AN ACT concerning public employee benefits.

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

Section 5. The Illinois Pension Code is amended by changing Sections 1-160, 12-130, 12-133.1, 12-133.2, 12-140, 12-149, and 12-150 and adding Sections 12-150.5, 12-155.5, and 12-195 as follows:

(40 ILCS 5/1-160)

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

(a) The provisions of this Section apply to a person who, on or after January 1, 2011, first becomes a member or a participant under any reciprocal retirement system or pension fund established under this Code, other than a retirement system or pension fund established under Article 2, 3, 4, 5, 6, 15 or 18 of this Code, notwithstanding any other provision of this Code to the contrary, but do not apply to any self-managed plan established under this Code, to any person with respect to service as a sheriff's law enforcement employee under Article 7, or to any participant of the retirement plan established under Section 22-101.

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

(1) In Article 7 (except for service as sheriff's law enforcement employees), "final rate of earnings".

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

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

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

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

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

(b-5) Beginning on January 1, 2011, for all purposes under this Code (including without limitation the calculation of benefits and employee contributions), the annual earnings, salary, or wages (based on the plan year) of a member or participant to whom this Section applies shall not exceed $106,800; however, that amount shall annually thereafter be increased by the lesser of (i) 3% of that amount, including all previous adjustments, or (ii) one-half the annual unadjusted percentage increase (but not less than zero) in the consumer price index-u for the 12 months ending with the September preceding each November 1, including all previous adjustments.

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

(c) A member or participant is entitled to a retirement annuity upon written application if he or she has attained age 67 (beginning January 1, 2015, age 65 with respect to service under Article 12 of this Code that is subject to this Section) and has at least 10 years of service credit and is otherwise eligible under the requirements of the applicable Article.

A member or participant who has attained age 62 (beginning January 1, 2015, age 60 with respect to service under Article 12 of this Code that is subject to this Section) and has at least 10 years of service credit and is otherwise eligible under the requirements of the applicable Article may elect to receive the lower retirement annuity provided in subsection (d) of this Section.

(d) The retirement annuity of a member or participant who is retiring after attaining age 62 (beginning January 1, 2015, age 60 with respect to service under Article 12 of this Code that is subject to this Section) with at least 10 years of service credit shall be reduced by one-half of 1% for each full month that the member's age is under age 67 (beginning January 1, 2015, age 65 with respect to service under Article 12 of this Code that is subject to this Section).

(e) Any retirement annuity or supplemental annuity shall be subject to annual increases on the January 1 occurring either on or after the attainment of age 67 (beginning January 1, 2015, age 65 with respect to service under Article 12 of this Code that is subject to this Section) or the first anniversary of the annuity start date, whichever is later. Each annual increase shall be calculated at 3% or one-half the annual unadjusted percentage increase (but not less than zero) in the consumer price index-u for the 12 months ending with the September preceding each November 1, whichever is less, of the originally granted retirement annuity. If the annual unadjusted percentage change in the consumer price index-u for the 12 months ending with the September preceding each November 1 is zero or there is a decrease, then the annuity shall not be increased.

(f) The initial survivor's or widow's annuity of an otherwise eligible survivor or widow of a retired member or participant who first became a member or participant on or after January 1, 2011 shall be in the amount of 66 2/3% of the retired member's or participant's retirement annuity at the date of death. In the case of the death of a member or participant who has not retired and who first became a member or participant on or after January 1, 2011, eligibility for a survivor's or widow's annuity shall be determined by the applicable Article of this Code. The initial benefit shall be 66 2/3% of the earned annuity without a reduction due to age. A child's annuity of an otherwise eligible child shall be in the amount prescribed under each Article if applicable. Any survivor's or widow's annuity shall be increased (1) on each January 1 occurring on or after the commencement of the annuity if the deceased member died while receiving a retirement annuity or (2) in other cases, on each January 1 occurring after the first anniversary of the commencement of the annuity. Each annual increase shall be calculated at 3% or one-half the annual unadjusted percentage increase (but not less than zero) in the consumer price index-u for the 12 months ending with the September preceding each November 1, whichever is less, of the originally granted survivor's annuity. If the annual unadjusted percentage change in the consumer price index-u for the 12 months ending with the September preceding each November 1 is zero or there is a decrease, then the annuity shall not be increased.

