, shall not
23 exceed an amount equal to (i) the amount of the required State
24 contribution that would have been calculated under this Section
25 for that fiscal year if the System had not received any
26 payments under subsection (d) of Section 7.2 of the General

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

17 (d) For purposes of determining the required State
18 contribution to the System, the value of the System's assets
19 shall be equal to the actuarial value of the System's assets,
20 which shall be calculated as follows:

21 As of June 30, 2008, the actuarial value of the System's
22 assets shall be equal to the market value of the assets as of
23 that date. In determining the actuarial value of the System's
24 assets for fiscal years after June 30, 2008, any actuarial
25 gains or losses from investment return incurred in a fiscal
26 year shall be recognized in equal annual amounts over the

1 5-year period following that fiscal year.

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

6 (Source: P.A. 95-950, eff. 8-29-08; 96-43, eff. 7-15-09;
7 09600SB3514ham003.)

8 (40 ILCS 5/2-134) (from Ch. 108 1/2, par. 2-134)

9 Sec. 2-134. To certify required State contributions and
10 submit vouchers.

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

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

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

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

2 On or before April 1, 2011 ~~June 15, 2010~~, the Board shall
3 recalculate and recertify to the Governor the amount of the
4 required State contribution to the System for State fiscal year
5 2011, applying the changes made by Public Act 96-889 to the
6 System's assets and liabilities as of June 30, 2009 as though
7 Public Act 96-889 was approved on that date.

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

1 lawfully vouchered under this Section, the difference shall be
2 paid from the General Revenue Fund under the continuing
3 appropriation authority provided in Section 1.1 of the State
4 Pension Funds Continuing Appropriation Act.

5 (c) The full amount of any annual appropriation for the
6 System for State fiscal year 1995 shall be transferred and made
7 available to the System at the beginning of that fiscal year at
8 the request of the Board. Any excess funds remaining at the end
9 of any fiscal year from appropriations shall be retained by the
10 System as a general reserve to meet the System's accrued
11 liabilities.

12 (Source: P.A. 94-4, eff. 6-1-05; 94-536, eff. 8-10-05; 95-331,
13 eff. 8-21-07; 09600SB3514ham003.)

14 (40 ILCS 5/14-131)

15 Sec. 14-131. Contributions by State.

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

23 For the purposes of this Section and Section 14-135.08,
24 references to State contributions refer only to employer
25 contributions and do not include employee contributions that

1 are picked up or otherwise paid by the State or a department on
2 behalf of the employee.

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

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

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

25 (c) Contributions shall be made by the several departments
26 for each pay period by warrants drawn by the State Comptroller

1 against their respective funds or appropriations based upon
2 vouchers stating the amount to be so contributed. These amounts
3 shall be based on the full rate certified by the Board under
4 Section 14-135.08 for that fiscal year. From the effective date
5 of this amendatory Act of the 93rd General Assembly through the
6 payment of the final payroll from fiscal year 2004
7 appropriations, the several departments shall not make
8 contributions for the remainder of fiscal year 2004 but shall
9 instead make payments as required under subsection (a-1) of
10 Section 14.1 of the State Finance Act. The several departments
11 shall resume those contributions at the commencement of fiscal
12 year 2005.

13 (c-1) Notwithstanding subsection (c) of this Section, for
14 fiscal year 2010 only, contributions by the several departments
15 are not required to be made for General Revenue Funds payrolls
16 processed by the Comptroller. Payrolls paid by the several
17 departments from all other State funds must continue to be
18 processed pursuant to subsection (c) of this Section.

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

24 (d) If an employee is paid from trust funds or federal
25 funds, the department or other employer shall pay employer
26 contributions from those funds to the System at the certified

1 rate, unless the terms of the trust or the federal-State
2 agreement preclude the use of the funds for that purpose, in
3 which case the required employer contributions shall be paid by
4 the State. From the effective date of this amendatory Act of
5 the 93rd General Assembly through the payment of the final
6 payroll from fiscal year 2004 appropriations, the department or
7 other employer shall not pay contributions for the remainder of
8 fiscal year 2004 but shall instead make payments as required
9 under subsection (a-1) of Section 14.1 of the State Finance
10 Act. The department or other employer shall resume payment of
11 contributions at the commencement of fiscal year 2005.

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

22 For State fiscal years 1996 through 2005, the State
23 contribution to the System, as a percentage of the applicable
24 employee payroll, shall be increased in equal annual increments
25 so that by State fiscal year 2011, the State is contributing at
26 the rate required under this Section; except that (i) for State

1 fiscal year 1998, for all purposes of this Code and any other
2 law of this State, the certified percentage of the applicable
3 employee payroll shall be 5.052% for employees earning eligible
4 creditable service under Section 14-110 and 6.500% for all
5 other employees, notwithstanding any contrary certification
6 made under Section 14-135.08 before the effective date of this
7 amendatory Act of 1997, and (ii) in the following specified
8 State fiscal years, the State contribution to the System shall
9 not be less than the following indicated percentages of the
10 applicable employee payroll, even if the indicated percentage
11 will produce a State contribution in excess of the amount
12 otherwise required under this subsection and subsection (a):
13 9.8% in FY 1999; 10.0% in FY 2000; 10.2% in FY 2001; 10.4% in FY
14 2002; 10.6% in FY 2003; and 10.8% in FY 2004.

