



Rep. Michael J. Madigan

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1 AMENDMENT TO SENATE BILL 1946

2 AMENDMENT NO. _____. Amend Senate Bill 1946, AS AMENDED,
3 by replacing everything after the enacting clause with the
4 following:

5 "Section 5. The Illinois Public Labor Relations Act is
6 amended by changing Section 15 as follows:

7 (5 ILCS 315/15) (from Ch. 48, par. 1615)

8 Sec. 15. Act Takes Precedence.

9 (a) In case of any conflict between the provisions of this
10 Act and any other law (other than Section 5 of the State
11 Employees Group Insurance Act of 1971 and other than the
12 changes made to the Illinois Pension Code by this amendatory
13 Act of the 96th General Assembly), executive order or
14 administrative regulation relating to wages, hours and
15 conditions of employment and employment relations, the
16 provisions of this Act or any collective bargaining agreement

1 negotiated thereunder shall prevail and control. Nothing in
2 this Act shall be construed to replace or diminish the rights
3 of employees established by Sections 28 and 28a of the
4 Metropolitan Transit Authority Act, Sections 2.15 through 2.19
5 of the Regional Transportation Authority Act. The provisions of
6 this Act are subject to Section 5 of the State Employees Group
7 Insurance Act of 1971. Nothing in this Act shall be construed
8 to replace the necessity of complaints against a sworn peace
9 officer, as defined in Section 2(a) of the Uniform Peace
10 Officer Disciplinary Act, from having a complaint supported by
11 a sworn affidavit.

12 (b) Except as provided in subsection (a) above, any
13 collective bargaining contract between a public employer and a
14 labor organization executed pursuant to this Act shall
15 supersede any contrary statutes, charters, ordinances, rules
16 or regulations relating to wages, hours and conditions of
17 employment and employment relations adopted by the public
18 employer or its agents. Any collective bargaining agreement
19 entered into prior to the effective date of this Act shall
20 remain in full force during its duration.

21 (c) It is the public policy of this State, pursuant to
22 paragraphs (h) and (i) of Section 6 of Article VII of the
23 Illinois Constitution, that the provisions of this Act are the
24 exclusive exercise by the State of powers and functions which
25 might otherwise be exercised by home rule units. Such powers
26 and functions may not be exercised concurrently, either

1 directly or indirectly, by any unit of local government,
2 including any home rule unit, except as otherwise authorized by
3 this Act.

4 (Source: P.A. 95-331, eff. 8-21-07.)

5 Section 10. The Illinois Pension Code is amended by adding
6 Section 1-160 and by amending Sections 2-108.1, 2-119,
7 2-119.01, 2-119.1, 2-121.1, 2-122, 17-129, 18-124, 18-125,
8 18-125.1, 18-127, and 18-128.01 as follows:

9 (40 ILCS 5/1-160 new)

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

11 (a) The provisions of this Section apply to a person who
12 first becomes an employee and a participant under any
13 retirement system or pension fund under this Code, other than a
14 retirement system or pension fund established under Article 2,
15 3, 4, 5, 6, or 18 of this Code, on or after the effective date
16 of this amendatory Act of the 96th General Assembly
17 notwithstanding any other provision of this Code to the
18 contrary, but do not apply to any self-managed plan established
19 under this Code, to any person with respect to service as a
20 sheriff's law enforcement employee under Article 7, or to any
21 participant of the retirement plan established under Section
22 22-101.

23 (b) "Final average salary" means the average monthly salary
24 obtained by dividing the total salary of the participant during

1 the 96 consecutive months of service within the last 120 months
2 of service in which the total salary was the highest by the
3 number of months of service in that period; however, the annual
4 final average salary may not exceed \$106,800, as automatically
5 increased by the lesser of 3% or one-half of the annual
6 increase in the consumer price index-u during the preceding
7 12-month calendar year. For the purposes of a person who first
8 becomes an employee of any retirement system or pension fund to
9 which this Section applies on or after the effective date of
10 this amendatory Act of the 96th General Assembly, in this Code,
11 "final average salary" shall be substituted for the following:

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

14 (2) In Articles 8, 9, 10, 11, and 12, "highest average
15 annual salary for any 4 consecutive years within the last
16 10 years of service immediately preceding the date of
17 withdrawal".

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

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

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

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

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.

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

10 A participant who has attained age 62 and has at least 10
11 years of service credit may elect to receive the lower
12 retirement annuity provided in subsection (d) of this Section.