(g) The benefits in Section 14-110 apply only if the person is a State policeman, a fire fighter in the fire protection service of a department, or a security employee of the Department of Corrections or the Department of Juvenile Justice, as those terms are defined in subsection (b) of Section 14-110. A person who meets the requirements of this Section is entitled to an annuity calculated under the provisions of Section 14-110, in lieu of the regular or minimum retirement annuity, only if the person has withdrawn from service with not less than 20 years of eligible creditable service and has attained age 60, regardless of whether the attainment of age 60 occurs while the person is still in service.

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

If a person who first becomes a member of a retirement system or pension fund subject to this Section on or after January 1, 2012 and is receiving a retirement annuity or retirement pension under that system or fund and accepts on a contractual basis a position to provide services to a governmental entity from which he or she has retired, then that person's annuity or retirement pension earned as an active employee of the employer shall be suspended during that contractual service. A person receiving an annuity or retirement pension under this Code shall notify the pension fund or retirement system from which he or she is receiving an annuity or retirement pension, as well as his or her contractual employer, of his or her retirement status before accepting contractual employment. A person who fails to submit such notification shall be guilty of a Class A misdemeanor and required to pay a fine of $1,000. Upon termination of that contractual employment, the person's retirement annuity or retirement pension payments shall resume and, if appropriate, be recalculated under the applicable provisions of this Code.

(i) (Blank).

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

(Source: P.A. 97-609, eff. 1-1-12; 98-92, eff. 7-16-13.)

(40 ILCS 5/12-130) (from Ch. 108 1/2, par. 12-130)

Sec. 12-130. Retirement prior to age 60. An employee withdrawing prior to January 1, 1990 with at least 10 years of service and before attainment of age 55 shall be entitled at his option to a retirement annuity beginning at age 55.

An employee withdrawing prior to January 1, 1990 with at least 10 years of service upon or after attainment of age 55, and before age 60, shall be entitled to a retirement annuity beginning at any time thereafter.

An employee who withdraws on or after January 1, 1990 and has attained age 45 before January 1, 2015 with at least 10 years of service and prior to age 60 shall be entitled, at his option, to a retirement annuity beginning at any time after withdrawal or attainment of age 50, whichever occurs later. An employee who has not attained age 45 before January 1, 2015 and withdraws on or after that date with at least 10 years of service and prior to age 60 shall be entitled, at his option, to a retirement annuity beginning at any time after withdrawal or attainment of age 58, whichever occurs later.

Notwithstanding Section 1-103.1, the changes to this Section made by this amendatory Act of the 98th General Assembly apply regardless of whether the employee was in active service on or after the effective date of this amendatory Act, but do not apply to a person whose service under this Article is subject to Section 1-160.

Any employee upon withdrawal after at least 15 years of service, upon or after attainment of age 50, and before attainment of age 55, who received ordinary disability benefit for the maximum period of time provided herein, and who continues to be disabled, shall be entitled to a retirement annuity.

The amount of retirement annuity for any employee who entered service prior to July 1, 1971 shall be provided from the total of the accumulations as stated in this Section, at the employee's attained age on the date of retirement:

(a) the accumulation from employee contributions for service annuity on the date of withdrawal, improved by regular interest from the date the employee withdraws to the date he enters upon annuity;

(b) 1/10 of the accumulation, on the date of withdrawal, from employer contributions for service annuity, for each complete year of service above 10 years up to 100% of such accumulation, improved by regular interest from the date the employee withdraws to the date he enters upon annuity.

(Source: P.A. 86-272; 86-1028.)

(40 ILCS 5/12-133.1) (from Ch. 108 1/2, par. 12-133.1)

Sec. 12-133.1. Annual increase in basic retirement annuity.