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

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

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

1 Notwithstanding any other provision of this Article, the
2 total required State General Revenue Fund contribution for
3 State fiscal year 2010 is \$723,703,100 and shall be made from
4 the proceeds of bonds sold in fiscal year 2010 pursuant to
5 Section 7.2 of the General Obligation Bond Act, less (i) the
6 pro rata share of bond sale expenses determined by the System's
7 share of total bond proceeds, (ii) any amounts received from
8 the General Revenue Fund in fiscal year 2010, and (iii) any
9 reduction in bond proceeds due to the issuance of discounted
10 bonds, if applicable.

11 Notwithstanding any other provision of this Article, the
12 total required State General Revenue Fund contribution for
13 State fiscal year 2011 is the amount recertified by the System
14 on or before April 1, 2011 ~~June 15, 2010~~ pursuant to Section
15 14-135.08 and shall be made from the proceeds of bonds sold in
16 fiscal year 2011 pursuant to Section 7.2 of the General
17 Obligation Bond Act, less (i) the pro rata share of bond sale
18 expenses determined by the System's share of total bond
19 proceeds, (ii) any amounts received from the General Revenue
20 Fund in fiscal year 2011, and (iii) any reduction in bond
21 proceeds due to the issuance of discounted bonds, if
22 applicable.

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

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

13 Notwithstanding any other provision of this Section, the
14 required State contribution for State fiscal year 2005 and for
15 fiscal year 2008 and each fiscal year thereafter, as calculated
16 under this Section and certified under Section 14-135.08, shall
17 not exceed an amount equal to (i) the amount of the required
18 State contribution that would have been calculated under this
19 Section for that fiscal year if the System had not received any
20 payments under subsection (d) of Section 7.2 of the General
21 Obligation Bond Act, minus (ii) the portion of the State's
22 total debt service payments for that fiscal year on the bonds
23 issued for the purposes of that Section 7.2, as determined and
24 certified by the Comptroller, that is the same as the System's
25 portion of the total moneys distributed under subsection (d) of
26 Section 7.2 of the General Obligation Bond Act. In determining

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

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

1 purposes of this Section, and the Fiscal Year 2004 Shortfall
2 shall be satisfied under Section 1.2 of the State Pension Funds
3 Continuing Appropriation Act. If the amount due is less than
4 the amount received, the difference shall be termed the "Fiscal
5 Year 2004 Overpayment" for purposes of this Section, and the
6 Fiscal Year 2004 Overpayment shall be repaid by the System to
7 the Pension Contribution Fund as soon as practicable after the
8 certification.

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

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

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

24 (i) After the submission of all payments for eligible
25 employees from personal services line items paid from the
26 General Revenue Fund in fiscal year 2010 have been made, the

1 Comptroller shall provide to the System a certification of the
2 sum of all fiscal year 2010 expenditures for personal services
3 that would have been covered by payments to the System under
4 this Section if the provisions of this amendatory Act of the
5 96th General Assembly had not been enacted. Upon receipt of the
6 certification, the System shall determine the amount due to the
7 System based on the full rate certified by the Board under
8 Section 14-135.08 for fiscal year 2010 in order to meet the
9 State's obligation under this Section. The System shall compare
10 this amount due to the amount received by the System in fiscal
11 year 2010 through payments under this Section. If the amount
12 due is more than the amount received, the difference shall be
13 termed the "Fiscal Year 2010 Shortfall" for purposes of this
14 Section, and the Fiscal Year 2010 Shortfall shall be satisfied
15 under Section 1.2 of the State Pension Funds Continuing
16 Appropriation Act. If the amount due is less than the amount
17 received, the difference shall be termed the "Fiscal Year 2010
18 Overpayment" for purposes of this Section, and the Fiscal Year
19 2010 Overpayment shall be repaid by the System to the General
20 Revenue Fund as soon as practicable after the certification.

21 (j) After the submission of all payments for eligible
22 employees from personal services line items paid from the
23 General Revenue Fund in fiscal year 2011 have been made, the
24 Comptroller shall provide to the System a certification of the
25 sum of all fiscal year 2011 expenditures for personal services
26 that would have been covered by payments to the System under

1 this Section if the provisions of this amendatory Act of the
2 96th General Assembly had not been enacted. Upon receipt of the
3 certification, the System shall determine the amount due to the
4 System based on the full rate certified by the Board under
5 Section 14-135.08 for fiscal year 2011 in order to meet the
6 State's obligation under this Section. The System shall compare
7 this amount due to the amount received by the System in fiscal
8 year 2011 through payments under this Section. If the amount
9 due is more than the amount received, the difference shall be
10 termed the "Fiscal Year 2011 Shortfall" for purposes of this
11 Section, and the Fiscal Year 2011 Shortfall shall be satisfied
12 under Section 1.2 of the State Pension Funds Continuing
13 Appropriation Act. If the amount due is less than the amount
14 received, the difference shall be termed the "Fiscal Year 2011
15 Overpayment" for purposes of this Section, and the Fiscal Year
16 2011 Overpayment shall be repaid by the System to the General
17 Revenue Fund as soon as practicable after the certification.

18 (Source: P.A. 95-950, eff. 8-29-08; 96-43, eff. 7-15-09; 96-45,
19 eff. 7-15-09; 09600SB3514ham003; 09600SB3514ham005.)

20 (40 ILCS 5/14-135.08) (from Ch. 108 1/2, par. 14-135.08)

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

22 (a) To certify to the Governor and to each department, on
23 or before November 15 of each year, the required rate for State
24 contributions to the System for the next State fiscal year, as
25 determined under subsection (b) of Section 14-131. The

1 certification to the Governor shall include a copy of the
2 actuarial recommendations upon which the rate is based.

