



Personnel and Pensions Committee

Filed: 4/22/2010

09600SB2554ham001

LRB096 15969 AMC 40459 a

1 AMENDMENT TO SENATE BILL 2554

2 AMENDMENT NO. _____. Amend Senate Bill 2554 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Illinois Pension Code is amended by
5 changing Section 7-173 as follows:

6 (40 ILCS 5/7-173) (from Ch. 108 1/2, par. 7-173)

7 Sec. 7-173. Contributions by employees.

8 (a) Each participating employee shall make contributions
9 to the fund as follows:

10 1. For retirement annuity purposes, normal
11 contributions of 3 3/4% of earnings.

12 2. Additional contributions of such percentages of
13 each payment of earnings, as shall be elected by the
14 employee for retirement annuity purposes, but not in excess
15 of 10%. The selected rate shall be applicable to all
16 earnings paid ~~beginning on the first day of the second~~

1 ~~month~~ following receipt by the Board of written notice of
2 election to make such contributions. Additional
3 contributions at the selected rate shall be made
4 concurrently with normal contributions.

5 3. Survivor contributions, by each participating
6 employee, of 3/4% of each payment of earnings.

7 (b) Each employee shall make contributions to the fund for
8 Federal Social Security taxes, for periods during which he is a
9 covered employee, as required by the Social Security Enabling
10 Act. For participating employees, such contributions shall be
11 in addition to those required under paragraph (a) of this
12 Section.

13 (c) Contributions shall be deducted from each
14 corresponding payment of earnings paid to each employee and
15 shall be remitted to the board by the participating
16 municipality or participating instrumentality making such
17 payment. The remittance, together with a report of the earnings
18 and contributions shall be made as directed by the board. For
19 township treasurers and employees of township treasurers
20 qualifying as employees hereunder, the contributions herein
21 required as deductions from salary shall be withheld by the
22 school township trustees from funds available for the payment
23 of the compensation of such treasurers and employees as
24 provided in the School Code and remitted to the board.

25 (d) An employee who has made additional contributions under
26 paragraph (a)2 of this Section may upon retirement or at any

1 time prior thereto, elect to withdraw the total of such
2 additional contributions including interest credited thereon
3 to the end of the preceding calendar year.

4 (e) Failure to make the deductions for employee
5 contributions provided in paragraph (c) of this Section shall
6 not relieve the employee from liability for such contributions.
7 The amount of such liability may be deducted, with interest
8 charged under Section 7-209, from any annuities or benefits
9 payable hereunder to the employee or any other person receiving
10 an annuity or benefit by reason of such employee's
11 participation.

12 (f) A participating employee who has at least 40 years of
13 creditable service in the Fund may elect to cease making the
14 contributions required under this Section. The status of the
15 employee under this Article shall be unaffected by this
16 election, except that the employee shall not receive any
17 additional creditable service for the periods of employment
18 following the election. An election under this subsection
19 relieves the employer from making additional employer
20 contributions in relation to that employee.

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

22 Section 90. The State Mandates Act is amended by adding
23 Section 8.34 as follows:

24 (30 ILCS 805/8.34 new)

1 Sec. 8.34. Exempt mandate. Notwithstanding Sections 6 and 8
2 of this Act, no reimbursement by the State is required for the
3 implementation of any mandate created by this amendatory Act of
4 the 96th General Assembly.

5 Section 99. Effective date. This Act takes effect upon
6 becoming law.".