



97TH GENERAL ASSEMBLY

State of Illinois

2011 and 2012

HB4666

by Rep. Kelly Burke

SYNOPSIS AS INTRODUCED:

40 ILCS 5/2-108.1	from Ch. 108 1/2, par. 2-108.1
40 ILCS 5/2-119.1	from Ch. 108 1/2, par. 2-119.1
40 ILCS 5/2-121.1	from Ch. 108 1/2, par. 2-121.1
40 ILCS 5/18-125	from Ch. 108 1/2, par. 18-125
40 ILCS 5/18-125.1	from Ch. 108 1/2, par. 18-125.1
40 ILCS 5/18-128.01	from Ch. 108 1/2, par. 18-128.01

Amends the General Assembly and Judges Articles of the Illinois Pension Code. Changes the manner in which highest salary for annuity purposes, final average salary, automatic annual increases, and survivor benefits are calculated for (i) persons who first become participants of either system on or after the effective date of the amendatory Act and (ii) current participants of either system who irrevocably elect those reduced benefits.

LRB097 15724 JDS 60868 b

FISCAL NOTE ACT
MAY APPLY

PENSION IMPACT
NOTE ACT MAY
APPLY

1 AN ACT concerning public employee benefits.

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

4 Section 5. The Illinois Pension Code is amended by changing
5 Sections 2-108.1, 2-119.1, 2-121.1, 18-125, 18-125.1, and
6 18-128.01 as follows:

7 (40 ILCS 5/2-108.1) (from Ch. 108 1/2, par. 2-108.1)

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

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

11 For a participant who first becomes a participant of this
12 System before August 10, 2009 (the effective date of Public Act
13 96-207):

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

1 members of the General Assembly who serve in that office.

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

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

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

24 For a participant who first becomes a participant of this
25 System on or after August 10, 2009 (the effective date of
26 Public Act 96-207) and before January 1, 2011 (the effective

1 date of Public Act 96-889), the average monthly salary obtained
2 by dividing the total salary of the participant during the
3 period of: (1) the 48 consecutive months of service within the
4 last 120 months of service in which the total compensation was
5 the highest, or (2) the total period of service, if less than
6 48 months, by the number of months of service in that period.

7 For a participant who first becomes a participant of this
8 System on or after January 1, 2011 (the effective date of
9 Public Act 96-889), the average monthly salary obtained by
10 dividing the total salary of the participant during the 96
11 consecutive months of service within the last 120 months of
12 service in which the total compensation was the highest by the
13 number of months of service in that period; however, beginning
14 January 1, 2011, the highest salary for annuity purposes may
15 not exceed \$106,800, except that that amount shall annually
16 thereafter be increased by the lesser of (i) 3% of that amount,
17 including all previous adjustments, or (ii) the annual
18 unadjusted percentage increase (but not less than zero) in the
19 consumer price index-u for the 12 months ending with the
20 September preceding each November 1.

21 For a participant who is a participant on the effective
22 date of this amendatory Act of the 97th General Assembly and
23 who irrevocably elects the reduced benefits under this
24 paragraph and for a participant who first becomes a participant
25 of this System after the effective date of this amendatory Act
26 of the 97th General Assembly, the average monthly salary

1 obtained by dividing the total salary of the participant during
2 the 96 consecutive months of service within the last 120 months
3 of service in which the total compensation was the highest by
4 the number of months of service in that period; however,
5 beginning on the effective date of this amendatory Act of the
6 97th General Assembly, the highest salary for annuity purposes
7 may not, for the affected persons, exceed \$106,800, except that
8 that amount shall annually thereafter be increased by the
9 lesser of (i) 3% of that amount, including all previous
10 adjustments, or (ii) one-half the annual unadjusted percentage
11 increase (but not less than zero) in the consumer price index-u
12 for the 12 months ending with the September preceding each
13 November 1.

14 "Consumer price index-u" means the index published by the
15 Bureau of Labor Statistics of the United States Department of
16 Labor that measures the average change in prices of goods and
17 services purchased by all urban consumers, United States city
18 average, all items, 1982-84 = 100. The new amount resulting
19 from each annual adjustment shall be determined by the Public
20 Pension Division of the Department of Insurance and made
21 available to the Board by November 1 of each year.