3 (b) The certification shall include an additional amount
4 necessary to pay all principal of and interest on those general
5 obligation bonds due the next fiscal year authorized by Section
6 7.2(a) of the General Obligation Bond Act and issued to provide
7 the proceeds deposited by the State with the System in July
8 2003, representing deposits other than amounts reserved under
9 Section 7.2(c) of the General Obligation Bond Act. For State
10 fiscal year 2005, the Board shall make a supplemental
11 certification of the additional amount necessary to pay all
12 principal of and interest on those general obligation bonds due
13 in State fiscal years 2004 and 2005 authorized by Section
14 7.2(a) of the General Obligation Bond Act and issued to provide
15 the proceeds deposited by the State with the System in July
16 2003, representing deposits other than amounts reserved under
17 Section 7.2(c) of the General Obligation Bond Act, as soon as
18 practical after the effective date of this amendatory Act of
19 the 93rd General Assembly.

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

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

8 On or before April 1, 2011 ~~June 15, 2010~~, the Board shall
9 recalculate and recertify to the Governor and to each
10 department the amount of the required State contribution to the
11 System for State fiscal year 2011, applying the changes made by
12 Public Act 96-889 to the System's assets and liabilities as of
13 June 30, 2009 as though Public Act 96-889 was approved on that
14 date.

15 (Source: P.A. 93-2, eff. 4-7-03; 93-839, eff. 7-30-04; 94-4,
16 eff. 6-1-05; 09600SB3514ham003.)

17 (40 ILCS 5/15-155) (from Ch. 108 1/2, par. 15-155)

18 Sec. 15-155. Employer contributions.

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

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

6 (a-1) For State fiscal years 2012 through 2045, the minimum
7 contribution to the System to be made by the State for each
8 fiscal year shall be an amount determined by the System to be
9 sufficient to bring the total assets of the System up to 90% of
10 the total actuarial liabilities of the System by the end of
11 State fiscal year 2045. In making these determinations, the
12 required State contribution shall be calculated each year as a
13 level percentage of payroll over the years remaining to and
14 including fiscal year 2045 and shall be determined under the
15 projected unit credit actuarial cost method.

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

21 Notwithstanding any other provision of this Article, the
22 total required State contribution for State fiscal year 2006 is
23 \$166,641,900.

24 Notwithstanding any other provision of this Article, the
25 total required State contribution for State fiscal year 2007 is
26 \$252,064,100.

1 For each of State fiscal years 2008 through 2009, the State
2 contribution to the System, as a percentage of the applicable
3 employee payroll, shall be increased in equal annual increments
4 from the required State contribution for State fiscal year
5 2007, so that by State fiscal year 2011, the State is
6 contributing at the rate otherwise required under this Section.

7 Notwithstanding any other provision of this Article, the
8 total required State contribution for State fiscal year 2010 is
9 \$702,514,000 and shall be made from the State Pensions Fund and
10 proceeds of bonds sold in fiscal year 2010 pursuant to Section
11 7.2 of the General Obligation Bond Act, less (i) the pro rata
12 share of bond sale expenses determined by the System's share of
13 total bond proceeds, (ii) any amounts received from the General
14 Revenue Fund in fiscal year 2010, (iii) any reduction in bond
15 proceeds due to the issuance of discounted bonds, if
16 applicable.

17 Notwithstanding any other provision of this Article, the
18 total required State contribution for State fiscal year 2011 is
19 the amount recertified by the System on or before April 1, 2011
20 ~~June 15, 2010~~ pursuant to Section 15-165 and shall be made from
21 the State Pensions Fund and proceeds of bonds sold in fiscal
22 year 2011 pursuant to Section 7.2 of the General Obligation
23 Bond Act, less (i) the pro rata share of bond sale expenses
24 determined by the System's share of total bond proceeds, (ii)
25 any amounts received from the General Revenue Fund in fiscal
26 year 2011, and (iii) any reduction in bond proceeds due to the

1 issuance of discounted bonds, if applicable.

2 Beginning in State fiscal year 2046, the minimum State
3 contribution for each fiscal year shall be the amount needed to
4 maintain the total assets of the System at 90% of the total
5 actuarial liabilities of the System.

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

18 Notwithstanding any other provision of this Section, the
19 required State contribution for State fiscal year 2005 and for
20 fiscal year 2008 and each fiscal year thereafter, as calculated
21 under this Section and certified under Section 15-165, shall
22 not exceed an amount equal to (i) the amount of the required
23 State contribution that would have been calculated under this
24 Section for that fiscal year if the System had not received any
25 payments under subsection (d) of Section 7.2 of the General
26 Obligation Bond Act, minus (ii) the portion of the State's

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

16 (b) If an employee is paid from trust or federal funds, the
17 employer shall pay to the Board contributions from those funds
18 which are sufficient to cover the accruing normal costs on
19 behalf of the employee. However, universities having employees
20 who are compensated out of local auxiliary funds, income funds,
21 or service enterprise funds are not required to pay such
22 contributions on behalf of those employees. The local auxiliary
23 funds, income funds, and service enterprise funds of
24 universities shall not be considered trust funds for the
25 purpose of this Article, but funds of alumni associations,
26 foundations, and athletic associations which are affiliated

1 with the universities included as employers under this Article
2 and other employers which do not receive State appropriations
3 are considered to be trust funds for the purpose of this
4 Article.

5 (b-1) The City of Urbana and the City of Champaign shall
6 each make employer contributions to this System for their
7 respective firefighter employees who participate in this
8 System pursuant to subsection (h) of Section 15-107. The rate
9 of contributions to be made by those municipalities shall be
10 determined annually by the Board on the basis of the actuarial
11 assumptions adopted by the Board and the recommendations of the
12 actuary, and shall be expressed as a percentage of salary for
13 each such employee. The Board shall certify the rate to the
14 affected municipalities as soon as may be practical. The
15 employer contributions required under this subsection shall be
16 remitted by the municipality to the System at the same time and
17 in the same manner as employee contributions.

