



## 97TH GENERAL ASSEMBLY

### State of Illinois

#### 2011 and 2012

##### HB6149

by Rep. Daniel Biss

#### SYNOPSIS AS INTRODUCED:

See Index

Amends the Illinois Pension Code in relation to the 5 State-funded retirement systems. For persons who first become participants on or after July 1, 2013, creates a new benefit package based on an individual "notional cash balance account" instead of the regular benefits of the systems. The plan provides for a different employee contribution rate; for retirement and survivor's annuities based on the participant's account balance; and for annual increases of the lesser of 3% or 1/2 of the annual increase in the cpi-u. Includes other provisions. Also includes conforming and technical changes. Amends the State Mandates Act to require implementation without reimbursement. Effective January 1, 2013.

LRB097 21047 JDS 68367 b

FISCAL NOTE ACT  
MAY APPLY

PENSION IMPACT  
NOTE ACT MAY  
APPLY

STATE MANDATES  
ACT MAY REQUIRE  
REIMBURSEMENT

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 1-160, 2-108.1, 2-119, 2-119.01, 2-119.1, 2-121.1,  
6 2-122, 2-126, 15-113.6, 18-124, 18-125, 18-125.1, 18-127,  
7 18-128.01, 18-133, 20-121, 20-123, 20-124, and 20-125 and by  
8 adding Sections 1-161, 2-107.1, and 18-110.1 as follows:

9 (40 ILCS 5/1-160)

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

11 (a) The provisions of this Section apply to a person who,  
12 on or after January 1, 2011, first becomes a member or a  
13 participant under any reciprocal retirement system or pension  
14 fund established under this Code, other than a retirement  
15 system or pension fund established under Article 2, 3, 4, 5, 6,  
16 or 18 of this Code, notwithstanding any other provision of this  
17 Code to the contrary, but do not apply (i) to any self-managed  
18 plan established under this Code, (ii) to any person with  
19 respect to service as a sheriff's law enforcement employee  
20 under Article 7, (iii) with respect to service for which a  
21 person participates under Section 1-161, or (iv) to any  
22 participant of the retirement plan established under Section  
23 22-101.

1 (b) "Final average salary" means the average monthly (or  
2 annual) salary obtained by dividing the total salary or  
3 earnings calculated under the Article applicable to the member  
4 or participant during the 96 consecutive months (or 8  
5 consecutive years) of service within the last 120 months (or 10  
6 years) of service in which the total salary or earnings  
7 calculated under the applicable Article was the highest by the  
8 number of months (or years) of service in that period. For the  
9 purposes of a person who first becomes a member or participant  
10 of any retirement system or pension fund to which this Section  
11 applies on or after January 1, 2011, in this Code, "final  
12 average salary" shall be substituted for the following:

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

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

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

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

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

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

24 (b-5) Beginning on January 1, 2011, for all purposes under  
25 this Code (including without limitation the calculation of  
26 benefits and employee contributions), the annual earnings,

1 salary, or wages (based on the plan year) of a member or  
2 participant to whom this Section applies shall not exceed  
3 \$106,800; however, that amount shall annually thereafter be  
4 increased by the lesser of (i) 3% of that amount, including all  
5 previous adjustments, or (ii) one-half the annual unadjusted  
6 percentage increase (but not less than zero) in the consumer  
7 price index-u for the 12 months ending with the September  
8 preceding each November 1, including all previous adjustments.

9 For the purposes of this Section, "consumer price index-u"  
10 means the index published by the Bureau of Labor Statistics of  
11 the United States Department of Labor that measures the average  
12 change in prices of goods and services purchased by all urban  
13 consumers, United States city average, all items, 1982-84 =  
14 100. The new amount resulting from each annual adjustment shall  
15 be determined by the Public Pension Division of the Department  
16 of Insurance and made available to the boards of the retirement  
17 systems and pension funds by November 1 of each year.

18 (c) A member or participant is entitled to a retirement  
19 annuity upon written application if he or she has attained age  
20 67 and has at least 10 years of service credit and is otherwise  
21 eligible under the requirements of the applicable Article.

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

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

5           (e) Any retirement annuity or supplemental annuity shall be  
6 subject to annual increases on the January 1 occurring either  
7 on or after the attainment of age 67 or the first anniversary  
8 of the annuity start date, whichever is later. Each annual  
9 increase shall be calculated at 3% or one-half the annual  
10 unadjusted percentage increase (but not less than zero) in the  
11 consumer price index-u for the 12 months ending with the  
12 September preceding each November 1, whichever is less, of the  
13 originally granted retirement annuity. If the annual  
14 unadjusted percentage change in the consumer price index-u for  
15 the 12 months ending with the September preceding each November  
16 1 is zero or there is a decrease, then the annuity shall not be  
17 increased.

18           (f) The initial survivor's or widow's annuity of an  
19 otherwise eligible survivor or widow of a retired member or  
20 participant who first became a member or participant on or  
21 after January 1, 2011 shall be in the amount of 66 2/3% of the  
22 retired member's or participant's retirement annuity at the  
23 date of death. In the case of the death of a member or  
24 participant who has not retired and who first became a member  
25 or participant on or after January 1, 2011, eligibility for a  
26 survivor's or widow's annuity shall be determined by the

1 applicable Article of this Code. The initial benefit shall be  
2 66 2/3% of the earned annuity without a reduction due to age. A  
3 child's annuity of an otherwise eligible child shall be in the  
4 amount prescribed under each Article if applicable. Any  
5 survivor's or widow's annuity shall be increased (1) on each  
6 January 1 occurring on or after the commencement of the annuity  
7 if the deceased member died while receiving a retirement  
8 annuity or (2) in other cases, on each January 1 occurring  
9 after the first anniversary of the commencement of the annuity.  
10 Each annual increase shall be calculated at 3% or one-half the  
11 annual unadjusted percentage increase (but not less than zero)  
12 in the consumer price index-u for the 12 months ending with the  
13 September preceding each November 1, whichever is less, of the  
14 originally granted survivor's annuity. If the annual  
15 unadjusted percentage change in the consumer price index-u for  
16 the 12 months ending with the September preceding each November  
17 1 is zero or there is a decrease, then the annuity shall not be  
18 increased.

19 (g) The benefits in Section 14-110 apply only if the person  
20 is a State policeman, a fire fighter in the fire protection  
21 service of a department, or a security employee of the  
22 Department of Corrections or the Department of Juvenile  
23 Justice, as those terms are defined in subsection (c) ~~(b)~~ of  
24 Section 14-110. A person who meets the requirements of this  
25 Section is entitled to an annuity calculated under the  
26 provisions of Section 14-110, in lieu of the regular or minimum

1 retirement annuity, only if the person has withdrawn from  
2 service with not less than 20 years of eligible creditable  
3 service and has attained age 60, regardless of whether the  
4 attainment of age 60 occurs while the person is still in  
5 service.