22 (b) The earnings limitations of subsection (a) apply to
23 earnings under any other participating system under the
24 Retirement Systems Reciprocal Act that are considered in
25 calculating a proportional annuity under this Article, except
26 in the case of a person who first became a member of this

1 System before August 22, 1994.

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

10 (Source: P.A. 96-207, eff. 8-10-09; 96-889, eff. 1-1-11;
11 96-1490, eff. 1-1-11.)

12 (40 ILCS 5/2-119.1) (from Ch. 108 1/2, par. 2-119.1)

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

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

1 annual increases in the same month as the initial increase.

2 (b) Beginning January 1, 1990, for eligible participants
3 who remain in service after attaining 20 years of creditable
4 service, the 3% increases provided under subsection (a) shall
5 begin to accrue on the January 1 next following the date upon
6 which the participant (1) attains age 55, or (2) attains 20
7 years of creditable service, whichever occurs later, and shall
8 continue to accrue while the participant remains in service;
9 such increases shall become payable on January 1 or July 1,
10 whichever occurs first, next following the first anniversary of
11 retirement. For any person who has service credit in the System
12 for the entire period from January 15, 1969 through December
13 31, 1992, regardless of the date of termination of service, the
14 reference to age 55 in clause (1) of this subsection (b) shall
15 be deemed to mean age 50.

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

19 (b-5) Notwithstanding any other provision of this Article,
20 a participant who first becomes a participant on or after
21 January 1, 2011 (the effective date of Public Act 96-889)
22 shall, in January or July next following the first anniversary
23 of retirement, whichever occurs first, and in the same month of
24 each year thereafter, but in no event prior to age 67, have the
25 amount of the retirement annuity then being paid increased by
26 3% or the annual unadjusted percentage increase in the Consumer

1 Price Index for All Urban Consumers as determined by the Public
2 Pension Division of the Department of Insurance under
3 subsection (a) of Section 2-108.1, whichever is less.

4 (b-10) Notwithstanding any other provision of this
5 Article, a participant who is a participant on the effective
6 date of this amendatory Act of the 97th General Assembly and
7 who irrevocably elects the reduced benefits under this
8 subsection (b-10) and a participant who first becomes a
9 participant after the effective date of this amendatory Act of
10 the 97th General Assembly shall, in January or July next
11 following the first anniversary of retirement, whichever
12 occurs first, and in the same month of each year thereafter,
13 but in no event prior to age 67, have the annuity increased by
14 3% or one-half the annual unadjusted percentage increase (but
15 not less than zero) in the Consumer Price Index for All Urban
16 Consumers as determined by the Public Pension Division of the
17 Department of Insurance under subsection (a) of Section
18 2-108.1, whichever is less, of the originally granted
19 retirement annuity.

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

1 the total contributions for the automatic increase to the
2 equivalent of one year's contributions based upon his or her
3 last salary.

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

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

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

21 (Source: P.A. 96-889, eff. 1-1-11; 96-1490, eff. 1-1-11.)

22 (40 ILCS 5/2-121.1) (from Ch. 108 1/2, par. 2-121.1)

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

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

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

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

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

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

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

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

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

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

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

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

19 (d-10) Notwithstanding any other provision of this
20 Article, the initial survivor's annuity of a survivor of (i) a
21 participant who is a participant on the effective date of this
22 amendatory Act of the 97th General Assembly and who irrevocably
23 elects the reduced benefits under this subsection (d-10) and
24 (ii) a participant who first becomes a participant after the
25 effective date of this amendatory Act of the 97th General
26 Assembly shall be in the amount of 66 2/3% of the amount of the

1 retirement annuity to which the participant or annuitant was
2 entitled on the date of death and shall be increased (1) on
3 each January 1 occurring on or after the commencement of the
4 annuity if the deceased member died while receiving a
5 retirement annuity or (2) in other cases, on each January 1
6 occurring on or after the first anniversary of the commencement
7 of the annuity, by an amount equal to 3% or one-half the annual
8 unadjusted percentage increase (but not less than zero) in the
9 Consumer Price Index for All Urban Consumers as determined by
10 the Public Pension Division of the Department of Insurance
11 under subsection (a) of Section 2-108.1, whichever is less, of
12 the originally granted survivor's annuity.