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

17 (e) Any retirement annuity or supplemental annuity shall be
18 subject to annual increases upon (1) attainment of age 67 or
19 (2) the first anniversary of the commencement of the annuity,
20 whichever occurs later. Each annual increase shall be
21 calculated at 3% or one-half the annual increase in the
22 consumer price index-u for the preceding calendar year,
23 whichever is less, of the originally granted retirement
24 annuity. If the increase in the consumer price index-u for the
25 preceding calendar year is zero or there is a decrease, then
26 the annuity shall not be increased.

1 (f) The initial survivor's annuity of an otherwise eligible
2 survivor of a participant who first becomes a participant on or
3 after the effective date of this amendatory Act of the 96th
4 General Assembly shall be in the amount of 66 2/3% of the
5 participant's earned retirement annuity at the date of death
6 and shall be increased (1) on each January 1 occurring on or
7 after the commencement of the annuity if the deceased member
8 died while receiving a retirement annuity or (2) in other
9 cases, on each January 1 occurring after the first anniversary
10 of the commencement of the annuity. Each annual increase shall
11 be calculated at 3% or one-half the annual increase in the
12 consumer price index-u for the preceding calendar year,
13 whichever is less, of the originally granted survivor's
14 annuity. If the increase in the consumer price index-u for the
15 preceding calendar year is zero or there is a decrease, then
16 the annuity shall not be increased.

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

1 service and has attained age 60, regardless of whether the
2 attainment of age 60 occurs while the person is still in
3 service.

4 (h) If a person who first becomes a member of a retirement
5 system or pension fund subject to this Section on or after the
6 effective date of this amendatory Act of the 96th General
7 Assembly is receiving a retirement annuity or retirement
8 pension under that system or fund and accepts employment in a
9 position covered under the same Article or any other Article of
10 this Code on a full-time basis, 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 under the applicable provisions of this Code.

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

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

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

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

4 For a participant who first becomes a participant of this
5 System before August 10, 2009 (the effective date of Public Act
6 96-207) ~~this amendatory Act of the 96th General Assembly:~~

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

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

23 (3) For a participant who is Clerk or Assistant Clerk
24 of the House of Representatives or Secretary or Assistant
25 Secretary of the Senate on his or her last day of service:
26 the salary received for service in that capacity on the

1 last day of service, but not to exceed the highest salary
2 (including additional compensation for service as an
3 officer) that is prescribed by law on the participant's
4 last day of service for the highest paid officer of the
5 General Assembly.

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

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

25 For a participant who first becomes a participant of this
26 System on or after the effective date of this amendatory Act of

1 the 96th General Assembly, the average monthly salary obtained
2 by dividing the total salary of the participant during the 96
3 consecutive months of service within the last 120 months of
4 service in which the total compensation was the highest by the
5 number of months of service in that period; however, the
6 highest salary for annuity purposes may not exceed the Social
7 Security Covered Wage Base for 2010, and shall automatically be
8 increased or decreased, as applicable, by a percentage equal to
9 the percentage change in the consumer price index-u during the
10 preceding 12-month calendar year. "Consumer price index-u"
11 means the index published by the Bureau of Labor Statistics of
12 the United States Department of Labor that measures the average
13 change in prices of goods and services purchased by all urban
14 consumers, United States city average, all items, 1982-84 =
15 100. The new amount resulting from each annual adjustment shall
16 be determined by the Public Pension Division of the Department
17 of Insurance and made available to the Board.

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

24 (c) In calculating the subsection (a) earnings limitation
25 to be applied to earnings under any other participating system
26 under the Retirement Systems Reciprocal Act for the purpose of

1 calculating a proportional annuity under this Article, the
2 participant's last day of service shall be deemed to mean the
3 last day of service in any participating system from which the
4 person has applied for a proportional annuity under the
5 Retirement Systems Reciprocal Act.

6 (Source: P.A. 96-207, eff. 8-10-09.)

7 (40 ILCS 5/2-119) (from Ch. 108 1/2, par. 2-119)

8 Sec. 2-119. Retirement annuity - conditions for
9 eligibility.

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

14 1. The date the annuity begins does not precede the
15 date of final termination of service, or is not more than
16 30 days before the receipt of the application by the board
17 in the case of annuities based on disability or one year
18 before the receipt of the application in the case of
19 annuities based on attained age;

20 2. The participant meets one of the following
21 eligibility requirements:

22 For a participant who first becomes a participant of
23 this System before the effective date of this amendatory
24 Act of the 96th General Assembly:

25 (A) He or she has attained age 55 and has at least

1 8 years of service credit;

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

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

8 For a participant who first becomes a participant of
9 this System on or after the effective date of this
10 amendatory Act of the 96th General Assembly, he or she has
11 attained age 67 and has at least 8 years of service credit.

