



Rep. Michael J. Madigan

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1 AMENDMENT TO SENATE BILL 1523

2 AMENDMENT NO. \_\_\_\_\_. Amend Senate Bill 1523, AS AMENDED,  
3 by replacing everything after the enacting clause with the  
4 following:

5 "Section 5. The Illinois Pension Code is amended by  
6 changing Sections 1-160, 12-130, 12-133.1, 12-133.2, 12-140,  
7 12-149, and 12-150 and adding Sections 12-150.5, 12-155.5, and  
8 12-195 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 15 or 18 of this Code, notwithstanding any other provision of

1 this Code to the contrary, but do not apply to any self-managed  
2 plan established under this Code, to any person with respect to  
3 service as a sheriff's law enforcement employee under Article  
4 7, or to any participant of the retirement plan established  
5 under Section 22-101.

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

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

20 (2) In Articles 8, 9, 10, 11, and 12, "highest average  
21 annual salary for any 4 consecutive years within the last  
22 10 years of service immediately preceding the date of  
23 withdrawal".

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

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

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

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

3           (b-5) Beginning on January 1, 2011, for all purposes under  
4           this Code (including without limitation the calculation of  
5           benefits and employee contributions), the annual earnings,  
6           salary, or wages (based on the plan year) of a member or  
7           participant to whom this Section applies shall not exceed  
8           \$106,800; however, that amount shall annually thereafter be  
9           increased by the lesser of (i) 3% of that amount, including all  
10          previous adjustments, or (ii) one-half the annual unadjusted  
11          percentage increase (but not less than zero) in the consumer  
12          price index-u for the 12 months ending with the September  
13          preceding each November 1, including all previous adjustments.

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

23          (c) A member or participant is entitled to a retirement  
24          annuity upon written application if he or she has attained age  
25          67 (beginning January 1, 2015, age 65 with respect to service  
26          under Article 12 of this Code that is subject to this Section)

1 and has at least 10 years of service credit and is otherwise  
2 eligible under the requirements of the applicable Article.

3 A member or participant who has attained age 62 (beginning  
4 January 1, 2015, age 60 with respect to service under Article  
5 12 of this Code that is subject to this Section) and has at  
6 least 10 years of service credit and is otherwise eligible  
7 under the requirements of the applicable Article may elect to  
8 receive the lower retirement annuity provided in subsection (d)  
9 of this Section.

10 (d) The retirement annuity of a member or participant who  
11 is retiring after attaining age 62 (beginning January 1, 2015,  
12 age 60 with respect to service under Article 12 of this Code  
13 that is subject to this Section) with at least 10 years of  
14 service credit shall be reduced by one-half of 1% for each full  
15 month that the member's age is under age 67 (beginning January  
16 1, 2015, age 65 with respect to service under Article 12 of  
17 this Code that is subject to this Section).

18 (e) Any retirement annuity or supplemental annuity shall be  
19 subject to annual increases on the January 1 occurring either  
20 on or after the attainment of age 67 (beginning January 1,  
21 2015, age 65 with respect to service under Article 12 of this  
22 Code that is subject to this Section) or the first anniversary  
23 of the annuity start date, whichever is later. Each annual  
24 increase shall be calculated at 3% or one-half the annual  
25 unadjusted percentage increase (but not less than zero) in the  
26 consumer price index-u for the 12 months ending with the

1 September preceding each November 1, whichever is less, of the  
2 originally granted retirement annuity. If the annual  
3 unadjusted percentage change in the consumer price index-u for  
4 the 12 months ending with the September preceding each November  
5 1 is zero or there is a decrease, then the annuity shall not be  
6 increased.