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

1 payable solely from appropriations to the Illinois Community
2 College Board or the System for employer contributions.

3 (d) Beginning in State fiscal year 1996, the required State
4 contributions to the System shall be appropriated directly to
5 the System and shall be payable through vouchers issued in
6 accordance with subsection (c) of Section 15-165, except as
7 provided in subsection (g).

8 (e) The State Comptroller shall draw warrants payable to
9 the System upon proper certification by the System or by the
10 employer in accordance with the appropriation laws and this
11 Code.

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

20 (g) If the amount of a participant's earnings for any
21 academic year used to determine the final rate of earnings,
22 determined on a full-time equivalent basis, exceeds the amount
23 of his or her earnings with the same employer for the previous
24 academic year, determined on a full-time equivalent basis, by
25 more than 6%, the participant's employer shall pay to the
26 System, in addition to all other payments required under this

1 Section and in accordance with guidelines established by the
2 System, the present value of the increase in benefits resulting
3 from the portion of the increase in earnings that is in excess
4 of 6%. This present value shall be computed by the System on
5 the basis of the actuarial assumptions and tables used in the
6 most recent actuarial valuation of the System that is available
7 at the time of the computation. The System may require the
8 employer to provide any pertinent information or
9 documentation.

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

25 The employer contributions required under this subsection
26 (f) may be paid in the form of a lump sum within 90 days after

1 receipt of the bill. If the employer contributions are not paid
2 within 90 days after receipt of the bill, then interest will be
3 charged at a rate equal to the System's annual actuarially
4 assumed rate of return on investment compounded annually from
5 the 91st day after receipt of the bill. Payments must be
6 concluded within 3 years after the employer's receipt of the
7 bill.

8 (h) This subsection (h) applies only to payments made or
9 salary increases given on or after June 1, 2005 but before July
10 1, 2011. The changes made by Public Act 94-1057 shall not
11 require the System to refund any payments received before July
12 31, 2006 (the effective date of Public Act 94-1057).

13 When assessing payment for any amount due under subsection
14 (g), the System shall exclude earnings increases paid to
15 participants under contracts or collective bargaining
16 agreements entered into, amended, or renewed before June 1,
17 2005.

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

22 When assessing payment for any amount due under subsection
23 (g), the System shall exclude earnings increases resulting from
24 overload work, including a contract for summer teaching, or
25 overtime when the employer has certified to the System, and the
26 System has approved the certification, that: (i) in the case of

1 overloads (A) the overload work is for the sole purpose of
2 academic instruction in excess of the standard number of
3 instruction hours for a full-time employee occurring during the
4 academic year that the overload is paid and (B) the earnings
5 increases are equal to or less than the rate of pay for
6 academic instruction computed using the participant's current
7 salary rate and work schedule; and (ii) in the case of
8 overtime, the overtime was necessary for the educational
9 mission.

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

24 (i) When assessing payment for any amount due under
25 subsection (g), the System shall exclude any salary increase
26 described in subsection (h) of this Section given on or after

1 July 1, 2011 but before July 1, 2014 under a contract or
2 collective bargaining agreement entered into, amended, or
3 renewed on or after June 1, 2005 but before July 1, 2011.
4 Notwithstanding any other provision of this Section, any
5 payments made or salary increases given after June 30, 2014
6 shall be used in assessing payment for any amount due under
7 subsection (g) of this Section.

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

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

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

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

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

23 (k) The Illinois Community College Board shall adopt rules
24 for recommending lists of promotional positions submitted to
25 the Board by community colleges and for reviewing the
26 promotional lists on an annual basis. When recommending

1 promotional lists, the Board shall consider the similarity of
2 the positions submitted to those positions recognized for State
3 universities by the State Universities Civil Service System.
4 The Illinois Community College Board shall file a copy of its
5 findings with the System. The System shall consider the
6 findings of the Illinois Community College Board when making
7 determinations under this Section. The System shall not exclude
8 any earnings increases resulting from a promotion when the
9 promotion was not submitted by a community college. Nothing in
10 this subsection (k) shall require any community college to
11 submit any information to the Community College Board.

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

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

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

1 (Source: P.A. 95-331, eff. 8-21-07; 95-950, eff. 8-29-08;
2 96-43, eff. 7-15-09; 09600SB3514ham003.)

3 (40 ILCS 5/15-165) (from Ch. 108 1/2, par. 15-165)
4 Sec. 15-165. To certify amounts and submit vouchers.

5 (a) The Board shall certify to the Governor on or before
6 November 15 of each year the appropriation required from State
7 funds for the purposes of this System for the following fiscal
8 year. The certification shall include a copy of the actuarial
9 recommendations upon which it is based.

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

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

21 On or before April 1, 2011 ~~June 15, 2010~~, the Board shall
22 recalculate and recertify to the Governor the amount of the
23 required State contribution to the System for State fiscal year
24 2011, applying the changes made by Public Act 96-889 to the
25 System's assets and liabilities as of June 30, 2009 as though

1 Public Act 96-889 was approved on that date.

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

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

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

1 continuing appropriation authority provided in Section 1.1 of
2 the State Pension Funds Continuing Appropriation Act.

3 (d) So long as the payments received are the full amount
4 lawfully vouchered under this Section, payments received by the
5 System under this Section shall be applied first toward the
6 employer contribution to the self-managed plan established
7 under Section 15-158.2. Payments shall be applied second toward
8 the employer's portion of the normal costs of the System, as
9 defined in subsection (f) of Section 15-155. The balance shall
10 be applied toward the unfunded actuarial liabilities of the
11 System.