12 (a-5) A participant who first becomes a participant of this
13 System on or after the effective date of this amendatory Act of
14 the 96th General Assembly who has attained age 62 and has at
15 least 8 years of service credit may elect to receive the lower
16 retirement annuity provided in paragraph (c) of Section
17 2-119.01 of this Code.

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

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

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

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

3 (a) For a participant in service after June 30, 1977 who
4 has not made contributions to this System after January 1,
5 1982, the annual retirement annuity is 3% for each of the first
6 8 years of service, plus 4% for each of the next 4 years of
7 service, plus 5% for each year of service in excess of 12
8 years, based on the participant's highest salary for annuity
9 purposes. The maximum retirement annuity payable shall be 80%
10 of the participant's highest salary for annuity purposes.

11 (b) For a participant in service after June 30, 1977 who
12 has made contributions to this System on or after January 1,
13 1982, the annual retirement annuity is 3% for each of the first
14 4 years of service, plus 3 1/2% for each of the next 2 years of
15 service, plus 4% for each of the next 2 years of service, plus
16 4 1/2% for each of the next 4 years of service, plus 5% for each
17 year of service in excess of 12 years, of the participant's
18 highest salary for annuity purposes. The maximum retirement
19 annuity payable shall be 85% of the participant's highest
20 salary for annuity purposes.

21 (c) Notwithstanding any other provision of this Article,
22 for a participant who first becomes a participant on or after
23 the effective date of this amendatory Act of the 96th General
24 Assembly, the annual retirement annuity is 3% of the
25 participant's highest salary for annuity purposes for each year
26 of service. The maximum retirement annuity payable shall be 60%

1 of the participant's highest salary for annuity purposes.

2 (d) Notwithstanding any other provision of this Article,
3 for a participant who first becomes a participant on or after
4 the effective date of this amendatory Act of the 96th General
5 Assembly and who is retiring after attaining age 62 with at
6 least 8 years of service credit, the retirement annuity shall
7 be reduced by one-half of 1% for each month that the member's
8 age is under age 67.

9 (Source: P.A. 86-1488.)

10 (40 ILCS 5/2-119.1) (from Ch. 108 1/2, par. 2-119.1)

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

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

25 (b) Beginning January 1, 1990, for eligible participants

1 who remain in service after attaining 20 years of creditable
2 service, the 3% increases provided under subsection (a) shall
3 begin to accrue on the January 1 next following the date upon
4 which the participant (1) attains age 55, or (2) attains 20
5 years of creditable service, whichever occurs later, and shall
6 continue to accrue while the participant remains in service;
7 such increases shall become payable on January 1 or July 1,
8 whichever occurs first, next following the first anniversary of
9 retirement. For any person who has service credit in the System
10 for the entire period from January 15, 1969 through December
11 31, 1992, regardless of the date of termination of service, the
12 reference to age 55 in clause (1) of this subsection (b) shall
13 be deemed to mean age 50.

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

17 (b-5) Notwithstanding any other provision of this Article,
18 a participant who first becomes a participant on or after the
19 effective date of this amendatory Act of the 96th General
20 Assembly shall, in January or July next following the first
21 anniversary of retirement, whichever occurs first, and in the
22 same month of each year thereafter, but in no event prior to
23 age 67, have the amount of the retirement annuity then being
24 paid increased by 3% or the annual change in the Consumer Price
25 Index for All Urban Consumers, whichever is less.

26 (c) The foregoing provisions relating to automatic

1 increases are not applicable to a participant who retires
2 before having made contributions (at the rate prescribed in
3 Section 2-126) for automatic increases for less than the
4 equivalent of one full year. However, in order to be eligible
5 for the automatic increases, such a participant may make
6 arrangements to pay to the system the amount required to bring
7 the total contributions for the automatic increase to the
8 equivalent of one year's contributions based upon his or her
9 last salary.

10 (d) A participant who terminated service prior to July 1,
11 1967, with at least 14 years of service is entitled to an
12 increase in retirement annuity beginning January, 1976, and to
13 additional increases in January of each year thereafter.