6 (h) If a person who first becomes a member or a participant  
7 of a retirement system or pension fund subject to this Section  
8 on or after January 1, 2011 is receiving a retirement annuity  
9 or retirement pension under that system or fund and becomes a  
10 member or participant under any other system or fund created by  
11 this Code and is employed on a full-time basis, except for  
12 those members or participants exempted from the provisions of  
13 this Section under subsection (a) of this Section, then the  
14 person's retirement annuity or retirement pension under that  
15 system or fund shall be suspended during that employment. Upon  
16 termination of that employment, the person's retirement  
17 annuity or retirement pension payments shall resume and be  
18 recalculated if recalculation is provided for under the  
19 applicable Article of this Code.

20 If a person who first becomes a member of a retirement  
21 system or pension fund subject to this Section on or after  
22 January 1, 2012 and is receiving a retirement annuity or  
23 retirement pension under that system or fund ~~and~~ accepts on a  
24 contractual basis a position to provide services to a  
25 governmental entity from which he or she has retired, then that  
26 person's annuity or retirement pension earned as an active

1 employee of the employer shall be suspended during that  
2 contractual service. A person receiving an annuity or  
3 retirement pension under this Code shall notify the pension  
4 fund or retirement system from which he or she is receiving an  
5 annuity or retirement pension, as well as his or her  
6 contractual employer, of his or her retirement status before  
7 accepting contractual employment. A person who fails to submit  
8 such notification shall be guilty of a Class A misdemeanor and  
9 required to pay a fine of \$1,000. Upon termination of that  
10 contractual employment, the person's retirement annuity or  
11 retirement pension payments shall resume and, if appropriate,  
12 be recalculated under the applicable provisions of this Code.

13 (i) Notwithstanding any other provision of this Section, a  
14 person who first becomes a participant of the retirement system  
15 established under Article 15 on or after January 1, 2011 shall  
16 have the option to enroll in the self-managed plan created  
17 under Section 15-158.2 of this Code.

18 (j) In the case of a conflict between the provisions of  
19 this Section and any other provision of this Code, the  
20 provisions of this Section shall control.

21 (Source: P.A. 96-889, eff. 1-1-11; 96-1490, eff. 1-1-11;  
22 97-609, eff. 1-1-12.)

23 (40 ILCS 5/1-161 new)

24 Sec. 1-161. Cash Balance Plan.

25 (a) Applicability. This Section applies to every person



1 who, on or after July 1, 2013, first begins to participate in a  
2 retirement system established under Article 2, 14, 15, 16, or  
3 18 of this Code; except that it does not apply to any person  
4 who elects to participate in a self-managed plan established  
5 under the applicable retirement system in lieu of the  
6 retirement benefits otherwise provided by that system.

7 (b) Title and Nature of Plan. The package of benefits  
8 provided under this Section may be referred to as the "cash  
9 balance plan". Persons subject to the provisions of this  
10 Section may be referred to as "participants in the cash balance  
11 plan".

12 The cash balance plan is not a separate retirement plan; it  
13 is a package of benefits and employee contributions for certain  
14 participants of specified retirement systems established under  
15 this Code. This package replaces certain benefits and employee  
16 contributions otherwise provided for in Section 1-160 of this  
17 Code and the Articles of this Code that govern those retirement  
18 systems. Persons who participate in the cash balance plan  
19 remain participants in the applicable retirement system.

20 (b-5) Definitions. As used in this Section:

21 "Account" means the notional cash balance account  
22 established under this Section for a participant in the cash  
23 balance plan.

24 "Consumer Price Index-U" means the Consumer Price Index  
25 published by the Bureau of Labor Statistics of the United  
26 States Department of Labor that measures the average change in

1 prices of goods and services purchased by all urban consumers,  
2 United States city average, all items, 1982-84 = 100.

3 "Covered employee" means a person employed in a position  
4 eligible for Social Security coverage.

5 "Noncovered employee" means a person employed in a position  
6 not eligible for Social Security coverage.

7 "Salary" means "salary" as defined in Article 2, 16, or 18,  
8 "compensation" as defined in Article 14, or "earnings" as  
9 defined in Article 15, whichever is applicable, without regard  
10 to the salary limitation in subsection (b-5) of Section 1-160  
11 or the corresponding limitations in Articles 2 and 18.

12 "Special formula employee" means and is limited to a person  
13 who is actively employed as a State policeman, a fire fighter  
14 in the fire protection service of a department, or a security  
15 employee of the Department of Corrections or the Department of  
16 Juvenile Justice, as those terms are defined in subsection (c)  
17 of Section 14-110.

18 "Special formula employment" means employment as a special  
19 formula employee.

20 (c) Cash Balance Account. A notional cash balance account  
21 shall be established by the applicable retirement system for  
22 each participant in the cash balance plan. The account is  
23 notional and does not contain any actual money segregated from  
24 the commingled assets of the retirement system. The cash  
25 balance in the account is to be used in calculating benefits as  
26 provided in this Section, but is not to be used in the

1 calculation of any refund, transfer, or other benefit under the  
2 applicable Article.

3 The amounts to be credited to the cash balance account  
4 shall consist of (i) amounts contributed by or on behalf of the  
5 participant as employee contributions, (ii) attributable  
6 employer contributions, and (iii) return on investment that is  
7 attributable to the account, all as provided in this Section.  
8 Each payment of retirement annuity and each payment of a  
9 disability retirement benefit identified in subsection (i) of  
10 this Section shall be debited from the participant's cash  
11 balance account, except that the balance in the account shall  
12 not be less than zero.

13 Whenever necessary for the prompt calculation or  
14 administration of a benefit under this Section, the applicable  
15 retirement system may estimate an amount to be credited to or  
16 debited from a participant's cash balance account and then  
17 adjust the amount so credited or debited when more accurate  
18 information becomes available.

19 The applicable retirement system shall give to each  
20 participant in the cash balance plan who has not yet retired  
21 annual notice of (1) the balance in the participant's cash  
22 balance account and (2) an estimate of the retirement annuity  
23 that will be payable to the participant if he or she retires at  
24 age 67 (or, if applicable, at age 60 with 20 years of special  
25 formula employment).

26 (d) Employee Contributions. Instead of the employee

1 contributions otherwise required under the applicable Article,  
2 each participant in the cash balance plan shall make employee  
3 contributions to the retirement system as follows:

4 (1) For a covered employee who is not a special formula  
5 employee, 4.0% of each payment of salary.