7 (f) The initial survivor's or widow's annuity of an  
8 otherwise eligible survivor or widow of a retired member or  
9 participant who first became a member or participant on or  
10 after January 1, 2011 shall be in the amount of 66 2/3% of the  
11 retired member's or participant's retirement annuity at the  
12 date of death. In the case of the death of a member or  
13 participant who has not retired and who first became a member  
14 or participant on or after January 1, 2011, eligibility for a  
15 survivor's or widow's annuity shall be determined by the  
16 applicable Article of this Code. The initial benefit shall be  
17 66 2/3% of the earned annuity without a reduction due to age. A  
18 child's annuity of an otherwise eligible child shall be in the  
19 amount prescribed under each Article if applicable. Any  
20 survivor's or widow's annuity shall be increased (1) on each  
21 January 1 occurring on or after the commencement of the annuity  
22 if the deceased member died while receiving a retirement  
23 annuity or (2) in other cases, on each January 1 occurring  
24 after the first anniversary of the commencement of the annuity.  
25 Each annual increase shall be calculated at 3% or one-half the  
26 annual unadjusted percentage increase (but not less than zero)

1 in the consumer price index-u for the 12 months ending with the  
2 September preceding each November 1, whichever is less, of the  
3 originally granted survivor's annuity. If the annual  
4 unadjusted percentage change in the consumer price index-u for  
5 the 12 months ending with the September preceding each November  
6 1 is zero or there is a decrease, then the annuity shall not be  
7 increased.

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

21 (h) If a person who first becomes a member or a participant  
22 of a retirement system or pension fund subject to this Section  
23 on or after January 1, 2011 is receiving a retirement annuity  
24 or retirement pension under that system or fund and becomes a  
25 member or participant under any other system or fund created by  
26 this Code and is employed on a full-time basis, except for

1 those members or participants exempted from the provisions of  
2 this Section under subsection (a) of this Section, then the  
3 person's retirement annuity or retirement pension under that  
4 system or fund shall be suspended during that employment. Upon  
5 termination of that employment, the person's retirement  
6 annuity or retirement pension payments shall resume and be  
7 recalculated if recalculation is provided for under the  
8 applicable Article of this Code.

9 If a person who first becomes a member of a retirement  
10 system or pension fund subject to this Section on or after  
11 January 1, 2012 and is receiving a retirement annuity or  
12 retirement pension under that system or fund and accepts on a  
13 contractual basis a position to provide services to a  
14 governmental entity from which he or she has retired, then that  
15 person's annuity or retirement pension earned as an active  
16 employee of the employer shall be suspended during that  
17 contractual service. A person receiving an annuity or  
18 retirement pension under this Code shall notify the pension  
19 fund or retirement system from which he or she is receiving an  
20 annuity or retirement pension, as well as his or her  
21 contractual employer, of his or her retirement status before  
22 accepting contractual employment. A person who fails to submit  
23 such notification shall be guilty of a Class A misdemeanor and  
24 required to pay a fine of \$1,000. Upon termination of that  
25 contractual employment, the person's retirement annuity or  
26 retirement pension payments shall resume and, if appropriate,

1 be recalculated under the applicable provisions of this Code.

2 (i) (Blank).

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

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

7 (40 ILCS 5/12-130) (from Ch. 108 1/2, par. 12-130)

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

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

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



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

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

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

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

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

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

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

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

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

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

12 (b) The annual increase in annuity shall be 1 1/2% of the  
13 basic retirement annuity. The increase shall first occur in the  
14 month of January or the month of July, whichever first occurs  
15 next following or coincidental with the first anniversary of  
16 retirement. Effective January 1, 1972, the annual rate of  
17 increase in annuity thereafter shall be 2% of the basic  
18 retirement annuity, provided that beginning as of January 1,  
19 1976, the annual rate of increase shall be 3% of the basic  
20 retirement annuity.