14 The initial increase shall be 1 1/2% of the originally
15 granted retirement annuity multiplied by the number of full
16 years that the annuitant was in receipt of such annuity prior
17 to January 1, 1972, plus 2% of the originally granted
18 retirement annuity for each year after that date. The
19 subsequent annual increases shall be at the rate of 2% of the
20 originally granted retirement annuity for each year through
21 1979 and at the rate of 3% for 1980 and thereafter.

22 (e) Beginning January 1, 1990, all automatic annual
23 increases payable under this Section shall be calculated as a
24 percentage of the total annuity payable at the time of the
25 increase, including previous increases granted under this
26 Article.

1 (Source: P.A. 93-494, eff. 8-8-03.)

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

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

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

23 However, the survivor's annuity payable under this Section
24 shall not be less than 100% of the amount of retirement annuity
25 to which the participant or annuitant was entitled on the date

1 of death, if he or she is survived by a dependent disabled
2 child.

3 The salary to be used for determining these benefits shall
4 be the salary used for determining the amount of retirement
5 annuity as provided in Section 2-119.01.

6 (b) Upon the death of a participant after the termination
7 of service or upon death of an annuitant, the maximum total
8 payment to a surviving spouse and eligible children, or to
9 eligible children alone if there is no surviving spouse, shall
10 be 75% of the retirement annuity to which the participant or
11 annuitant was entitled, unless there is a dependent disabled
12 child among the survivors.

13 (c) When a child ceases to be an eligible child, the
14 annuity to that child, or to the surviving spouse on account of
15 that child, shall thereupon cease, and the annuity payable to
16 the surviving spouse or other eligible children shall be
17 recalculated if necessary.

18 Upon the ineligibility of the last eligible child, the
19 annuity shall immediately revert to the amount payable upon
20 death of a participant or annuitant who leaves no eligible
21 children. If the surviving spouse is then under age 50, the
22 annuity as revised shall be deferred until the attainment of
23 age 50.

24 (d) Beginning January 1, 1990, every survivor's annuity
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 on or after the first anniversary of
3 the commencement of the annuity, by an amount equal to 3% of
4 the current amount of the annuity, including any previous
5 increases under this Article. Such increases shall apply
6 without regard to whether the deceased member was in service on
7 or after the effective date of this amendatory Act of 1991, but
8 shall not accrue for any period prior to January 1, 1990.

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

23 (e) Notwithstanding any other provision of this Article,
24 beginning January 1, 1990, the minimum survivor's annuity
25 payable to any person who is entitled to receive a survivor's
26 annuity under this Article shall be \$300 per month, without

1 regard to whether or not the deceased participant was in
2 service on the effective date of this amendatory Act of 1989.

3 (f) In the case of a proportional survivor's annuity
4 arising under the Retirement Systems Reciprocal Act where the
5 amount payable by the System on January 1, 1993 is less than
6 \$300 per month, the amount payable by the System shall be
7 increased beginning on that date by a monthly amount equal to
8 \$2 for each full year that has expired since the annuity began.
9 (Source: P.A. 91-887, eff. 7-6-00.)

10 (40 ILCS 5/2-122) (from Ch. 108 1/2, par. 2-122)

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

21 Upon subsequent retirement, the participant shall be
22 entitled to a retirement annuity consisting of: (1) the amount
23 of retirement annuity previously granted and terminated by
24 re-entry into service; and (2) the amount of additional
25 retirement annuity earned during the additional service based

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

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

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

25 Notwithstanding any other provision of this Article, if a
26 person who first becomes a participant under this System on or

1 after the effective date of this amendatory Act of the 96th
2 General Assembly is receiving a retirement annuity under this
3 Article and accepts employment in a position covered under this
4 Article or any other Article of this Code on a full-time basis,
5 then the person's retirement annuity under this System shall be
6 suspended during that employment. Upon termination of that
7 employment, the person's retirement annuity shall resume and,
8 if appropriate, be recalculated under the applicable
9 provisions of this Article.