6 (2) For a covered employee who is a special formula  
7 employee, 6.0% of each payment of salary.

8 (3) For a noncovered employee who is not a special  
9 formula employee, 8.0% of each payment of salary.

10 (4) For a noncovered employee who is a special formula  
11 employee, 12.0% of each payment of salary.

12 The amount of these contributions shall be credited to the  
13 participant's cash balance account upon receipt by the  
14 retirement system.

15 (e) Attributable Employer Contributions. Upon receipt of  
16 each employee contribution under subsection (d), an amount  
17 representing the employer contribution shall be credited to the  
18 participant's cash balance account. The attributable employer  
19 contribution shall be equal to (1) 100% of the employee  
20 contribution, for contributions paid during a calendar year on  
21 salary up to the Social Security Wage Base for that year, and  
22 50% of the employee contribution, for contributions paid during  
23 that year on salary over the Social Security Wage Base for that  
24 year, less (2) the amount designated by the retirement system  
25 under subsection (i) of this Section as representing the cost  
26 of providing disability benefits.

1       The attributable employer contribution to be credited to  
2 the participant's account is not the same as the actual  
3 employer contributions required under the provisions of the  
4 applicable Article of this Code.

5       (f) Attributable Earnings on Investments. An amount  
6 representing earnings on investments shall be determined by the  
7 retirement system and credited to the participant's cash  
8 balance account for each year in which there is a positive  
9 balance in that account. The amount shall be a percentage of  
10 the average daily balance in the cash balance account during  
11 that year, equal to the system's rate of investment earnings in  
12 the previous year, but in no case less than 5% or more than 10%  
13 of the average daily balance in the cash balance account.

14       (g) Retirement Annuity. A participant in the cash balance  
15 plan may begin collecting a retirement annuity at age 67, or in  
16 the case of a participant with at least 20 years of special  
17 formula employment, at age 60, but in either case no earlier  
18 than the date of termination of active employment under the  
19 retirement system.

20       The amount of the retirement annuity shall be calculated by  
21 the retirement system, based on the balance in the cash balance  
22 account, the assumption of future investment returns of 5%, and  
23 any other actuarial assumptions and tables adopted by the board  
24 of the retirement system for this purpose. The calculation  
25 shall take into account the cost of the retirement annuity, the  
26 annual increases in retirement annuity, and, if the participant

1 has an eligible survivor, the anticipated survivor's annuity  
2 and the annual increases in that annuity. The calculation shall  
3 be designed to determine the initial retirement annuity that  
4 would result in the balance in the participant's account  
5 arriving at zero on the date when the last payment of the  
6 retirement annuity (or survivor's annuity, if the participant  
7 has an eligible survivor) is anticipated to be paid under the  
8 relevant actuarial assumptions.

9 (h) Annual Increase in Retirement Annuity. The retirement  
10 annuity shall be subject to annual increases on each January 1  
11 occurring on or after the attainment of age 67 or the first  
12 anniversary of the annuity start date, whichever is later. Each  
13 annual increase shall be a percentage of the originally granted  
14 retirement annuity, equal to 3% or one-half of the annual  
15 unadjusted percentage increase in the Consumer Price Index-U  
16 for the 12 months ending with the preceding September as  
17 certified under subsection (o) of this Section, whichever is  
18 less. If that annual unadjusted percentage change is zero or  
19 there is a decrease, then the annuity shall not be increased.

20 (i) Disability Benefits. The disability benefits provided  
21 under the applicable retirement system apply to participants in  
22 the cash balance plan, subject to and in accordance with the  
23 eligibility and other provisions of the applicable Article.  
24 Retirement due to disability under item (a)2(C) of Section  
25 2-119, under Section 14-126, 15-153.2 or 16-149.2, or under  
26 subdivision (a)(2) of Section 18-124 shall be deemed a

1 disability benefit for the purposes of this Section, but  
2 payments of these disability retirement benefits shall be  
3 subject to debit from the cash balance count under subsection  
4 (c) of this Section.

5 The board of each retirement system subject to this Section  
6 shall designate annually, as a percentage of salary, an amount  
7 representing the anticipated average cost of providing  
8 disability benefits for a participant in the cash balance plan.  
9 The amount so designated shall not exceed 1% of the  
10 participant's salary and shall be used for the sole purpose of  
11 calculating attributable employer contributions under  
12 subsection (e) of this Section.

13 (j) Return to Service. Upon a return to full-time permanent  
14 employment under the same retirement system after beginning to  
15 receive a retirement annuity under the cash balance plan, the  
16 retirement annuity shall be suspended and active participation  
17 in the cash balance plan shall resume. Upon termination of the  
18 employment, the retirement annuity shall resume in an amount to  
19 be recalculated in accordance with subsection (g), taking into  
20 effect the changes in the cash balance account; but the resumed  
21 annuity shall in no event be less than the amount of annuity  
22 payable at the time it was suspended.

23 (k) Survivor's Annuity. The initial survivor's annuity of  
24 an otherwise eligible survivor of a retired participant in the  
25 cash balance plan shall be in the amount of 66 2/3% of the  
26 retired participant's retirement annuity at the date of death.

1       In the case of the death of a participant in the cash  
2 balance plan who was not retired, eligibility for a survivor's  
3 annuity shall be determined under the applicable Article of  
4 this Code. The initial benefit shall be 66 2/3% of the  
5 retirement annuity that would have been payable under this  
6 Section if the deceased participant had retired on the date of  
7 death, based on the participant's account balance but  
8 disregarding the minimum age required for retirement. A child's  
9 or parent's annuity for an otherwise eligible child or  
10 dependent parent shall be in the amount, if any, prescribed  
11 under the applicable Article.

12       (l) Annual Increase in Survivor's Annuity. A survivor's  
13 annuity shall be increased (i) on each January 1 occurring on  
14 or after the commencement of the annuity if the deceased  
15 participant died while receiving a retirement annuity, or (ii)  
16 in other cases, on each January 1 occurring after the first  
17 anniversary of the commencement of the annuity. Each annual  
18 increase shall be a percentage of the originally granted  
19 survivor's annuity, equal to 3% or one-half of the annual  
20 unadjusted percentage increase in the Consumer Price Index-U  
21 for the 12 months ending with the preceding September as  
22 certified under subsection (o) of this Section, whichever is  
23 less. If that annual unadjusted percentage change is zero or  
24 there is a decrease, then the annuity shall not be increased.