12 (e) In the event that the System does not receive, as a
13 result of legislative enactment or otherwise, payments
14 sufficient to fully fund the employer contribution to the
15 self-managed plan established under Section 15-158.2 and to
16 fully fund that portion of the employer's portion of the normal
17 costs of the System, as calculated in accordance with Section
18 15-155(a-1), then any payments received shall be applied
19 proportionately to the optional retirement program established
20 under Section 15-158.2 and to the employer's portion of the
21 normal costs of the System, as calculated in accordance with
22 Section 15-155(a-1).

23 (Source: P.A. 93-2, eff. 4-7-03; 93-665, eff. 3-5-04; 94-4,
24 eff. 6-1-05; 09600SB3514ham003.)

1 Sec. 16-158. Contributions by State and other employing
2 units.

3 (a) The State shall make contributions to the System by
4 means of appropriations from the Common School Fund and other
5 State funds of amounts which, together with other employer
6 contributions, employee contributions, investment income, and
7 other income, will be sufficient to meet the cost of
8 maintaining and administering the System on a 90% funded basis
9 in accordance with actuarial recommendations.

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

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

20 On or before May 1, 2004, the Board shall recalculate and
21 recertify to the Governor the amount of the required State
22 contribution to the System for State fiscal year 2005, taking
23 into account the amounts appropriated to and received by the
24 System under subsection (d) of Section 7.2 of the General
25 Obligation Bond Act.

26 On or before April 1, 2011 ~~July 1, 2005~~, the Board shall

1 recalculate and recertify to the Governor the amount of the
2 required State contribution to the System for State fiscal year
3 2006, taking into account the changes in required State
4 contributions made by this amendatory Act of the 94th General
5 Assembly.

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

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

15 (b-1) Beginning in State fiscal year 1996, on the 15th day
16 of each month, or as soon thereafter as may be practicable, the
17 Board shall submit vouchers for payment of State contributions
18 to the System, in a total monthly amount of one-twelfth of the
19 required annual State contribution certified under subsection
20 (a-1). From the effective date of this amendatory Act of the
21 93rd General Assembly through June 30, 2004, the Board shall
22 not submit vouchers for the remainder of fiscal year 2004 in
23 excess of the fiscal year 2004 certified contribution amount
24 determined under this Section after taking into consideration
25 the transfer to the System under subsection (a) of Section
26 6z-61 of the State Finance Act. These vouchers shall be paid by

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

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

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

15 (b-3) For State fiscal years 2012 through 2045, the minimum
16 contribution to the System to be made by the State for each
17 fiscal year shall be an amount determined by the System to be
18 sufficient to bring the total assets of the System up to 90% of
19 the total actuarial liabilities of the System by the end of
20 State fiscal year 2045. In making these determinations, the
21 required State contribution shall be calculated each year as a
22 level percentage of payroll over the years remaining to and
23 including fiscal year 2045 and shall be determined under the
24 projected unit credit actuarial cost method.

25 For State fiscal years 1996 through 2005, the State
26 contribution to the System, as a percentage of the applicable

1 employee payroll, shall be increased in equal annual increments
2 so that by State fiscal year 2011, the State is contributing at
3 the rate required under this Section; except that in the
4 following specified State fiscal years, the State contribution
5 to the System shall not be less than the following indicated
6 percentages of the applicable employee payroll, even if the
7 indicated percentage will produce a State contribution in
8 excess of the amount otherwise required under this subsection
9 and subsection (a), and notwithstanding any contrary
10 certification made under subsection (a-1) before the effective
11 date of this amendatory Act of 1998: 10.02% in FY 1999; 10.77%
12 in FY 2000; 11.47% in FY 2001; 12.16% in FY 2002; 12.86% in FY
13 2003; and 13.56% in FY 2004.

14 Notwithstanding any other provision of this Article, the
15 total required State contribution for State fiscal year 2006 is
16 \$534,627,700.

17 Notwithstanding any other provision of this Article, the
18 total required State contribution for State fiscal year 2007 is
19 \$738,014,500.

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

26 Notwithstanding any other provision of this Article, the

1 total required State contribution for State fiscal year 2010 is
2 \$2,089,268,000 and shall be made from the proceeds of bonds
3 sold in fiscal year 2010 pursuant to Section 7.2 of the General
4 Obligation Bond Act, less (i) the pro rata share of bond sale
5 expenses determined by the System's share of total bond
6 proceeds, (ii) any amounts received from the Common School Fund
7 in fiscal year 2010, and (iii) any reduction in bond proceeds
8 due to the issuance of discounted bonds, if applicable.

9 Notwithstanding any other provision of this Article, the
10 total required State contribution for State fiscal year 2011 is
11 the amount recertified by the System on or before April 1, 2011
12 ~~June 15, 2010~~ pursuant to subsection (a-1) of this Section and
13 shall be made from the proceeds of bonds sold in fiscal year
14 2011 pursuant to Section 7.2 of the General Obligation Bond
15 Act, less (i) the pro rata share of bond sale expenses
16 determined by the System's share of total bond proceeds, (ii)
17 any amounts received from the Common School Fund in fiscal year
18 2011, and (iii) any reduction in bond proceeds due to the
19 issuance of discounted bonds, if applicable. This amount shall
20 include, in addition to the amount certified by the System, an
21 amount necessary to meet employer contributions required by the
22 State as an employer under paragraph (e) of this Section, which
23 may also be used by the System for contributions required by
24 paragraph (a) of Section 16-127.