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

11 (40 ILCS 5/17-129) (from Ch. 108 1/2, par. 17-129)

12 Sec. 17-129. Employer contributions; deficiency in Fund.

13 (a) If in any fiscal year of the Board of Education ending
14 prior to 1997 the total amounts paid to the Fund from the Board
15 of Education (other than under this subsection, and other than
16 amounts used for making or "picking up" contributions on behalf
17 of teachers) and from the State do not equal the total
18 contributions made by or on behalf of the teachers for such
19 year, or if the total income of the Fund in any such fiscal
20 year of the Board of Education from all sources is less than
21 the total such expenditures by the Fund for such year, the
22 Board of Education shall, in the next succeeding year, in
23 addition to any other payment to the Fund set apart and
24 appropriate from moneys from its tax levy for educational
25 purposes, a sum sufficient to remove such deficiency or

1 deficiencies, and promptly pay such sum into the Fund in order
2 to restore any of the reserves of the Fund that may have been
3 so temporarily applied. Any amounts received by the Fund after
4 December 4, 1997 from State appropriations, including under
5 Section 17-127, shall be a credit against and shall fully
6 satisfy any obligation that may have arisen, or be claimed to
7 have arisen, under this subsection (a) as a result of any
8 deficiency or deficiencies in the fiscal year of the Board of
9 Education ending in calendar year 1997.

10 (b) (i) Notwithstanding any other provision of this
11 Section, and notwithstanding any prior certification by the
12 Board under subsection (c) for fiscal year 2011, the Board of
13 Education's total required contribution to the Fund for fiscal
14 year 2011 under this Section is \$187,000,000.

15 (ii) Notwithstanding any other provision of this Section,
16 the Board of Education's total required contribution to the
17 Fund for fiscal year 2012 under this Section is \$192,000,000.

18 (iii) Notwithstanding any other provision of this Section,
19 the Board of Education's total required contribution to the
20 Fund for fiscal year 2013 under this Section is \$196,000,000.

21 (iv) For fiscal years 2014 through 2059, the minimum
22 contribution to the Fund to be made by the Board of Education
23 in each fiscal year shall be an amount determined by the Fund
24 to be sufficient to bring the total assets of the Fund up to
25 90% of the total actuarial liabilities of the Fund by the end
26 of fiscal year 2059. In making these determinations, the

1 required Board of Education contribution shall be calculated
2 each year as a level percentage of the applicable employee
3 payrolls over the years remaining to and including fiscal year
4 2059 and shall be determined under the projected unit credit
5 actuarial cost method.

6 (v) Beginning in fiscal year 2060, the minimum Board of
7 Education contribution for each fiscal year shall be the amount
8 needed to maintain the total assets of the Fund at 90% of the
9 total actuarial liabilities of the Fund.

10 (vi) Notwithstanding any other provision of this
11 subsection (b), for any fiscal year, the contribution to the
12 Fund from the Board of Education shall not be required to be in
13 excess of the amount calculated as needed to maintain the
14 assets (or cause the assets to be) at the 90% level by the end
15 of the fiscal year.

16 (vii) Any contribution by the State to or for the benefit
17 of the Fund, including, without limitation, as referred to
18 under Section 17-127, shall be a credit against any
19 contribution required to be made by the Board of Education
20 under this subsection (b).

21 ~~(b) (i) For fiscal years 2011 through 2045, the minimum~~
22 ~~contribution to the Fund to be made by the Board of Education~~
23 ~~in each fiscal year shall be an amount determined by the Fund~~
24 ~~to be sufficient to bring the total assets of the Fund up to~~
25 ~~90% of the total actuarial liabilities of the Fund by the end~~
26 ~~of fiscal year 2045. In making these determinations, the~~

1 ~~required Board of Education contribution shall be calculated~~
2 ~~each year as a level percentage of the applicable employee~~
3 ~~payrolls over the years remaining to and including fiscal year~~
4 ~~2045 and shall be determined under the projected unit credit~~
5 ~~actuarial cost method.~~

6 ~~(ii) For fiscal years 1999 through 2010, the Board of~~
7 ~~Education's contribution to the Fund, as a percentage of the~~
8 ~~applicable employee payroll, shall be increased in equal annual~~
9 ~~increments so that by fiscal year 2011, the Board of Education~~
10 ~~is contributing at the rate required under this subsection.~~

11 ~~(iii) Beginning in fiscal year 2046, the minimum Board of~~
12 ~~Education contribution for each fiscal year shall be the amount~~
13 ~~needed to maintain the total assets of the Fund at 90% of the~~
14 ~~total actuarial liabilities of the Fund.~~

15 ~~(iv) Notwithstanding the provisions of paragraphs (i),~~
16 ~~(ii), and (iii) of this subsection (b), for any fiscal year the~~
17 ~~contribution to the Fund from the Board of Education shall not~~
18 ~~be required to be in excess of the amount calculated as needed~~
19 ~~to maintain the assets (or cause the assets to be) at the 90%~~
20 ~~level by the end of the fiscal year.~~