25       (m) Applicability of Provisions. The following provisions,  
26 if and as they exist in the applicable Article of this Code, do



1 not apply to participants in the cash balance plan:

2 (1) minimum service or vesting requirements;

3 (2) provisions limiting a retirement annuity to a  
4 specified percentage of salary;

5 (3) provisions authorizing a minimum retirement or  
6 survivor's annuity or a supplemental annuity;

7 (4) provisions authorizing any form of retirement  
8 annuity or survivor's annuity not authorized under this  
9 Section;

10 (5) provisions authorizing a reversionary annuity;

11 (6) provisions authorizing a refund of employee  
12 contributions upon termination of service or any lump-sum  
13 payout in lieu of a retirement or survivor's annuity;

14 (7) provisions authorizing optional service credits or  
15 the payment of optional additional contributions;

16 (8) a level income option.

17 The Retirement Systems Reciprocal Act applies to  
18 participants in the cash balance plan who qualify under Article  
19 20 of this Code, but it does not affect the calculation of  
20 benefits payable under this Section.

21 The other provisions of the applicable Articles of this  
22 Code continue to apply to participants in the cash balance  
23 plan, to the extent that they do not conflict with this  
24 Section. In the case of a conflict between the provisions of  
25 this Section and any other provision of this Code, the  
26 provisions of this Section control.

1       (n) Rules. The Board of each retirement system affected by  
2 this Section may adopt rules and procedures for the  
3 implementation of this Section, including but not limited to  
4 determinations of how to integrate the administration of this  
5 Section with the Article under which the retirement system is  
6 established and any other applicable provisions of this Code.

7       (o) The Public Pension Division of the Department of  
8 Insurance shall determine in October of each year the annual  
9 unadjusted percentage increase (but not less than zero) in the  
10 Consumer Price Index-U for the 12 months ending with the  
11 preceding September. The Division shall certify its  
12 determination to the Board of each retirement system affected  
13 by this Section by November 1 of each year.

14       (40 ILCS 5/2-107.1 new)

15       Sec. 2-107.1. Tier 2 participant. "Tier 2 participant"  
16 means a participant who first becomes a participant of this  
17 System on or after January 1, 2011 (the effective date of  
18 Public Act 96-889) but before July 1, 2013.

19       (40 ILCS 5/2-108.1) (from Ch. 108 1/2, par. 2-108.1)

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

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

23       For a participant who first becomes a participant of this  
24 System before August 10, 2009 (the effective date of Public Act

1 96-207):

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

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

18 (3) For a participant who is Clerk or Assistant Clerk  
19 of the House of Representatives or Secretary or Assistant  
20 Secretary of the Senate on his or her last day of service:  
21 the salary received for service in that capacity on the  
22 last day of service, but not to exceed the highest salary  
23 (including additional compensation for service as an  
24 officer) that is prescribed by law on the participant's  
25 last day of service for the highest paid officer of the  
26 General Assembly.

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

9           For a participant who first becomes a participant of this  
10          System on or after August 10, 2009 (the effective date of  
11          Public Act 96-207) and before January 1, 2011 (the effective  
12          date of Public Act 96-889), the average monthly salary obtained  
13          by dividing the total salary of the participant during the  
14          period of: (1) the 48 consecutive months of service within the  
15          last 120 months of service in which the total compensation was  
16          the highest, or (2) the total period of service, if less than  
17          48 months, by the number of months of service in that period.

18          For a Tier 2 participant ~~who first becomes a participant of~~  
19          ~~this System on or after January 1, 2011 (the effective date of~~  
20          ~~Public Act 96-889)~~, the average monthly salary obtained by  
21          dividing the total salary of the participant during the 96  
22          consecutive months of service within the last 120 months of  
23          service in which the total compensation was the highest by the  
24          number of months of service in that period; however, beginning  
25          January 1, 2011, the highest salary for annuity purposes may  
26          not exceed \$106,800, except that that amount shall annually

1 thereafter be increased by the lesser of (i) 3% of that amount,  
2 including all previous adjustments, or (ii) the annual  
3 unadjusted percentage increase (but not less than zero) in the  
4 consumer price index-u for the 12 months ending with the  
5 September preceding each November 1. "Consumer price index-u"  
6 means the index published by the Bureau of Labor Statistics of  
7 the United States Department of Labor that measures the average  
8 change in prices of goods and services purchased by all urban  
9 consumers, United States city average, all items, 1982-84 =  
10 100. The new amount resulting from each annual adjustment shall  
11 be determined by the Public Pension Division of the Department  
12 of Insurance and made available to the Board by November 1 of  
13 each year.

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

20 (c) In calculating the subsection (a) earnings limitation  
21 to be applied to earnings under any other participating system  
22 under the Retirement Systems Reciprocal Act for the purpose of  
23 calculating a proportional annuity under this Article, the  
24 participant's last day of service shall be deemed to mean the  
25 last day of service in any participating system from which the  
26 person has applied for a proportional annuity under the

1 Retirement Systems Reciprocal Act.

2 (Source: P.A. 96-207, eff. 8-10-09; 96-889, eff. 1-1-11;  
3 96-1490, eff. 1-1-11.)

4 (40 ILCS 5/2-119) (from Ch. 108 1/2, par. 2-119)

5 Sec. 2-119. Retirement annuity - conditions for  
6 eligibility.

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

11 1. The date the annuity begins does not precede the  
12 date of final termination of service, or is not more than  
13 30 days before the receipt of the application by the board  
14 in the case of annuities based on disability or one year  
15 before the receipt of the application in the case of  
16 annuities based on attained age;

17 2. The participant meets one of the following  
18 eligibility requirements:

19 (i) For a participant who first becomes a participant  
20 of this System before January 1, 2011 (the effective date  
21 of Public Act 96-889):

22 (A) He or she has attained age 55 and has at least  
23 8 years of service credit;

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

1 service credit; or

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

5 (ii) For a Tier 2 participant ~~who first becomes a~~  
6 ~~participant of this System on or after January 1, 2011 (the~~  
7 ~~effective date of Public Act 96-889),~~ he or she has  
8 attained age 67 and has at least 8 years of service credit.

9 (a-5) A Tier 2 participant ~~who first becomes a participant~~  
10 ~~of this System on or after January 1, 2011 (the effective date~~  
11 ~~of Public Act 96-889)~~ who has attained age 62 and has at least  
12 8 years of service credit may elect to receive the lower  
13 retirement annuity provided in paragraph (c) of Section  
14 2-119.01 of this Code.

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

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

23 (40 ILCS 5/2-119.01) (from Ch. 108 1/2, par. 2-119.01)  
24 Sec. 2-119.01. Retirement annuities - Amount.