25 Beginning in State fiscal year 2046, the minimum State
26 contribution for each fiscal year shall be the amount needed to

1 maintain the total assets of the System at 90% of the total
2 actuarial liabilities of the System.

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

15 Notwithstanding any other provision of this Section, the
16 required State contribution for State fiscal year 2005 and for
17 fiscal year 2008 and each fiscal year thereafter, as calculated
18 under this Section and certified under subsection (a-1), shall
19 not exceed an amount equal to (i) the amount of the required
20 State contribution that would have been calculated under this
21 Section for that fiscal year if the System had not received any
22 payments under subsection (d) of Section 7.2 of the General
23 Obligation Bond Act, minus (ii) the portion of the State's
24 total debt service payments for that fiscal year on the bonds
25 issued for the purposes of that Section 7.2, as determined and
26 certified by the Comptroller, that is the same as the System's

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

13 (c) Payment of the required State contributions and of all
14 pensions, retirement annuities, death benefits, refunds, and
15 other benefits granted under or assumed by this System, and all
16 expenses in connection with the administration and operation
17 thereof, are obligations of the State.

18 If members are paid from special trust or federal funds
19 which are administered by the employing unit, whether school
20 district or other unit, the employing unit shall pay to the
21 System from such funds the full accruing retirement costs based
22 upon that service, as determined by the System. Employer
23 contributions, based on salary paid to members from federal
24 funds, may be forwarded by the distributing agency of the State
25 of Illinois to the System prior to allocation, in an amount
26 determined in accordance with guidelines established by such

1 agency and the System.

2 (d) Effective July 1, 1986, any employer of a teacher as
3 defined in paragraph (8) of Section 16-106 shall pay the
4 employer's normal cost of benefits based upon the teacher's
5 service, in addition to employee contributions, as determined
6 by the System. Such employer contributions shall be forwarded
7 monthly in accordance with guidelines established by the
8 System.

9 However, with respect to benefits granted under Section
10 16-133.4 or 16-133.5 to a teacher as defined in paragraph (8)
11 of Section 16-106, the employer's contribution shall be 12%
12 (rather than 20%) of the member's highest annual salary rate
13 for each year of creditable service granted, and the employer
14 shall also pay the required employee contribution on behalf of
15 the teacher. For the purposes of Sections 16-133.4 and
16 16-133.5, a teacher as defined in paragraph (8) of Section
17 16-106 who is serving in that capacity while on leave of
18 absence from another employer under this Article shall not be
19 considered an employee of the employer from which the teacher
20 is on leave.

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

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

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

4 The school district or other employing unit may pay these
5 employer contributions out of any source of funding available
6 for that purpose and shall forward the contributions to the
7 System on the schedule established for the payment of member
8 contributions.

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

12 Each employer of teachers is entitled to a credit against
13 the contributions required under this subsection (e) with
14 respect to salaries paid to teachers for the period January 1,
15 2002 through June 30, 2003, equal to the amount paid by that
16 employer under subsection (a-5) of Section 6.6 of the State
17 Employees Group Insurance Act of 1971 with respect to salaries
18 paid to teachers for that period.

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

24 If an employer is required by a contract in effect on May
25 1, 1998 between the employer and an employee organization to
26 pay, on behalf of all its full-time employees covered by this

1 Article, all mandatory employee contributions required under
2 this Article, then the employer shall be excused from paying
3 the employer contribution required under this subsection (e)
4 for the balance of the term of that contract. The employer and
5 the employee organization shall jointly certify to the System
6 the existence of the contractual requirement, in such form as
7 the System may prescribe. This exclusion shall cease upon the
8 termination, extension, or renewal of the contract at any time
9 after May 1, 1998.

10 (f) If the amount of a teacher's salary for any school year
11 used to determine final average salary exceeds the member's
12 annual full-time salary rate with the same employer for the
13 previous school year by more than 6%, the teacher's employer
14 shall pay to the System, in addition to all other payments
15 required under this Section and in accordance with guidelines
16 established by the System, the present value of the increase in
17 benefits resulting from the portion of the increase in salary
18 that is in excess of 6%. This present value shall be computed
19 by the System on the basis of the actuarial assumptions and
20 tables used in the most recent actuarial valuation of the
21 System that is available at the time of the computation. If a
22 teacher's salary for the 2005-2006 school year is used to
23 determine final average salary under this subsection (f), then
24 the changes made to this subsection (f) by Public Act 94-1057
25 shall apply in calculating whether the increase in his or her
26 salary is in excess of 6%. For the purposes of this Section,

1 change in employment under Section 10-21.12 of the School Code
2 on or after June 1, 2005 shall constitute a change in employer.
3 The System may require the employer to provide any pertinent
4 information or documentation. The changes made to this
5 subsection (f) by this amendatory Act of the 94th General
6 Assembly apply without regard to whether the teacher was in
7 service on or after its effective date.

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

23 The employer contributions required under this subsection
24 (f) may be paid in the form of a lump sum within 90 days after
25 receipt of the bill. If the employer contributions are not paid
26 within 90 days after receipt of the bill, then interest will be

1 charged at a rate equal to the System's annual actuarially
2 assumed rate of return on investment compounded annually from
3 the 91st day after receipt of the bill. Payments must be
4 concluded within 3 years after the employer's receipt of the
5 bill.

6 (g) This subsection (g) applies only to payments made or
7 salary increases given on or after June 1, 2005 but before July
8 1, 2011. The changes made by Public Act 94-1057 shall not
9 require the System to refund any payments received before July
10 31, 2006 (the effective date of Public Act 94-1057).

