



Sen. Kwame Raoul

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1 AMENDMENT TO SENATE BILL 449

2 AMENDMENT NO. _____. Amend Senate Bill 449 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Illinois Pension Code is amended by
5 changing Section 17-129 and by adding Section 17-128.1 as
6 follows:

7 (40 ILCS 5/17-128.1 new)

8 Sec. 17-128.1. Tax for employer contributions to the Fund.

9 (a) For the purpose of providing monies for required
10 employer contributions to the Fund, beginning in 2015 and in
11 each year thereafter, the Board of Education shall levy a tax
12 on the equalized assessed value of all taxable property in the
13 City, at a rate which, when extended, will produce an amount
14 reasonably calculated at the time of the levy to provide for
15 payment in full of the Board of Education's contributions
16 required under Section 17-129 for the portions of the fiscal

1 years for which revenues from the levy will be received, as
2 such amount is determined and certified by the Board of the
3 Fund, plus any amount of required Board of Education
4 contributions for previous years that remain unpaid.

5 The tax required under this Section shall be levied and
6 collected in like manner with the other taxes of the Board of
7 Education and shall be distributed as provided in subsection
8 (b).

9 The tax required under this Section shall be in addition to
10 all other taxes that the Board of Education is now or may
11 hereafter be authorized to levy, and shall be exclusive of and
12 in addition to the amount of tax authorized to be levied under
13 any law that may limit the amount of tax that the Board of
14 Education may levy for this or any other purpose. The tax may
15 be levied by the Board of Education without being authorized by
16 a vote of the people.

17 The tax required under this Section shall not be considered
18 or reduced in the course of determining any limitation of any
19 other tax rate that may be extended.

20 (b) The proceeds of the tax required under this Section
21 shall, upon collection, be paid by the tax collector directly
22 and immediately to the Fund for deposit as directed by the
23 Board of the Fund and shall be credited as contributions paid
24 to the Fund by the Board of Education.

25 (c) If the Board of Education fails to levy the tax as
26 required under this Section, or the amount collected from that

1 tax is otherwise insufficient to pay the full amount of the
2 required contribution certified by the Board of the Fund, then
3 the Board of the Fund, after giving notice to the Board of
4 Education, shall certify the amount of the insufficiency to the
5 tax collector and direct that an amount of the proceeds
6 received from the tax levied by the Board of Education for
7 educational purposes under Section 34-53 of the School Code,
8 equal to the certified insufficiency, shall upon collection be
9 paid by the tax collector directly and immediately to the Fund
10 for deposit as directed by the Board of the Fund. Any amount so
11 paid shall be credited as contributions paid to the Fund by the
12 Board of Education.

13 (40 ILCS 5/17-129) (from Ch. 108 1/2, par. 17-129)

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

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

1 appropriate from moneys from its tax levy for educational
2 purposes, a sum sufficient to remove such deficiency or
3 deficiencies, and promptly pay such sum into the Fund in order
4 to restore any of the reserves of the Fund that may have been
5 so temporarily applied. Any amounts received by the Fund after
6 December 4, 1997 and before July 1, 2010 from State
7 appropriations, including under Section 17-127, shall be a
8 credit against and shall fully satisfy any obligation that may
9 have arisen, or be claimed to have arisen, under this
10 subsection (a) as a result of any deficiency or deficiencies in
11 the fiscal year of the Board of Education ending in calendar
12 year 1997.

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

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

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

24 (iv) For fiscal years 2014 through 2059, the minimum
25 contribution to the Fund to be made by the Board of Education
26 in each fiscal year shall be an amount determined by the Fund

1 to be sufficient to bring the total assets of the Fund up to
2 90% of the total actuarial liabilities of the Fund by the end
3 of fiscal year 2059. In making these determinations, the
4 required Board of Education contribution shall be calculated
5 each year as a level percentage of the applicable employee
6 payrolls over the years remaining to and including fiscal year
7 2059 and shall be determined under the projected unit credit
8 actuarial cost method.

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

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

19 (vii) Any contribution by the State to or for the benefit
20 of the Fund, including, without limitation, as referred to
21 under Section 17-127, shall be a credit against any
22 contribution required to be made by the Board of Education
23 under this subsection (b) if the Board certifies that the total
24 assets of the Fund are at least 90% of the total actuarial
25 liabilities of the Fund as of June 30 of the previous fiscal
26 year.

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

11 (d) The Board of Education's required contribution to the
12 Fund for fiscal year 2015 shall be paid in 12 equal monthly
13 payments.

14 The Board of Education's required contribution to the Fund
15 for fiscal year 2016 shall be paid in 12 equal monthly
16 payments, proportionately reduced by the amount of any proceeds
17 of the tax required to be levied under Section 17-128.1 that
18 are reasonably anticipated to be received by the Fund in that
19 fiscal year.

20 Beginning with fiscal year 2017 and continuing for each
21 fiscal year thereafter, the Board of Education's required
22 contribution to the Fund shall be paid from the proceeds of the
23 tax required to be levied under Section 17-128.1 that are
24 received by the Fund in that fiscal year.

25 If the sum provided by the tax required under subsection
26 (a) of Section 17-128.1 is insufficient to pay in full the

1 required contribution, the Board of Education remains liable
2 for the payment of that insufficiency. If the insufficiency is
3 not recovered by the Fund under subsection (c) of Section
4 17-128.1 or otherwise paid by the Board of Education, the
5 amount remaining unpaid shall be added to the required
6 contribution certified by the Board of the Fund for the next
7 fiscal year.

8 (Source: P.A. 96-889, eff. 4-14-10.)

9 Section 90. The State Mandates Act is amended by adding
10 Section 8.38 as follows:

11 (30 ILCS 805/8.38 new)

12 Sec. 8.38. Exempt mandate. Notwithstanding Sections 6 and 8
13 of this Act, no reimbursement by the State is required for the
14 implementation of any mandate created by this amendatory Act of
15 the 98th General Assembly.

16 Section 99. Effective date. This Act takes effect upon
17 becoming law."