25 (a) For a participant in service after June 30, 1977 who

1 has not made contributions to this System after January 1,  
2 1982, the annual retirement annuity is 3% for each of the first  
3 8 years of service, plus 4% for each of the next 4 years of  
4 service, plus 5% for each year of service in excess of 12  
5 years, based on the participant's highest salary for annuity  
6 purposes. The maximum retirement annuity payable shall be 80%  
7 of the participant's highest salary for annuity purposes.

8 (b) For a participant in service after June 30, 1977 who  
9 has made contributions to this System on or after January 1,  
10 1982, the annual retirement annuity is 3% for each of the first  
11 4 years of service, plus 3 1/2% for each of the next 2 years of  
12 service, plus 4% for each of the next 2 years of service, plus  
13 4 1/2% for each of the next 4 years of service, plus 5% for each  
14 year of service in excess of 12 years, of the participant's  
15 highest salary for annuity purposes. The maximum retirement  
16 annuity payable shall be 85% of the participant's highest  
17 salary for annuity purposes.

18 (c) Notwithstanding any other provision of this Article,  
19 for a Tier 2 participant ~~who first becomes a participant on or~~  
20 ~~after January 1, 2011 (the effective date of Public Act~~  
21 ~~96-889)~~, the annual retirement annuity is 3% of the  
22 participant's highest salary for annuity purposes for each year  
23 of service. The maximum retirement annuity payable shall be 60%  
24 of the participant's highest salary for annuity purposes.

25 (d) Notwithstanding any other provision of this Article,  
26 for a Tier 2 participant who ~~first becomes a participant on or~~



1 ~~after January 1, 2011 (the effective date of Public Act 96-889)~~  
2 ~~and who~~ is retiring after attaining age 62 with at least 8  
3 years of service credit, the retirement annuity shall be  
4 reduced by one-half of 1% for each month that the member's age  
5 is under age 67.

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

7 (40 ILCS 5/2-119.1) (from Ch. 108 1/2, par. 2-119.1)

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

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

22 (b) Beginning January 1, 1990, for eligible participants  
23 who remain in service after attaining 20 years of creditable  
24 service, the 3% increases provided under subsection (a) shall  
25 begin to accrue on the January 1 next following the date upon

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

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

14 (b-5) Notwithstanding any other provision of this Article,  
15 a Tier 2 participant ~~who first becomes a participant on or~~  
16 ~~after January 1, 2011 (the effective date of Public Act 96-889)~~  
17 shall, in January or July next following the first anniversary  
18 of retirement, whichever occurs first, and in the same month of  
19 each year thereafter, but in no event prior to age 67, have the  
20 amount of the retirement annuity then being paid increased by  
21 3% or the annual unadjusted percentage increase in the Consumer  
22 Price Index for All Urban Consumers as determined by the Public  
23 Pension Division of the Department of Insurance under  
24 subsection (a) of Section 2-108.1, whichever is less.

25 (c) The foregoing provisions relating to automatic  
26 increases are not applicable to a participant who retires

1 before having made contributions (at the rate prescribed in  
2 Section 2-126) for automatic increases for less than the  
3 equivalent of one full year. However, in order to be eligible  
4 for the automatic increases, such a participant may make  
5 arrangements to pay to the system the amount required to bring  
6 the total contributions for the automatic increase to the  
7 equivalent of one year's contributions based upon his or her  
8 last salary.

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

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

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

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

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

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

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

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

1 child.

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

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

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

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

23 (d) Beginning January 1, 1990, every survivor's annuity  
24 shall be increased (1) on each January 1 occurring on or after  
25 the commencement of the annuity if the deceased member died  
26 while receiving a retirement annuity, or (2) in other cases, on

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

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

24 (e) Notwithstanding any other provision of this Article,  
25 beginning January 1, 1990, the minimum survivor's annuity  
26 payable to any person who is entitled to receive a survivor's

1 annuity under this Article shall be \$300 per month, without  
2 regard to whether or not the deceased participant was in  
3 service on the effective date of this amendatory Act of 1989.

4 (f) In the case of a proportional survivor's annuity  
5 arising under the Retirement Systems Reciprocal Act where the  
6 amount payable by the System on January 1, 1993 is less than  
7 \$300 per month, the amount payable by the System shall be  
8 increased beginning on that date by a monthly amount equal to  
9 \$2 for each full year that has expired since the annuity began.  
10 (Source: P.A. 96-889, eff. 1-1-11; 96-1490, eff. 1-1-11.)

11 (40 ILCS 5/2-122) (from Ch. 108 1/2, par. 2-122)

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

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

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

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

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

26 Notwithstanding any other provision of this Article, if a



1 ~~Tier 2 person who first becomes a participant under this System~~  
2 ~~on or after January 1, 2011 (the effective date of Public Act~~  
3 ~~96-889)~~ is receiving a retirement annuity under this Article  
4 and becomes a member or participant under this Article or any  
5 other Article of this Code and is employed on a full-time  
6 basis, then the person's retirement annuity under this System  
7 shall be suspended during that employment. Upon termination of  
8 that employment, the person's retirement annuity shall resume  
9 and, if appropriate, be recalculated under the applicable  
10 provisions of this Article.

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

12 (40 ILCS 5/2-126) (from Ch. 108 1/2, par. 2-126)

13 Sec. 2-126. Contributions by participants.

14 (a) Each participant shall contribute toward the cost of  
15 his or her retirement annuity a percentage of each payment of  
16 salary received by him or her for service as a member as  
17 follows: for service between October 31, 1947 and January 1,  
18 1959, 5%; for service between January 1, 1959 and June 30,  
19 1969, 6%; for service between July 1, 1969 and January 10,  
20 1973, 6 1/2%; for service after January 10, 1973, 7%; for  
21 service after December 31, 1981, 8 1/2%.

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

25 A participant who has no eligible survivor's annuity

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

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

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

1 payments included in their highest salary for annuity purposes;  
2 however, persons electing to make these additional  
3 contributions must also pay an amount representing the  
4 corresponding employer contributions, as calculated by the  
5 System.

6 (e) Notwithstanding any other provision of this Article,  
7 the required contribution of a Tier 2 participant ~~who first~~  
8 ~~becomes a participant on or after January 1, 2011~~ shall not  
9 exceed the contribution that would be due under this Article if  
10 that participant's highest salary for annuity purposes were  
11 \$106,800, plus any increases in that amount under Section  
12 2-108.1.

13 (Source: P.A. 96-1490, eff. 1-1-11.)