(a) Any employee upon withdrawal from service on or after July 1, 1965, and retiring on a retirement annuity, shall be entitled to an annual increase in his basic retirement annuity as defined herein while he is in receipt of such annuity.

The term "basic retirement annuity" shall mean the retirement annuity of the amount fixed and payable at date of retirement of the employee.

(b) The annual increase in annuity shall be 1 1/2% of the basic retirement annuity. The increase shall first occur in the month of January or the month of July, whichever first occurs next following or coincidental with the first anniversary of retirement. Effective January 1, 1972, the annual rate of increase in annuity thereafter shall be 2% of the basic retirement annuity, provided that beginning as of January 1, 1976, the annual rate of increase shall be 3% of the basic retirement annuity.

(b-1) Notwithstanding subsection (b), all automatic annual increases payable under this Section on or after January 1, 2015 shall be calculated at 3% or one-half the annual unadjusted percentage increase (but not less than 0) in the Consumer Price Index-U for the 12 months ending with the September preceding each November 1, whichever is less, of the originally granted retirement annuity.

For the purposes of this Article, "Consumer Price Index-U" means the index published by the Bureau of Labor Statistics of the United States Department of Labor that measures the average change in prices of goods and services purchased by all urban consumers, United States city average, all items, 1982-84 = 100. The new amount resulting from each annual adjustment shall be determined by the Public Pension Division of the Department of Insurance.

Notwithstanding Section 1-103.1, this subsection (b-1) is applicable without regard to whether the employee was in active service on or after the effective date of this amendatory Act of the 98th General Assembly. This subsection (b-1) is also applicable to any former employee who on or after the effective date of this amendatory Act of the 98th General Assembly is receiving a retirement annuity pursuant to the provisions of this Section.

(b-2) Notwithstanding any other provision of this Article, no automatic annual increase in retirement annuity payable under this Section shall be granted to any person by the Fund in 2015, 2017, and 2019 under this Article or under Section 1-160 of this Code as it applies to this Article. In the years 2016, 2018, 2020, and thereafter, the Fund shall continue to pay amounts accruing from automatic annual increases in the manner provided by this Code.

Notwithstanding Section 1-103.1, this subsection (b-2) is applicable without regard to whether the employee was in active service on or after the effective date of this amendatory Act of the 98th General Assembly. This subsection (b-2) is also applicable to any former employee who on or after the effective date of this amendatory Act of the 98th General Assembly is receiving a retirement annuity pursuant to the provisions of this Article.

(c) For an employee who retires with less than 30 years of service, the increase in the basic retirement annuity shall begin not earlier than in the month of January or the month of July, whichever occurs first, following or coincidental with the employee's attainment of age 60.

Subject to the provisions of subsection (b-2), for ~~For~~ an employee who retires with at least 30 years of service, the annual increase under this Section shall begin in the month of January or the month of July, whichever first occurs next following or coincidental with the later of (1) the first anniversary of retirement or (2) July 1, 1998, without regard to the attainment of age 60 and without regard to whether or not the employee was in service on or after the effective date of this amendatory Act of 1998.

(d) The increase in the basic retirement annuity shall not be applicable unless the employee otherwise qualified has made contributions to the fund as provided herein for an equivalent period of one full year. If such contributions were not made, the employee may make the required payment to the fund at the time of retirement, in a single sum, without interest.

(e) The additional contributions by an employee towards the annual increase in basic retirement annuity shall not be refundable, except to an employee who withdraws and applies for a refund under this Article, or dies while in service, and also in cases where a temporary annuity becomes payable. In such cases his contributions shall be refunded without interest.

(Source: P.A. 90-766, eff. 8-14-98.)

(40 ILCS 5/12-133.2) (from Ch. 108 1/2, par. 12-133.2)

Sec. 12-133.2. Increases to employee annuitants. The provisions of subsections (b-1) and (b-2) of Section 12-133.1 also apply to the benefits provided under this Section.