21 ~~(v) Any contribution by the State to or for the benefit of~~
22 ~~the Fund, including, without limitation, as referred to under~~
23 ~~Section 17-127, shall be a credit against any contribution~~
24 ~~required to be made by the Board of Education under this~~
25 ~~subsection (b).~~

26 (c) The Board shall determine the amount of Board of

1 Education contributions required for each fiscal year on the
2 basis of the actuarial tables and other assumptions adopted by
3 the Board and the recommendations of the actuary, in order to
4 meet the minimum contribution requirements of subsections (a)
5 and (b). Annually, on or before February 28, the Board shall
6 certify to the Board of Education the amount of the required
7 Board of Education contribution for the coming fiscal year. The
8 certification shall include a copy of the actuarial
9 recommendations upon which it is based.

10 (Source: P.A. 89-15, eff. 5-30-95; 90-548, eff. 12-4-97;
11 90-566, eff. 1-2-98; 90-655, eff. 7-30-98.)

12 (40 ILCS 5/18-124) (from Ch. 108 1/2, par. 18-124)

13 Sec. 18-124. Retirement annuities - conditions for
14 eligibility.

15 (a) This subsection (a) applies to a participant who first
16 serves as a judge before the effective date of this amendatory
17 Act of the 96th General Assembly.

18 A participant whose employment as a judge is terminated,
19 regardless of age or cause is entitled to a retirement annuity
20 beginning on the date specified in a written application
21 subject to the following:

22 (1) the date the annuity begins is subsequent to the
23 date of final termination of employment, or the date 30
24 days prior to the receipt of the application by the board
25 for annuities based on disability, or one year before the

1 receipt of the application by the board for annuities based
2 on attained age;

3 (2) the participant is at least age 55, or has become
4 permanently disabled and as a consequence is unable to
5 perform the duties of his or her office;

6 (3) the participant has at least 10 years of service
7 credit except that a participant terminating service after
8 June 30 1975, with at least 6 years of service credit,
9 shall be entitled to a retirement annuity at age 62 or
10 over;

11 (4) the participant is not receiving or entitled to
12 receive, at the date of retirement, any salary from an
13 employer for service currently performed.

14 (b) This subsection (b) applies to a participant who first
15 serves as a judge on or after the effective date of this
16 amendatory Act of the 96th General Assembly.

17 A participant who has at least 8 years of creditable
18 service is entitled to a retirement annuity when he or she has
19 attained age 67.

20 A member who has attained age 62 and has at least 8 years
21 of service credit may elect to receive the lower retirement
22 annuity provided in subsection (d) of Section 18-125 of this
23 Code.

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

25 (40 ILCS 5/18-125) (from Ch. 108 1/2, par. 18-125)

1 Sec. 18-125. Retirement annuity amount.

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

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

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

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

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

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

25 (4) for a participant who terminates service on or
26 after January 1, 1990 but before the effective date of this

1 amendatory Act of 1995, the salary on the last day of
2 employment as a judge.

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

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

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

25 The maximum retirement annuity for any participant shall be
26 85% of final average salary.

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

8 For a participant who first serves as a judge on or after
9 the effective date of this amendatory Act of the 96th General
10 Assembly, final average salary shall be the average monthly
11 salary obtained by dividing the total salary of the judge
12 during the 96 consecutive months of service within the last 120
13 months of service in which the total salary was the highest by
14 the number of months of service in that period; however, the
15 final average salary may not exceed the Social Security Covered
16 Wage Base for 2010, and shall automatically be increased or
17 decreased, as applicable, by a percentage equal to the
18 percentage change in the consumer price index-u during the
19 preceding 12-month calendar year. "Consumer price index-u"
20 means the index published by the Bureau of Labor Statistics of
21 the United States Department of Labor that measures the average
22 change in prices of goods and services purchased by all urban
23 consumers, United States city average, all items, 1982-84 =
24 100. The new amount resulting from each annual adjustment shall
25 be determined by the Public Pension Division of the Department
26 of Insurance and made available to the Board.

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

13 The reduction in retirement annuity imposed by this
14 subsection shall not apply in the case of retirement on account
15 of disability.