14 (40 ILCS 5/15-113.6) (from Ch. 108 1/2, par. 15-113.6)

15 Sec. 15-113.6. Service for employment in public schools.  
16 "Service for employment in public schools": Includes those  
17 periods not exceeding the lesser of 10 years or 2/3 of the  
18 service granted under other Sections of this Article dealing  
19 with service credit, during which a person who entered the  
20 system after September 1, 1974 was employed full time by a  
21 public common school, public college and public university, or  
22 by an agency or instrumentality of any of the foregoing, of any  
23 state, territory, dependency or possession of the United States  
24 of America, including the Philippine Islands, or a school  
25 operated by or under the auspices of any agency or department

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

19 The service granted under this Section shall not be  
20 considered in determining whether the person has the minimum  
21 number of ~~8 years of service required to qualify for a~~  
22 ~~retirement annuity at age 55 or the 5 years of service required~~  
23 ~~to qualify for a retirement annuity at age 62,~~ as provided in  
24 Section 15-135, or the 10 years required by subsection (c) of  
25 Section 1-160 for a person subject to that Section ~~who first~~  
26 ~~becomes a participant on or after January 1, 2011.~~ The maximum

1 allowable service of 10 years for this governmental employment  
2 shall be reduced by the service credit which is validated under  
3 paragraph (2) of subsection (b) of Section 16-127 and paragraph  
4 1 of Section 17-133.

5 (Source: P.A. 95-83, eff. 8-13-07; 96-1490, eff. 1-1-11.)

6 (40 ILCS 5/18-110.1 new)

7 Sec. 18-110.1. Tier 2 participant. "Tier 2 participant"  
8 means a participant who first becomes a participant of this  
9 System on or after January 1, 2011 (the effective date of  
10 Public Act 96-889) but before July 1, 2013.

11 (40 ILCS 5/18-124) (from Ch. 108 1/2, par. 18-124)

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

14 (a) This subsection (a) applies to a participant who first  
15 serves as a judge before January 1, 2011 (the effective date of  
16 Public Act 96-889) ~~this amendatory Act of the 96th General~~  
17 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

1 for annuities based on disability, or one year before the  
2 receipt of the application by the board for annuities based  
3 on attained age;

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

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

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

15 (b) This subsection (b) applies to a Tier 2 participant ~~who~~  
16 ~~first serves as a judge on or after the effective date of this~~  
17 ~~amendatory Act of the 96th General Assembly.~~

18 A Tier 2 participant who has at least 8 years of creditable  
19 service is entitled to a retirement annuity when he or she has  
20 attained age 67.

21 A Tier 2 participant member who has attained age 62 and has  
22 at least 8 years of service credit may elect to receive the  
23 lower retirement annuity provided in subsection (d) of Section  
24 18-125 of this Code.

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

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

1 made available to the Board by November 1st of each year.

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

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

17 (d) Notwithstanding any other provision of this Article,  
18 for a Tier 2 participant ~~who first serves as a judge on or~~  
19 ~~after January 1, 2011 (the effective date of Public Act 96-889)~~  
20 ~~and~~ who is retiring after attaining age 62, the retirement  
21 annuity shall be reduced by 1/2 of 1% for each month that the  
22 participant's age is under age 67 at the time the annuity  
23 commences.

24 (Source: P.A. 96-207, eff. 8-10-09; 96-889, eff. 1-1-11;  
25 96-1000, eff. 7-2-10; 96-1490, eff. 1-1-11.)

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

2 Sec. 18-125.1. Automatic increase in retirement annuity.

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

11 Notwithstanding any other provision of this Article, a  
12 retirement annuity for a Tier 2 participant ~~who first serves as~~  
13 ~~a judge on or after January 1, 2011 (the effective date of~~  
14 ~~Public Act 96-889)~~ shall be increased in January of the year  
15 next following the year in which the first anniversary of  
16 retirement occurs, but in no event prior to age 67, and in  
17 January of each year thereafter, by an amount equal to 3% or  
18 the annual percentage increase in the consumer price index-u as  
19 determined by the Public Pension Division of the Department of  
20 Insurance under subsection (b-5) of Section 18-125, whichever  
21 is less, of the retirement annuity then being paid.

22 This Section is not applicable to a participant who retires  
23 before he or she has made contributions at the rate prescribed  
24 in Section 18-133 for automatic increases for not less than the  
25 equivalent of one full year, unless such a participant arranges  
26 to pay the system the amount required to bring the total

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

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

14 Any participant who has become eligible to receive the  
15 maximum rate of annuity and who resumes service as a judge  
16 after receiving a retirement annuity under this Article shall  
17 have the amount of his or her retirement annuity increased by  
18 3% of the originally granted annuity amount for each year of  
19 such resumed service, beginning in January of the year next  
20 following the date of such resumed service, upon subsequent  
21 termination of such resumed service.

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

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

1 (40 ILCS 5/18-127) (from Ch. 108 1/2, par. 18-127)  
2 Sec. 18-127. Retirement annuity - suspension on  
3 reemployment.

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

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

22 (b) Beginning January 1, 1991, any participant receiving a  
23 retirement annuity who accepts temporary employment from an  
24 employer other than a county for a period not exceeding 75  
25 working days in any calendar year shall not be deemed to be

1 regularly employed for compensation or to have resumed service  
2 as a judge for the purposes of this Article. A day shall be  
3 considered a working day if the annuitant performs on it any of  
4 his duties under the temporary employment agreement.

5 (c) Except as provided in subsection (a), beginning January  
6 1, 1993, retirement annuities shall not be subject to  
7 suspension upon resumption of employment for an employer, and  
8 any retirement annuity that is then so suspended shall be  
9 reinstated on that date.

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

14 (e) A participant receiving a retirement annuity under this  
15 Article who serves as a part-time employee in any of the  
16 following positions: Legislative Inspector General, Special  
17 Legislative Inspector General, employee of the Office of the  
18 Legislative Inspector General, Executive Director of the  
19 Legislative Ethics Commission, or staff of the Legislative  
20 Ethics Commission, but has not elected to participate in the  
21 Article 14 System with respect to that service, shall not be  
22 deemed to be regularly employed for compensation by an employer  
23 other than a county, nor to have resumed service as a judge, on  
24 the basis of that service, and the retirement annuity payments  
25 and other benefits of that person under this Code shall not be  
26 suspended, diminished, or otherwise impaired solely as a

1 consequence of that service. This subsection (e) applies  
2 without regard to whether the person is in service as a judge  
3 under this Article on or after the effective date of this  
4 amendatory Act of the 93rd General Assembly. In this  
5 subsection, a "part-time employee" is a person who is not  
6 required to work at least 35 hours per week.