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

19 (f) In the case of a proportional survivor's annuity
20 arising under the Retirement Systems Reciprocal Act where the
21 amount payable by the System on January 1, 1993 is less than
22 \$300 per month, the amount payable by the System shall be
23 increased beginning on that date by a monthly amount equal to
24 \$2 for each full year that has expired since the annuity began.

25 (Source: P.A. 96-889, eff. 1-1-11; 96-1490, eff. 1-1-11.)

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

2 Sec. 18-125. Retirement annuity amount.

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

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

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

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

26 (b-5) Notwithstanding any other provision of this Article,

1 for a participant who first serves as a judge on or after
2 January 1, 2011 (the effective date of Public Act 96-889), the
3 annual retirement annuity is 3% of the participant's final
4 average salary for each year of service. The maximum retirement
5 annuity payable shall be 60% of the participant's final average
6 salary.

7 For a participant who first serves as a judge on or after
8 January 1, 2011 (the effective date of Public Act 96-889),
9 final average salary shall be the average monthly salary
10 obtained by dividing the total salary of the judge during the
11 96 consecutive months of service within the last 120 months of
12 service in which the total salary was the highest by the number
13 of months of service in that period; however, beginning January
14 1, 2011, the annual salary may not exceed \$106,800, except that
15 that amount shall annually thereafter be increased by the
16 lesser of (i) 3% of that amount, including all previous
17 adjustments, or (ii) the annual unadjusted percentage increase
18 (but not less than zero) in the consumer price index-u for the
19 12 months ending with the September preceding each November 1.

20 For a participant who serves as a judge on the effective
21 date of this amendatory Act of the 97th General Assembly and
22 who irrevocably elects the reduced benefits under this
23 paragraph and for a participant who first serves as a judge
24 after the effective date of this amendatory Act of the 97th
25 General Assembly, final average salary shall be the average
26 monthly salary obtained by dividing the total salary of the

1 judge during the 96 consecutive months of service within the
2 last 120 months of service in which the total salary was the
3 highest by the number of months of service in that period;
4 however, beginning on the effective date of this amendatory Act
5 of the 97th General Assembly, the annual salary may not, for
6 affected judges, exceed \$106,800, except that that amount shall
7 annually thereafter be increased by the lesser of (1) 3% of
8 that amount, including all previous adjustments, or (2)
9 one-half the annual unadjusted percentage increase (but not
10 less than zero) in the consumer price index-u for the 12 months
11 ending with the September preceding each November 1.

12 "Consumer price index-u" means the index published by the
13 Bureau of Labor Statistics of the United States Department of
14 Labor that measures the average change in prices of goods and
15 services purchased by all urban consumers, United States city
16 average, all items, 1982-84 = 100. The new amount resulting
17 from each annual adjustment shall be determined by the Public
18 Pension Division of the Department of Insurance and made
19 available to the Board by November 1st of each year.

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

1 imposed under this subsection shall be reduced by 5/12 of 1%
2 for every month of service in this System in excess of 20
3 years, and therefore a participant with at least 26 years of
4 service in this System may retire at age 55 without any
5 reduction in annuity.

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

9 (d) Notwithstanding any other provision of this Article,
10 for a participant who first serves as a judge on or after
11 January 1, 2011 (the effective date of Public Act 96-889) and
12 who is retiring after attaining age 62, the retirement annuity
13 shall be reduced by 1/2 of 1% for each month that the
14 participant's age is under age 67 at the time the annuity
15 commences.

16 (Source: P.A. 96-207, eff. 8-10-09; 96-889, eff. 1-1-11;
17 96-1000, eff. 7-2-10; 96-1490, eff. 1-1-11.)

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

19 Sec. 18-125.1. Automatic increase in retirement annuity. A
20 participant who retires from service after June 30, 1969,
21 shall, in January of the year next following the year in which
22 the first anniversary of retirement occurs, and in January of
23 each year thereafter, have the amount of his or her originally
24 granted retirement annuity increased as follows: for each year
25 up to and including 1971, 1 1/2%; for each year from 1972

1 through 1979 inclusive, 2%; and for 1980 and each year
2 thereafter, 3%.