16 (d) Notwithstanding any other provision of this Article,
17 for a participant who first serves as a judge on or after the
18 effective date of this amendatory Act of the 96th General
19 Assembly and who is retiring after attaining age 62, the
20 retirement annuity shall be reduced by 1/2 of 1% for each month
21 that the participant's age is under age 67 at the time of the
22 annuity commences.

23 (Source: P.A. 96-207, eff. 8-10-09; revised 10-30-09.)

24 (40 ILCS 5/18-125.1) (from Ch. 108 1/2, par. 18-125.1)

25 Sec. 18-125.1. Automatic increase in retirement annuity. A

1 participant who retires from service after June 30, 1969,
2 shall, in January of the year next following the year in which
3 the first anniversary of retirement occurs, and in January of
4 each year thereafter, have the amount of his or her originally
5 granted retirement annuity increased as follows: for each year
6 up to and including 1971, 1 1/2%; for each year from 1972
7 through 1979 inclusive, 2%; and for 1980 and each year
8 thereafter, 3%.

9 Notwithstanding any other provision of this Article, a
10 retirement annuity for a participant who first serves as a
11 judge on or after the effective date of this amendatory Act of
12 the 96th General Assembly shall be increased in January of the
13 year next following the year in which the first anniversary of
14 retirement occurs, and in January of each year thereafter, by
15 an amount equal to 3% or the annual change in the Consumer
16 Price Index for All Urban Consumers, whichever is less, of the
17 retirement annuity then being paid.

18 This Section is not applicable to a participant who retires
19 before he or she has made contributions at the rate prescribed
20 in Section 18-133 for automatic increases for not less than the
21 equivalent of one full year, unless such a participant arranges
22 to pay the system the amount required to bring the total
23 contributions for the automatic increase to the equivalent of
24 one year's contribution based upon his or her last year's
25 salary.

26 This Section is applicable to all participants in service

1 after June 30, 1969 unless a participant has elected, prior to
2 September 1, 1969, in a written direction filed with the board
3 not to be subject to the provisions of this Section. Any
4 participant in service on or after July 1, 1992 shall have the
5 option of electing prior to April 1, 1993, in a written
6 direction filed with the board, to be covered by the provisions
7 of the 1969 amendatory Act. Such participant shall be required
8 to make the aforesaid additional contributions with compound
9 interest at 4% per annum.

10 Any participant who has become eligible to receive the
11 maximum rate of annuity and who resumes service as a judge
12 after receiving a retirement annuity under this Article shall
13 have the amount of his or her retirement annuity increased by
14 3% of the originally granted annuity amount for each year of
15 such resumed service, beginning in January of the year next
16 following the date of such resumed service, upon subsequent
17 termination of such resumed service.

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

22 (Source: P.A. 86-273; 87-1265.)

23 (40 ILCS 5/18-127) (from Ch. 108 1/2, par. 18-127)

24 Sec. 18-127. Retirement annuity - suspension on
25 reemployment.

1 (a) A participant receiving a retirement annuity who is
2 regularly employed for compensation by an employer other than a
3 county, in any capacity, shall have his or her retirement
4 annuity payments suspended during such employment. Upon
5 termination of such employment, retirement annuity payments at
6 the previous rate shall be resumed.

7 If such a participant resumes service as a judge, he or she
8 shall receive credit for any additional service. Upon
9 subsequent retirement, his or her retirement annuity shall be
10 the amount previously granted, plus the amount earned by the
11 additional judicial service under the provisions in effect
12 during the period of such additional service. However, if the
13 participant was receiving the maximum rate of annuity at the
14 time of re-employment, he or she may elect, in a written
15 direction filed with the board, not to receive any additional
16 service credit during the period of re-employment. In such
17 case, contributions shall not be required during the period of
18 re-employment. Any such election shall be irrevocable.

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

1 (c) Except as provided in subsection (a), beginning January
2 1, 1993, retirement annuities shall not be subject to
3 suspension upon resumption of employment for an employer, and
4 any retirement annuity that is then so suspended shall be
5 reinstated on that date.