7 (f) A participant receiving a retirement annuity under this  
8 Article who has made an election under Section 1-123 and who is  
9 serving either as legal counsel in the Office of the Governor  
10 or as Chief Deputy Attorney General shall not be deemed to be  
11 regularly employed for compensation by an employer other than a  
12 county, nor to have resumed service as a judge, on the basis of  
13 that service, and the retirement annuity payments and other  
14 benefits of that person under this Code shall not be suspended,  
15 diminished, or otherwise impaired solely as a consequence of  
16 that service. This subsection (f) applies without regard to  
17 whether the person is in service as a judge under this Article  
18 on or after the effective date of this amendatory Act of the  
19 93rd General Assembly.

20 (g) Notwithstanding any other provision of this Article, if  
21 a person who was a Tier 2 ~~first becomes a~~ participant under  
22 this System ~~on or after January 1, 2011 (the effective date of~~  
23 ~~this amendatory Act of the 96th General Assembly)~~ is receiving  
24 a retirement annuity under this Article and becomes a member or  
25 participant under this Article or any other Article of this  
26 Code and is employed on a full-time basis, then the person's

1 retirement annuity under this System shall be suspended during  
2 that employment. Upon termination of that employment, the  
3 person's retirement annuity shall resume and, if appropriate,  
4 be recalculated under the applicable provisions of this  
5 Article.

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

7 (40 ILCS 5/18-128.01) (from Ch. 108 1/2, par. 18-128.01)

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

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

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

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

25 (d) Upon the death of an annuitant, active participant, or



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

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

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

26 (g) Notwithstanding any other provision of this Article,

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

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

17 (40 ILCS 5/18-133) (from Ch. 108 1/2, par. 18-133)

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

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

24 (1) Contributions for the retirement annuity are not  
25 required on salary received after 18 years of service by

1 persons who were participants before January 2, 1954.

2 (2) A participant who continues to serve as a judge  
3 after becoming eligible to receive the maximum rate of  
4 annuity may elect, through a written direction filed with  
5 the Board, to discontinue contributing to the System. Any  
6 such option elected by a judge shall be irrevocable unless  
7 prior to January 1, 2000, and while continuing to serve as  
8 judge, the judge (A) files with the Board a letter  
9 cancelling the direction to discontinue contributing to  
10 the System and requesting that such contributing resume,  
11 and (B) pays into the System an amount equal to the total  
12 of the discontinued contributions plus interest thereon at  
13 5% per annum. Service credits earned in any other  
14 "participating system" as defined in Article 20 of this  
15 Code shall be considered for purposes of determining a  
16 judge's eligibility to discontinue contributions under  
17 this subdivision (a) (2).

18 (3) A participant who (i) has attained age 60, (ii)  
19 continues to serve as a judge after becoming eligible to  
20 receive the maximum rate of annuity, and (iii) has not  
21 elected to discontinue contributing to the System under  
22 subdivision (a) (2) of this Section (or has revoked any such  
23 election) may elect, through a written direction filed with  
24 the Board, to make contributions to the System based only  
25 on the amount of the increases in salary received by the  
26 judge on or after the date of the election, rather than the

1 total salary received. If a judge who is making  
2 contributions to the System on the effective date of this  
3 amendatory Act of the 91st General Assembly makes an  
4 election to limit contributions under this subdivision  
5 (a)(3) within 90 days after that effective date, the  
6 election shall be deemed to become effective on that  
7 effective date and the judge shall be entitled to receive a  
8 refund of any excess contributions paid to the System  
9 during that 90-day period; any other election under this  
10 subdivision (a)(3) becomes effective on the first of the  
11 month following the date of the election. An election to  
12 limit contributions under this subdivision (a)(3) is  
13 irrevocable. Service credits earned in any other  
14 participating system as defined in Article 20 of this Code  
15 shall be considered for purposes of determining a judge's  
16 eligibility to make an election under this subdivision  
17 (a)(3).

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

24 (c) Effective July 13, 1953, each married participant  
25 subject to the survivor's annuity provisions is required to  
26 contribute 2 1/2% of each payment of salary, whether or not he

1 or she is required to make any other contributions under this  
2 Section. Such contributions shall be made concurrently with the  
3 contributions made for annuity purposes.

4 (d) Notwithstanding any other provision of this Article,  
5 the required contributions for a Tier 2 participant ~~who first~~  
6 ~~becomes a participant on or after January 1, 2011~~ shall not  
7 exceed the contributions that would be due under this Article  
8 if that participant's highest salary for annuity purposes were  
9 \$106,800, plus any increase in that amount under Section  
10 18-125.

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

12 (40 ILCS 5/20-121) (from Ch. 108 1/2, par. 20-121)

13 Sec. 20-121. Calculation of proportional retirement  
14 annuities. Upon retirement of the employee, a proportional  
15 retirement annuity shall be computed by each participating  
16 system in which pension credit has been established on the  
17 basis of pension credits under each system. The computation  
18 shall be in accordance with the formula or method prescribed by  
19 each participating system which is in effect at the date of the  
20 employee's latest withdrawal from service covered by any of the  
21 systems in which he has pension credits which he elects to have  
22 considered under this Article. However, (1) the amount of any  
23 retirement annuity payable under the self-managed plan  
24 established under Section 15-158.2 of this Code depends solely  
25 on the value of the participant's vested account balances and

1 is not subject to any proportional adjustment under this  
2 Section, and (2) the amount of any retirement annuity payable  
3 under the cash balance plan established under Section 1-161 of  
4 this Code shall be calculated solely in accordance with that  
5 Section and is not subject to any proportional adjustment under  
6 this Section.

7 Combined pension credit under all retirement systems  
8 subject to this Article shall be considered in determining  
9 whether the minimum qualification has been met and the formula  
10 or method of computation which shall be applied. If a system  
11 has a step-rate formula for calculation of the retirement  
12 annuity, pension credits covering previous service which have  
13 been established under another system shall be considered in  
14 determining which range or ranges of the step-rate formula are  
15 to be applicable to the employee.

16 Interest on pension credit shall continue to accumulate in  
17 accordance with the provisions of the law governing the  
18 retirement system in which the same has been established during  
19 the time an employee is in the service of another employer, on  
20 the assumption such employee, for interest purposes for pension  
21 credit, is continuing in the service covered by such retirement  
22 system.

23 (Source: P.A. 91-887, eff. 7-6-00.)