11 When assessing payment for any amount due under subsection
12 (f), the System shall exclude salary increases paid to teachers
13 under contracts or collective bargaining agreements entered
14 into, amended, or renewed before June 1, 2005.

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

19 When assessing payment for any amount due under subsection
20 (f), the System shall exclude salary increases resulting from
21 overload work, including summer school, when the school
22 district has certified to the System, and the System has
23 approved the certification, that (i) the overload work is for
24 the sole purpose of classroom instruction in excess of the
25 standard number of classes for a full-time teacher in a school
26 district during a school year and (ii) the salary increases are

1 equal to or less than the rate of pay for classroom instruction
2 computed on the teacher's current salary and work schedule.

3 When assessing payment for any amount due under subsection
4 (f), the System shall exclude a salary increase resulting from
5 a promotion (i) for which the employee is required to hold a
6 certificate or supervisory endorsement issued by the State
7 Teacher Certification Board that is a different certification
8 or supervisory endorsement than is required for the teacher's
9 previous position and (ii) to a position that has existed and
10 been filled by a member for no less than one complete academic
11 year and the salary increase from the promotion is an increase
12 that results in an amount no greater than the lesser of the
13 average salary paid for other similar positions in the district
14 requiring the same certification or the amount stipulated in
15 the collective bargaining agreement for a similar position
16 requiring the same certification.

17 When assessing payment for any amount due under subsection
18 (f), the System shall exclude any payment to the teacher from
19 the State of Illinois or the State Board of Education over
20 which the employer does not have discretion, notwithstanding
21 that the payment is included in the computation of final
22 average salary.

23 (h) When assessing payment for any amount due under
24 subsection (f), the System shall exclude any salary increase
25 described in subsection (g) of this Section given on or after
26 July 1, 2011 but before July 1, 2014 under a contract or

1 collective bargaining agreement entered into, amended, or
2 renewed on or after June 1, 2005 but before July 1, 2011.
3 Notwithstanding any other provision of this Section, any
4 payments made or salary increases given after June 30, 2014
5 shall be used in assessing payment for any amount due under
6 subsection (f) of this Section.

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

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

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

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

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

22 (j) For purposes of determining the required State
23 contribution to the System, the value of the System's assets
24 shall be equal to the actuarial value of the System's assets,
25 which shall be calculated as follows:

26 As of June 30, 2008, the actuarial value of the System's

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

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

11 (Source: P.A. 95-331, eff. 8-21-07; 95-950, eff. 8-29-08;
12 96-43, eff. 7-15-09; 09600SB3514ham003.)

13 (40 ILCS 5/18-131) (from Ch. 108 1/2, par. 18-131)

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

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

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

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

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

16 Notwithstanding any other provision of this Article, the
17 total required State contribution for State fiscal year 2006 is
18 \$29,189,400.

19 Notwithstanding any other provision of this Article, the
20 total required State contribution for State fiscal year 2007 is
21 \$35,236,800.

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

1 contributing at the rate otherwise required under this Section.

2 Notwithstanding any other provision of this Article, the
3 total required State contribution for State fiscal year 2010 is
4 \$78,832,000 and shall be made from the proceeds of bonds sold
5 in fiscal year 2010 pursuant to Section 7.2 of the General
6 Obligation Bond Act, less (i) the pro rata share of bond sale
7 expenses determined by the System's share of total bond
8 proceeds, (ii) any amounts received from the General Revenue
9 Fund in fiscal year 2010, and (iii) any reduction in bond
10 proceeds due to the issuance of discounted bonds, if
11 applicable.

12 Notwithstanding any other provision of this Article, the
13 total required State contribution for State fiscal year 2011 is
14 the amount recertified by the System on or before April 1, 2011
15 ~~June 15, 2010~~ pursuant to Section 18-140 and shall be made from
16 the proceeds of bonds sold in fiscal year 2011 pursuant to
17 Section 7.2 of the General Obligation Bond Act, less (i) the
18 pro rata share of bond sale expenses determined by the System's
19 share of total bond proceeds, (ii) any amounts received from
20 the General Revenue Fund in fiscal year 2011, and (iii) any
21 reduction in bond proceeds due to the issuance of discounted
22 bonds, if applicable.

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

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

13 Notwithstanding any other provision of this Section, the
14 required State contribution for State fiscal year 2005 and for
15 fiscal year 2008 and each fiscal year thereafter, as calculated
16 under this Section and certified under Section 18-140, shall
17 not exceed an amount equal to (i) the amount of the required
18 State contribution that would have been calculated under this
19 Section for that fiscal year if the System had not received any
20 payments under subsection (d) of Section 7.2 of the General
21 Obligation Bond Act, minus (ii) the portion of the State's
22 total debt service payments for that fiscal year on the bonds
23 issued for the purposes of that Section 7.2, as determined and
24 certified by the Comptroller, that is the same as the System's
25 portion of the total moneys distributed under subsection (d) of
26 Section 7.2 of the General Obligation Bond Act. In determining

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

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

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

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

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

1 09600SB3514ham003.)

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

3 Sec. 18-140. To certify required State contributions and
4 submit vouchers.

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

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

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

21 On or before April 1, 2011 ~~June 15, 2010~~, the Board shall
22 recalculate and recertify to the Governor the amount of the
23 required State contribution to the System for State fiscal year
24 2011, applying the changes made by Public Act 96-889 to the
25 System's assets and liabilities as of June 30, 2009 as though

1 Public Act 96-889 was approved on that date.

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

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

25 (Source: P.A. 93-2, eff. 4-7-03; 93-665, eff. 3-5-04; 94-4,
26 eff. 6-1-05; 09600SB3514ham003.)