Employees who retired on service retirement annuity prior to July 1, 1965 who were at least 55 years of age at date of retirement and had at least 20 years of credited service, who shall have attained age 65, and any employee retired on or after such date who meets such qualifying conditions and who is not eligible for an annual increase in basic retirement annuity otherwise provided in this Article, shall be entitled to receive benefits under this Section.

These benefits shall be in an amount equal to 1 1/2% of the service retirement annuity multiplied by the number of full years that the annuitant was in receipt of such annuity. This payment shall begin in January of 1970, and an additional 1 1/2% based upon the original grant of annuity shall be added in January of each year thereafter. Beginning January 1, 1972, the annual rate of increase in annuity shall be 2% of the original grant of annuity and shall also apply thereafter to any person who shall have had at least 15 years of credited service and less than 20 years on the same basis as was applicable to persons retired with 20 or more years of service; provided that beginning January 1, 1976, the annual rate of increase in retirement annuity shall be 3% of the basic retirement annuity.

An employee annuitant who otherwise qualifies for the aforesaid benefit shall make a one-time contribution of 1% of the final monthly average salary multiplied by the number of completed years of service forming the basis of his service retirement annuity, provided that if the annuity was computed on any other basis, the contribution shall be 1% of the rate of monthly salary in effect on the date of retirement multiplied by the number of completed years of service forming the basis of his service retirement annuity.

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

(40 ILCS 5/12-140) (from Ch. 108 1/2, par. 12-140)

Sec. 12-140. Duty disability benefit. An employee who becomes disabled as the direct result of injury incurred in the performance of an act of duty and cannot perform the duties of the regularly assigned position, is entitled to receive, while so disabled, a benefit of 75% of the salary at the date when such duty disability benefits commence, subject to the conditions hereinafter stated, except that beginning January 1, 2015, such duty disability benefits shall be reduced to 74% of that salary; beginning January 1, 2017, such duty disability benefits shall be reduced to 73% of that salary; and beginning January 1, 2019, such duty disability benefits shall be reduced to 72% of that salary.

In the event an employee returns to service from any duty disability and renders actual employment in pay status performing the duties of the regularly assigned position for at least 60 days, and again becomes disabled, whether due to the previous disability or a new disability, the salary to be used in the computation of the benefit shall be the salary in effect at the date of the last day of service prior to the latest disability.

The employee shall also receive a further benefit of $20 per month on account of each eligible minor child as prescribed in Section 12-137, but the combined benefit to employee and children shall not exceed the annual salary at the date of such disability less the sums that would be deducted from his salary for service annuity and spouse's service annuity.

The benefit prescribed herein shall be payable during disability until the employee attains age 65, if disability is incurred before age 60, or for a period of 5 years if disability is incurred at age 60 or older. If the disability is incurred after age 65, this 5 year period may be reduced if such reduction can be justified on the basis of actuarial cost data approved by the board upon the recommendation of the actuary. At such time if the employee remains disabled the employee may retire on a retirement annuity.

If an employee dies as the direct result of injury incurred in the performance of an act of duty, or if death results from any cause which is compensable under the Workers' Occupational Diseases Act, a surviving spouse shall be entitled to a benefit (subject to the modifications stated in Section 12-141) of 50% of the employee's salary as it was at the date of injury resulting in death, until the date when the employee would have attained age 65, if injury was incurred under age 60, or for a period of 5 years if disability is incurred at age 60 or older. After such date, the spouse shall be entitled to receive the reversionary annuity that would have been fixed had the employee continued in service at the rate of salary received at the date of his injury resulting in death, until the employee attained age 65 or as stated herein and had then retired.

If a spouse remarries while under age 55 while in receipt of a benefit under this section, the benefit shall terminate. Such termination shall be final and shall not be affected by any change thereafter in his or her marital status.

Notwithstanding Section 1-103.1, the changes to this Section made by this amendatory Act of the 98th General Assembly apply to duty disability benefits payable on or after January 1, 2015, regardless of whether the recipient is deemed to be in service on or after the effective date of this amendatory Act.