21 (b-1) Notwithstanding subsection (b), all automatic annual  
22 increases payable under this Section on or after January 1,  
23 2015 shall be calculated at 3% or one-half the annual  
24 unadjusted percentage increase (but not less than 0) in the  
25 Consumer Price Index-U for the 12 months ending with the

1 September preceding each November 1, whichever is less, of the  
2 originally granted retirement annuity.

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

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

19 (b-2) Notwithstanding any other provision of this Article,  
20 no automatic annual increase in retirement annuity payable  
21 under this Section shall be granted to any person by the Fund  
22 in 2015, 2017, and 2019 under this Article or under Section  
23 1-160 of this Code as it applies to this Article. In the years  
24 2016, 2018, 2020, and thereafter, the Fund shall continue to  
25 pay amounts accruing from automatic annual increases in the  
26 manner provided by this Code.

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

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

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

23        (d) The increase in the basic retirement annuity shall not  
24 be applicable unless the employee otherwise qualified has made  
25 contributions to the fund as provided herein for an equivalent  
26 period of one full year. If such contributions were not made,

1 the employee may make the required payment to the fund at the  
2 time of retirement, in a single sum, without interest.

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

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

10 (40 ILCS 5/12-133.2) (from Ch. 108 1/2, par. 12-133.2)

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

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

22 These benefits shall be in an amount equal to 1 1/2% of the  
23 service retirement annuity multiplied by the number of full  
24 years that the annuitant was in receipt of such annuity. This  
25 payment shall begin in January of 1970, and an additional 1

1 1/2% based upon the original grant of annuity shall be added in  
2 January of each year thereafter. Beginning January 1, 1972, the  
3 annual rate of increase in annuity shall be 2% of the original  
4 grant of annuity and shall also apply thereafter to any person  
5 who shall have had at least 15 years of credited service and  
6 less than 20 years on the same basis as was applicable to  
7 persons retired with 20 or more years of service; provided that  
8 beginning January 1, 1976, the annual rate of increase in  
9 retirement annuity shall be 3% of the basic retirement annuity.

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

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

20 (40 ILCS 5/12-140) (from Ch. 108 1/2, par. 12-140)

21 Sec. 12-140. Duty disability benefit. An employee who  
22 becomes disabled as the direct result of injury incurred in the  
23 performance of an act of duty and cannot perform the duties of  
24 the regularly assigned position, is entitled to receive, while  
25 so disabled, a benefit of 75% of the salary at the date when

1 such duty disability benefits commence, subject to the  
2 conditions hereinafter stated, except that beginning January  
3 1, 2015, such duty disability benefits shall be reduced to 74%  
4 of that salary; beginning January 1, 2017, such duty disability  
5 benefits shall be reduced to 73% of that salary; and beginning  
6 January 1, 2019, such duty disability benefits shall be reduced  
7 to 72% of that salary.

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

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

22 The benefit prescribed herein shall be payable during  
23 disability until the employee attains age 65, if disability is  
24 incurred before age 60, or for a period of 5 years if  
25 disability is incurred at age 60 or older. If the disability is  
26 incurred after age 65, this 5 year period may be reduced if

1 such reduction can be justified on the basis of actuarial cost  
2 data approved by the board upon the recommendation of the  
3 actuary. At such time if the employee remains disabled the  
4 employee may retire on a retirement annuity.

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

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

23 Notwithstanding Section 1-103.1, the changes to this  
24 Section made by this amendatory Act of the 98th General  
25 Assembly apply to duty disability benefits payable on or after  
26 January 1, 2015, regardless of whether the recipient is deemed



1 to be in service on or after the effective date of this  
2 amendatory Act.