24 (40 ILCS 5/20-123) (from Ch. 108 1/2, par. 20-123)

25 Sec. 20-123. Survivor's annuity. The provisions governing

1 a retirement annuity shall be applicable to a survivor's  
2 annuity. Appropriate credits shall be established for  
3 survivor's annuity purposes in those participating systems  
4 which provide survivor's annuities, according to the same  
5 conditions and subject to the same limitations and restrictions  
6 herein prescribed for a retirement annuity. If a participating  
7 system has no survivor's annuity benefit, or if the survivor's  
8 annuity benefit under that system is waived, pension credit  
9 established in that system shall not be considered in  
10 determining eligibility for or the amount of the survivor's  
11 annuity which may be payable by any other participating system.

12 For persons who participate in the self-managed plan  
13 established under Section 15-158.2 or the portable benefit  
14 package established under Section 15-136.4, pension credit  
15 established under Article 15 may be considered in determining  
16 eligibility for or the amount of the survivor's annuity that is  
17 payable by any other participating system, but pension credit  
18 established in any other system shall not result in any right  
19 to a survivor's annuity under the Article 15 system.

20 For persons who participate in the cash balance plan  
21 established under Section 1-161, pension credit established  
22 under the participating system with respect to which the person  
23 participates in the cash balance plan may be considered in  
24 determining eligibility for or the amount of the survivor's  
25 annuity that is payable by any other participating system with  
26 respect to which the person does not participate in the cash

1 balance plan, but the amount of any survivor's annuity payable  
2 under the cash balance plan established under Section 1-161  
3 shall be calculated solely in accordance with that Section.

4 (Source: P.A. 91-887, eff. 7-6-00.)

5 (40 ILCS 5/20-124) (from Ch. 108 1/2, par. 20-124)

6 Sec. 20-124. Maximum benefits.

7 (a) In no event shall the combined retirement or survivors  
8 annuities exceed the highest annuity which would have been  
9 payable by any participating system in which the employee has  
10 pension credits, if all of his pension credits had been  
11 validated in that system.

12 If the combined annuities should exceed the highest maximum  
13 as determined in accordance with this Section, the respective  
14 annuities shall be reduced proportionately according to the  
15 ratio which the amount of each proportional annuity bears to  
16 the aggregate of all such annuities; except that benefits  
17 payable under the cash balance plan established under Section  
18 1-161 are not subject to proportionate reduction under this  
19 Section.

20 (b) In the case of a participant in the self-managed plan  
21 established under Section 15-158.2 of this Code to whom the  
22 provisions of this Article apply:

23 (i) For purposes of calculating the combined  
24 retirement annuity and the proportionate reduction, if  
25 any, in a retirement annuity other than one payable under



1 the self-managed plan, the amount of the Article 15  
2 retirement annuity shall be deemed to be the highest  
3 annuity to which the annuitant would have been entitled if  
4 he or she had participated in the traditional benefit  
5 package as defined in Section 15-103.1 rather than the  
6 self-managed plan.

7 (ii) For purposes of calculating the combined  
8 survivor's annuity and the proportionate reduction, if  
9 any, in a survivor's annuity other than one payable under  
10 the self-managed plan, the amount of the Article 15  
11 survivor's annuity shall be deemed to be the highest  
12 survivor's annuity to which the survivor would have been  
13 entitled if the deceased employee had participated in the  
14 traditional benefit package as defined in Section 15-103.1  
15 rather than the self-managed plan.

16 (iii) Benefits payable under the self-managed plan are  
17 not subject to proportionate reduction under this Section.

18 (Source: P.A. 91-887, eff. 7-6-00.)

19 (40 ILCS 5/20-125) (from Ch. 108 1/2, par. 20-125)

20 Sec. 20-125. Return to employment - suspension of benefits.  
21 If a retired employee returns to employment which is covered by  
22 a system from which he is receiving a proportional annuity  
23 under this Article, his proportional annuity from all  
24 participating systems shall be suspended during the period of  
25 re-employment, except that this suspension does not apply to

1 any distributions payable under the self-managed plan  
2 established under Section 15-158.2 of this Code.

3 The provisions of the Article under which such employment  
4 would be covered (including Section 1-161 in the case of a  
5 participant in the cash balance plan) shall govern the  
6 determination of whether the employee has returned to  
7 employment, and if applicable the exemption of temporary  
8 employment or employment not exceeding a specified duration or  
9 frequency, for all participating systems from which the retired  
10 employee is receiving a proportional annuity under this  
11 Article, notwithstanding any contrary provisions in the other  
12 Articles governing such systems.

13 (Source: P.A. 91-887, eff. 7-6-00.)

14 Section 90. The State Mandates Act is amended by adding  
15 Section 8.36 as follows:

16 (30 ILCS 805/8.36 new)

17 Sec. 8.36. Exempt mandate. Notwithstanding Sections 6 and 8  
18 of this Act, no reimbursement by the State is required for the  
19 implementation of any mandate created by this amendatory Act of  
20 the 97th General Assembly.

21 Section 99. Effective date. This Act takes effect January  
22 1, 2013.

1

## INDEX

2

## Statutes amended in order of appearance

3

40 ILCS 5/1-160

4

40 ILCS 5/1-161 new

5

40 ILCS 5/2-107.1 new

6

40 ILCS 5/2-108.1

from Ch. 108 1/2, par. 2-108.1

7

40 ILCS 5/2-119

from Ch. 108 1/2, par. 2-119

8

40 ILCS 5/2-119.01

from Ch. 108 1/2, par. 2-119.01

9

40 ILCS 5/2-119.1

from Ch. 108 1/2, par. 2-119.1

10

40 ILCS 5/2-121.1

from Ch. 108 1/2, par. 2-121.1

11

40 ILCS 5/2-122

from Ch. 108 1/2, par. 2-122

12

40 ILCS 5/2-126

from Ch. 108 1/2, par. 2-126

13

40 ILCS 5/15-113.6

from Ch. 108 1/2, par. 15-113.6

14

40 ILCS 5/18-110.1 new

15

40 ILCS 5/18-124

from Ch. 108 1/2, par. 18-124

16

40 ILCS 5/18-125

from Ch. 108 1/2, par. 18-125

17

40 ILCS 5/18-125.1

from Ch. 108 1/2, par. 18-125.1

18

40 ILCS 5/18-127

from Ch. 108 1/2, par. 18-127

19

40 ILCS 5/18-128.01

from Ch. 108 1/2, par. 18-128.01

20

40 ILCS 5/18-133

from Ch. 108 1/2, par. 18-133

21

40 ILCS 5/20-121

from Ch. 108 1/2, par. 20-121

22

40 ILCS 5/20-123

from Ch. 108 1/2, par. 20-123

23

40 ILCS 5/20-124

from Ch. 108 1/2, par. 20-124

24

40 ILCS 5/20-125

from Ch. 108 1/2, par. 20-125

25

30 ILCS 805/8.36 new