3 Notwithstanding any other provision of this Article, a
4 retirement annuity for a participant who first serves as a
5 judge on or after January 1, 2011 (the effective date of Public
6 Act 96-889) shall be increased in January of the year next
7 following the year in which the first anniversary of retirement
8 occurs, but in no event prior to age 67, and in January of each
9 year thereafter, by an amount equal to 3% or the annual
10 percentage increase in the consumer price index-u as determined
11 by the Public Pension Division of the Department of Insurance
12 under subsection (b-5) of Section 18-125, whichever is less, of
13 the retirement annuity then being paid.

14 Notwithstanding any other provision of this Article, a
15 retirement annuity for a participant who serves as a judge on
16 the effective date of this amendatory Act of the 97th General
17 Assembly and who irrevocably elects the reduced benefits under
18 this paragraph and for a participant who first serves as a
19 judge after the effective date of this amendatory Act of the
20 97th General Assembly shall be increased in January of the year
21 next following the year in which the first anniversary of
22 retirement occurs, but in no event prior to age 67, and in
23 January of each year thereafter, by an amount equal to 3% or
24 one-half the annual unadjusted percentage increase (but not
25 less than zero) in the consumer price index-u as determined by
26 the Public Pension Division of the Department of Insurance

1 under subsection (b-5) of Section 18-125, whichever is less, of
2 the originally granted retirement annuity.

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

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

21 Any participant who has become eligible to receive the
22 maximum rate of annuity and who resumes service as a judge
23 after receiving a retirement annuity under this Article shall
24 have the amount of his or her retirement annuity increased by
25 3% of the originally granted annuity amount for each year of
26 such resumed service, beginning in January of the year next

1 following the date of such resumed service, upon subsequent
2 termination of such resumed service.

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

7 (Source: P.A. 96-889, eff. 1-1-11; 96-1490, eff. 1-1-11.)

8 (40 ILCS 5/18-128.01) (from Ch. 108 1/2, par. 18-128.01)

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

10 (a) Upon the death of an annuitant, his or her surviving
11 spouse shall be entitled to a survivor's annuity of 66 2/3% of
12 the annuity the annuitant was receiving immediately prior to
13 his or her death, inclusive of annual increases in the
14 retirement annuity to the date of death.

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

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

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

12 (e) The changes made in the survivor's annuity provisions
13 by Public Act 82-306 shall apply to the survivors of a deceased
14 participant or annuitant whose death occurs on or after August
15 21, 1981.

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

1 (g) Notwithstanding any other provision of this Article,
2 the initial survivor's annuity for a survivor of a participant
3 who first serves as a judge after January 1, 2011 (the
4 effective date of Public Act 96-889) shall be in the amount of
5 66 2/3% of the annuity received or earned by the decedent, and
6 shall be increased (1) on each January 1 occurring on or after
7 the commencement of the annuity if the deceased participant
8 died while receiving a retirement annuity, or (2) in other
9 cases, on each January 1 occurring on or after the first
10 anniversary of the commencement of the annuity, but in no event
11 prior to age 67, by an amount equal to 3% or the annual
12 unadjusted percentage increase in the consumer price index-u as
13 determined by the Public Pension Division of the Department of
14 Insurance under subsection (b-5) of Section 18-125, whichever
15 is less, of the survivor's annuity then being paid.

16 (h) Notwithstanding any other provision of this Article,
17 the initial survivor's annuity for (i) a participant who serves
18 as a judge on the effective date of this amendatory Act of the
19 97th General Assembly and who irrevocably elects the reduced
20 benefits under this subsection (h) and (ii) a survivor of a
21 participant who first serves as a judge after the effective
22 date of this amendatory Act of the 97th General Assembly shall
23 be in the amount of 66 2/3% of the annuity received or earned
24 by the decedent, and shall be increased (1) on each January 1
25 occurring on or after the commencement of the annuity if the
26 deceased participant died while receiving a retirement

1 annuity, or (2) in other cases, on each January 1 occurring on
2 or after the first anniversary of the commencement of the
3 annuity, but in no event prior to age 67, by an amount equal to
4 3% or one-half the annual unadjusted percentage increase (but
5 not less than zero) in the consumer price index-u as determined
6 by the Public Pension Division of the Department of Insurance
7 under subsection (b-5) of Section 18-125, whichever is less, of
8 the originally granted survivor's annuity.

9 (Source: P.A. 96-889, eff. 1-1-11; 96-1490, eff. 1-1-11.)