(Source: P.A. 86-272.)

(40 ILCS 5/12-149) (from Ch. 108 1/2, par. 12-149)

Sec. 12-149. Financing.

(a) The board of park commissioners of any such park district shall annually levy a tax (in addition to the taxes now authorized by law) upon all taxable property embraced in the district, at the rate which, when added to the employee contributions under this Article and applied to the fund created hereunder, shall be sufficient to provide for the purposes of this Article in accordance with the provisions thereof. Such tax shall be levied and collected with and in like manner as the general taxes of such district, and shall not in any event be included within any limitations of rate for general park purposes as now or hereafter provided by law, but shall be excluded therefrom and be in addition thereto.

The amount of such annual tax to and including the year 1977 shall not exceed .0275% of the value, as equalized or assessed by the Department of Revenue, of all taxable property embraced within the park district, provided that for the year 1978, and for each year thereafter, the amount of such annual tax shall be at a rate on the dollar of assessed valuation of all taxable property that will produce, when extended, for the year 1978 the following sum: 0.825 times the amount of employee contributions during the fiscal year 1976; for the year 1979, 0.85 times the amount of employee contributions during the fiscal year 1977; for the year 1980, 0.90 times the amount of employee contributions during the fiscal year 1978; for the year 1981, 0.95 times the amount of employee contributions during the fiscal year 1979; for the year 1982, 1.00 times the amount of employee contributions during the fiscal year 1980; for the year 1983, 1.05 times the amount of contributions made on behalf of employees during the fiscal year 1981; and for the year 1984 and each year thereafter through the year 2013, an amount equal to 1.10 times the employee contributions during the fiscal year 2-years prior to the year for which the applicable tax is levied. For the year 2014, this calculation shall be 1.10 times the amount of employee contributions during the 12-month fiscal year ending June 30, 2012; and for the year 2015, this calculation shall be 1.70 ~~1.10~~ times the amount of employee contributions during the 12-month fiscal year ending December 31, 2013. For the year 2016, this calculation shall be an amount equal to 1.70 times; for the years 2017 and 2018, this calculation shall be an amount equal to 2.30 times; and for the year 2019 and each year thereafter, until the Fund attains a funded ratio of at least 90% with the funded ratio being the ratio of the actuarial value of assets to the total actuarial liability, this calculation shall be an amount equal to 2.90 times the employee contributions during the fiscal year 2 years prior to the year for which the applicable tax is levied. Beginning in the fiscal year in which the Fund attains a funding ratio of at least 90%, the contribution shall be the lesser of (1) 2.90 times the employee contributions during the fiscal year 2 years prior to the year for which the applicable tax is levied, or (2) the amount needed to maintain a funded ratio of 90%.

In addition to the contributions required under the other provisions of this Article, by November 1 of the following specified years, the employer shall contribute to the Fund the following specified amounts: $12,500,000 in 2015; $12,500,000 in 2016; and $50,000,000 in 2019. The additional employer contributions required under this subsection (a) are intended to decrease the unfunded liability of the Fund and shall not decrease the amount of the employer contributions required under the other provisions of this Article. The additional employer contributions made under this subsection (a) may be used by the Fund for any of its lawful purposes.

(b) As used in this Section, the term "employee contributions" means contributions by employees for retirement annuity, spouse's annuity, automatic increase in retirement annuity, and death benefit.

In making required contributions under this Section, the employer may, in lieu of levying all or a portion of the tax required under this Section, deposit an amount not less than the required amount of employer contributions derived from any source legally available for that purpose.

(c) In respect to park district employees, other than policemen, who are transferred to the employment of a city by virtue of the "Exchange of Functions Act of 1957", the corporate authorities of the city shall annually levy a tax upon all taxable property embraced in the city, as equalized or assessed by the Department of Revenue, at such rate per cent of the value of such property as shall be sufficient, when added to the amounts deducted from the salary or wages of such employees, to provide the benefits to which such employees, their dependents and beneficiaries are entitled under the provisions of this Article. The park district shall not levy a tax hereunder in respect to such employees. The tax levied by the city under authority of this Article shall be in addition to and exclusive of all other taxes authorized by law to be levied by the city for corporate, annuity fund or other purposes.