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

10 (e) A participant receiving a retirement annuity under this
11 Article who serves as a part-time employee in any of the
12 following positions: Legislative Inspector General, Special
13 Legislative Inspector General, employee of the Office of the
14 Legislative Inspector General, Executive Director of the
15 Legislative Ethics Commission, or staff of the Legislative
16 Ethics Commission, but has not elected to participate in the
17 Article 14 System with respect to that service, shall not be
18 deemed to be regularly employed for compensation by an employer
19 other than a county, nor to have resumed service as a judge, on
20 the basis of that service, and the retirement annuity payments
21 and other benefits of that person under this Code shall not be
22 suspended, diminished, or otherwise impaired solely as a
23 consequence of that service. This subsection (e) applies
24 without regard to whether the person is in service as a judge
25 under this Article on or after the effective date of this
26 amendatory Act of the 93rd General Assembly. In this

1 subsection, a "part-time employee" is a person who is not
2 required to work at least 35 hours per week.

3 (f) A participant receiving a retirement annuity under this
4 Article who has made an election under Section 1-123 and who is
5 serving either as legal counsel in the Office of the Governor
6 or as Chief Deputy Attorney General shall not be deemed to be
7 regularly employed for compensation by an employer other than a
8 county, nor to have resumed service as a judge, on the basis of
9 that service, and the retirement annuity payments and other
10 benefits of that person under this Code shall not be suspended,
11 diminished, or otherwise impaired solely as a consequence of
12 that service. This subsection (f) applies without regard to
13 whether the person is in service as a judge under this Article
14 on or after the effective date of this amendatory Act of the
15 93rd General Assembly.

16 (g) Notwithstanding any other provision of this Article, if
17 a person who first becomes a participant under this System on
18 or after the effective date of this amendatory Act of the 96th
19 General Assembly is receiving a retirement annuity under this
20 Article and accepts employment in a position covered under this
21 Article or any other Article of this Code on a full-time basis,
22 then the person's retirement annuity under this System shall be
23 suspended during that employment. Upon termination of that
24 employment, the person's retirement annuity shall resume and,
25 if appropriate, be recalculated under the applicable
26 provisions of this Article.

1 (Source: P.A. 93-685, eff. 7-8-04; 93-1069, eff. 1-15-05.)

2 (40 ILCS 5/18-128.01) (from Ch. 108 1/2, par. 18-128.01)
3 Sec. 18-128.01. Amount of survivor's annuity.

4 (a) Upon the death of an annuitant, his or her surviving
5 spouse shall be entitled to a survivor's annuity of 66 2/3% of
6 the annuity the annuitant was receiving immediately prior to
7 his or her death, inclusive of annual increases in the
8 retirement annuity to the date of death.

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

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

20 (d) Upon the death of an annuitant, active participant, or
21 participant who had terminated service with at least 10 years
22 of service, each surviving child under the age of 18 or
23 disabled as defined in Section 18-128 shall be entitled to a
24 child's annuity in an amount equal to 5% of the decedent's
25 final salary, not to exceed in total for all such children the

1 greater of 20% of the decedent's last salary or 66 2/3% of the
2 annuity received or earned by the decedent as provided under
3 subsections (a) and (b) of this Section. This child's annuity
4 shall be paid whether or not a survivor's annuity was elected
5 under Section 18-123.

6 (e) The changes made in the survivor's annuity provisions
7 by Public Act 82-306 shall apply to the survivors of a deceased
8 participant or annuitant whose death occurs on or after August
9 21, 1981.

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

21 (g) Notwithstanding any other provision of this Article,
22 the initial survivor's annuity for a survivor of a participant
23 who first serves as a judge after the effective date of this
24 amendatory Act of the 96th General Assembly shall be in the
25 amount of 66 2/3% of the annuity received or earned by the
26 decedent, and shall be increased (1) on each January 1

1 occurring on or after the commencement of the annuity if the
2 deceased participant died while receiving a retirement
3 annuity, or (2) in other cases, on each January 1 occurring on
4 or after the first anniversary of the commencement of the
5 annuity, by an amount equal to 3% or the annual change in the
6 Consumer Price Index for All Urban Consumers, whichever is
7 less, of the survivor's annuity then being paid.

8 (Source: P.A. 86-273; 86-1488.)

9 Section 90. The State Mandates Act is amended by adding
10 Section 8.34 as follows:

11 (30 ILCS 805/8.34 new)

12 Sec. 8.34. Exempt mandate. Notwithstanding Sections 6 and 8
13 of this Act, no reimbursement by the State is required for the
14 implementation of any mandate created by this amendatory Act of
15 the 96th General Assembly.

16 Section 97. Severability. The provisions of this Act are
17 severable under Section 1.31 of the Statute on Statutes.

18 Section 99. Effective date. This Section and the changes to
19 Section 17-129 of the Illinois Pension Code take effect upon
20 becoming law."