1 Section 10. If and only if Senate Bill 3514 (as amended by
2 House Amendments Nos. 3, 4, and 5) becomes law, the State
3 Pension Funds Continuing Appropriation Act is amended by
4 changing Sections 1.1 and 1.2 as follows:

5 (40 ILCS 15/1.1)

6 Sec. 1.1. Appropriations to certain retirement systems.

7 (a) There is hereby appropriated from the General Revenue
8 Fund to the General Assembly Retirement System, on a continuing
9 monthly basis, the amount, if any, by which the total available
10 amount of all other appropriations to that retirement system
11 for the payment of State contributions is less than the total
12 amount of the vouchers for required State contributions
13 lawfully submitted by the retirement system for that month
14 under Section 2-134 of the Illinois Pension Code.

15 (b) There is hereby appropriated from the General Revenue
16 Fund to the State Universities Retirement System, on a
17 continuing monthly basis, the amount, if any, by which the
18 total available amount of all other appropriations to that
19 retirement system for the payment of State contributions,
20 including any deficiency in the required contributions of the
21 optional retirement program established under Section 15-158.2
22 of the Illinois Pension Code, is less than the total amount of
23 the vouchers for required State contributions lawfully
24 submitted by the retirement system for that month under Section

1 15-165 of the Illinois Pension Code.

2 (c) There is hereby appropriated from the Common School
3 Fund to the Teachers' Retirement System of the State of
4 Illinois, on a continuing monthly basis, the amount, if any, by
5 which the total available amount of all other appropriations to
6 that retirement system for the payment of State contributions
7 is less than the total amount of the vouchers for required
8 State contributions lawfully submitted by the retirement
9 system for that month under Section 16-158 of the Illinois
10 Pension Code.

11 (d) There is hereby appropriated from the General Revenue
12 Fund to the Judges Retirement System of Illinois, on a
13 continuing monthly basis, the amount, if any, by which the
14 total available amount of all other appropriations to that
15 retirement system for the payment of State contributions is
16 less than the total amount of the vouchers for required State
17 contributions lawfully submitted by the retirement system for
18 that month under Section 18-140 of the Illinois Pension Code.

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

21 (f) For State fiscal year 2010 only, the continuing
22 appropriations provided by this Section are equal to the amount
23 certified by each System on or before December 31, 2008, less
24 (i) the gross proceeds of the bonds sold in fiscal year 2010
25 under the authorization contained in subsection (a) of Section
26 7.2 of the General Obligation Bond Act and (ii) any amounts

1 received from the State Pensions Fund.

2 (g) For State fiscal year 2011 only, the continuing
3 appropriations provided by this Section are equal to the amount
4 certified by each System on or before April 1, 2011 ~~June 15,~~
5 ~~2010~~, less (i) the gross proceeds of the bonds sold in fiscal
6 year 2011 under the authorization contained in subsection (a)
7 of Section 7.2 of the General Obligation Bond Act and (ii) any
8 amounts received from the State Pensions Fund.

9 (Source: P.A. 96-43, eff. 7-15-09; 09600SB3514ham003.)

10 (40 ILCS 15/1.2)

11 Sec. 1.2. Appropriations for the State Employees'
12 Retirement System.

13 (a) From each fund from which an amount is appropriated for
14 personal services to a department or other employer under
15 Article 14 of the Illinois Pension Code, there is hereby
16 appropriated to that department or other employer, on a
17 continuing annual basis for each State fiscal year, an
18 additional amount equal to the amount, if any, by which (1) an
19 amount equal to the percentage of the personal services line
20 item for that department or employer from that fund for that
21 fiscal year that the Board of Trustees of the State Employees'
22 Retirement System of Illinois has certified under Section
23 14-135.08 of the Illinois Pension Code to be necessary to meet
24 the State's obligation under Section 14-131 of the Illinois
25 Pension Code for that fiscal year, exceeds (2) the amounts

1 otherwise appropriated to that department or employer from that
2 fund for State contributions to the State Employees' Retirement
3 System for that fiscal year. From the effective date of this
4 amendatory Act of the 93rd General Assembly through the final
5 payment from a department or employer's personal services line
6 item for fiscal year 2004, payments to the State Employees'
7 Retirement System that otherwise would have been made under
8 this subsection (a) shall be governed by the provisions in
9 subsection (a-1).

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

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

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

24 (c) Beginning in Fiscal Year 2005, any continuing
25 appropriation under this Section arising out of an
26 appropriation for personal services from the Road Fund to the

1 Department of State Police or the Secretary of State shall be
2 payable from the General Revenue Fund rather than the Road
3 Fund.

4 (d) For State fiscal year 2010 only, a continuing
5 appropriation is provided to the State Employees' Retirement
6 System equal to the amount certified by the System on or before
7 December 31, 2008, less the gross proceeds of the bonds sold in
8 fiscal year 2010 under the authorization contained in
9 subsection (a) of Section 7.2 of the General Obligation Bond
10 Act.

11 (e) For State fiscal year 2011 only, a continuing
12 appropriation is provided to the State Employees' Retirement
13 System equal to the amount certified by the System on or before
14 April 1, 2011 ~~June 15, 2010~~, less the gross proceeds of the
15 bonds sold in fiscal year 2011 under the authorization
16 contained in subsection (a) of Section 7.2 of the General
17 Obligation Bond Act.

18 (Source: P.A. 96-43, eff. 7-15-09; 96-45, eff. 7-15-09;
19 09600SB3514ham003.)

20 Section 99. Effective date. This Act takes effect upon
21 becoming law or on the effective date of Senate Bill 3514 of
22 the 96th General Assembly, whichever is later."