(d) All moneys accruing from the levy and collection of taxes, pursuant to this section, shall be remitted to the board by the employers as soon as they are received. Where a city has levied a tax pursuant to this Section in respect to park district employees transferred to the employment of a city, the treasurer of such city or other authorized officer shall remit the moneys accruing from the levy and collection of such tax as soon as they are received. Such remittances shall be made upon a pro rata share basis, whereby each employer shall pay to the board such employer's proportionate percentage of each payment of taxes received by it, according to the ratio which its tax levy for this fund bears to the total tax levy of such employer.

(e) Should any board of park commissioners included under the provisions of this Article be without authority to levy the tax provided in this Section the corporation authorities (meaning the supervisor, clerk and assessor) of the town or towns for which such board shall be the board of park commissioners shall levy such tax.

(f) Employer contributions to the Fund may be reduced by $5,000,000 for calendar years 2004 and 2005.

(Source: P.A. 97-973, eff. 8-16-12.)

(40 ILCS 5/12-150) (from Ch. 108 1/2, par. 12-150)

Sec. 12-150. Contributions by employees for service annuity.

(a) From each payment of salary to a present employee beginning August 4, 1961, and prior to September 1, 1971, there shall be deducted as contributions for service annuity 6% of such payment. Beginning September 1, 1971, the deduction shall be 6 1/2% of salary. Beginning January 1, 2015, the deduction shall be 8% of salary. Beginning January 1, 2017, the deduction shall be 9% of salary. Beginning January 1, 2019, the deduction shall be 10% of salary. These contributions shall continue until the amounts thus deducted will provide an accumulation, at regular interest, at least equal to the amount that would be provided on such date from employee contributions, assuming regular interest to such date, if such employee had been contributing in accordance with the provisions of "The 1919 Act" and this Article from the beginning of his service and the salary of the employee during his prior service was the same as it was on July 1, 1919, or on July 1, 1937 in the case of an employee of the board.

(b) From each payment of salary to a future entrant beginning August 4, 1961, and prior to September 1, 1971, there shall be deducted as contributions for service annuity 6% of such payment. Beginning September 1, 1971, the deduction shall be 6 1/2% of salary. Beginning January 1, 1990, the deduction shall be 7% of salary. Beginning January 1, 2015, the deduction shall be 8% of salary. Beginning January 1, 2017, the deduction shall be 9% of salary. Beginning January 1, 2019, the deduction shall be 10% of salary. Beginning with the first pay period on or after the date when the funded ratio of the Fund is first determined to have reached the 90% funding goal, and each pay period thereafter for as long as the Fund maintains a funding ratio of 90% or more, employee contributions shall be 8.5% of salary for the service annuity. If the funding ratio falls below 90%, then employee contributions for the service annuity shall revert to 10% of salary until such time as the Fund once again is determined to have reached the 90% funding goal, at which time the 8.5% of salary employee contribution for the service annuity shall resume.

(c) For service rendered prior to August 4, 1961, the rates of contribution by employees for service annuity shall be as follows: July 1, 1919 to July 20, 1947, inclusive, 4% of salary; July 21, 1947 to August 3, 1961, inclusive, 5% of salary.

For the period from July 1, 1919, to August 4, 1961 such deductions for a present employee shall continue until such date as the amounts deducted will provide an accumulation at least equal to that which would be provided on such date, assuming regular interest to such date, from deductions from salary of such employee if such employee had been under the provisions of "The 1919 Act" and this Article from the beginning of his service and the salary of such employee during his period of prior service was the same as it was on July 1, 1919 or on July 1, 1937 in the case of an employee of the board.

(d) Any employee shall have the option to contribute for service annuity an amount, together with regular interest, equal to the difference between the amount he had accumulated in the fund on June 30, 1947, from contributions at the rate of 4% of salary, together with regular interest, and the amount he would have accumulated, together with regular interest, if he had made contributions at the rate of 5% of salary. All such contributions shall be subject to salary limitations and other conditions in effect prior to July 1, 1947. Upon making such contribution the employer of such employee shall contribute in the ratio of 2 to 1 with such employee.

(Source: P.A. 86-272.)

(40 ILCS 5/12-150.5 new)

Sec. 12-150.5. Use of contributions for health care subsidies. The Fund shall not use any contribution received by the Fund under this Article to provide a subsidy for the cost of participation in a retiree health care program.

(40 ILCS 5/12-155.5 new)

Sec. 12-155.5. Funding obligation.

(a) Beginning January 1, 2015, the board of park commissioners shall be obligated to contribute to the Fund in each fiscal year an amount not less than the amount determined annually under subsection (a) of Section 12-149 of this Code. Notwithstanding any other provision of law, if the board of park commissioners fails to pay the amount guaranteed under this Section within 60 days after the date set forth by the retirement board, the retirement board may bring a mandamus action in the Circuit Court of Cook County to compel the board of park commissioners to make the required payment, irrespective of other remedies that may be available to the Fund. The obligations and causes of action created under this Section shall be in addition to any other right or remedy otherwise accorded by common law or State or federal law, and nothing in this Section shall be construed to deny, abrogate, impair, or waive any such common law or statutory right or remedy.

(b) In ordering the board of park commissioners to make the required payment, the court may order a reasonable payment schedule to enable the board of park commissioners to make the required payment without significantly imperiling the public health, safety, or welfare. Any payments required to be made by the board of park commissioners pursuant to this Section are expressly subordinated to the payment of the principal, interest, and premium, if any, on any bonded debt obligation of the board of park commissioners, either currently outstanding or to be issued, for which the source of repayment or security thereon is derived directly or indirectly from tax revenues collected by the board of park commissioners. Payments on such bonded obligations include any statutory fund transfers or other prefunding mechanisms or formulas set forth, now or hereafter, in State law or bond indentures, into debt service funds or accounts of the board of park commissioners related to such bonded obligations, consistent with the payment schedules associated with such obligations.

(40 ILCS 5/12-195 new)

Sec. 12-195. Application and expiration of new benefit increases.

(a) As used in this Section, "new benefit increase" means an increase in the amount of any benefit provided under this Article, or an expansion of the conditions of eligibility for any benefit under this Article, that results from an amendment to this Code that takes effect after the effective date of this amendatory Act of the 98th General Assembly.

(b) Notwithstanding any other provision of this Code or any subsequent amendment to this Code, every new benefit increase is subject to this Section and shall be deemed to be granted only in conformance with and contingent upon compliance with the provisions of this Section.

(c) The Public Act enacting a new benefit increase must identify and provide for payment to the Fund of additional funding at least sufficient to fund the resulting annual increase in cost to the Fund as it accrues.

Every new benefit increase is contingent upon the General Assembly providing the additional funding required under this subsection (c). The State Actuary shall analyze whether adequate additional funding has been provided for the new benefit increase. A new benefit increase created by a Public Act that does not include the additional funding required under this subsection (c) is null and void. If the State Actuary determines that the additional funding provided for a new benefit increase under this subsection (c) is or has become inadequate, it may so certify to the Governor and the State Comptroller and, in the absence of corrective action by the General Assembly, the new benefit increase shall expire at the end of the fiscal year in which the certification is made.

Section 90. The State Mandates Act is amended by adding Section 8.37 as follows:

(30 ILCS 805/8.37 new)

Sec. 8.37. Exempt mandate. Notwithstanding Sections 6 and 8 of this Act, no reimbursement by the State is required for the implementation of any mandate created by this amendatory Act of the 98th General Assembly.

Section 97. Inseverability and severability. The changes made by this amendatory Act are inseverable, except that Section 12-195 of the Illinois Pension Code is severable under Section 1.31 of the Statute on Statutes.