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

4 (40 ILCS 5/12-149) (from Ch. 108 1/2, par. 12-149)

5 Sec. 12-149. Financing.

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

18 The amount of such annual tax to and including the year  
19 1977 shall not exceed .0275% of the value, as equalized or  
20 assessed by the Department of Revenue, of all taxable property  
21 embraced within the park district, provided that for the year  
22 1978, and for each year thereafter, the amount of such annual  
23 tax shall be at a rate on the dollar of assessed valuation of  
24 all taxable property that will produce, when extended, for the  
25 year 1978 the following sum: 0.825 times the amount of employee

1 contributions during the fiscal year 1976; for the year 1979,  
2 0.85 times the amount of employee contributions during the  
3 fiscal year 1977; for the year 1980, 0.90 times the amount of  
4 employee contributions during the fiscal year 1978; for the  
5 year 1981, 0.95 times the amount of employee contributions  
6 during the fiscal year 1979; for the year 1982, 1.00 times the  
7 amount of employee contributions during the fiscal year 1980;  
8 for the year 1983, 1.05 times the amount of contributions made  
9 on behalf of employees during the fiscal year 1981; and for the  
10 year 1984 and each year thereafter through the year 2013, an  
11 amount equal to 1.10 times the employee contributions during  
12 the fiscal year 2-years prior to the year for which the  
13 applicable tax is levied. For the year 2014, this calculation  
14 shall be 1.10 times the amount of employee contributions during  
15 the 12-month fiscal year ending June 30, 2012; and for the year  
16 2015, this calculation shall be 1.70 ~~1.10~~ times the amount of  
17 employee contributions during the 12-month fiscal year ending  
18 December 31, 2013. For the year 2016, this calculation shall be  
19 an amount equal to 1.70 times; for the years 2017 and 2018,  
20 this calculation shall be an amount equal to 2.30 times; and  
21 for the year 2019 and each year thereafter, until the Fund  
22 attains a funded ratio of at least 90% with the funded ratio  
23 being the ratio of the actuarial value of assets to the total  
24 actuarial liability, this calculation shall be an amount equal  
25 to 2.90 times the employee contributions during the fiscal year  
26 2 years prior to the year for which the applicable tax is

1 levied. Beginning in the fiscal year in which the Fund attains  
2 a funding ratio of at least 90%, the contribution shall be the  
3 lesser of (1) 2.90 times the employee contributions during the  
4 fiscal year 2 years prior to the year for which the applicable  
5 tax is levied, or (2) the amount needed to maintain a funded  
6 ratio of 90%.

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

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

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

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

17       (d) All moneys accruing from the levy and collection of  
18 taxes, pursuant to this section, shall be remitted to the board  
19 by the employers as soon as they are received. Where a city has  
20 levied a tax pursuant to this Section in respect to park  
21 district employees transferred to the employment of a city, the  
22 treasurer of such city or other authorized officer shall remit  
23 the moneys accruing from the levy and collection of such tax as  
24 soon as they are received. Such remittances shall be made upon  
25 a pro rata share basis, whereby each employer shall pay to the  
26 board such employer's proportionate percentage of each payment

1 of taxes received by it, according to the ratio which its tax  
2 levy for this fund bears to the total tax levy of such  
3 employer.

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

10 (f) Employer contributions to the Fund may be reduced by  
11 \$5,000,000 for calendar years 2004 and 2005.

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

13 (40 ILCS 5/12-150) (from Ch. 108 1/2, par. 12-150)

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

16 (a) From each payment of salary to a present employee  
17 beginning August 4, 1961, and prior to September 1, 1971, there  
18 shall be deducted as contributions for service annuity 6% of  
19 such payment. Beginning September 1, 1971, the deduction shall  
20 be 6 1/2% of salary. Beginning January 1, 2015, the deduction  
21 shall be 8% of salary. Beginning January 1, 2017, the deduction  
22 shall be 9% of salary. Beginning January 1, 2019, the deduction  
23 shall be 10% of salary. These contributions shall continue  
24 until the amounts thus deducted will provide an accumulation,  
25 at regular interest, at least equal to the amount that would be

1 provided on such date from employee contributions, assuming  
2 regular interest to such date, if such employee had been  
3 contributing in accordance with the provisions of "The 1919  
4 Act" and this Article from the beginning of his service and the  
5 salary of the employee during his prior service was the same as  
6 it was on July 1, 1919, or on July 1, 1937 in the case of an  
7 employee of the board.

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

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

6           For the period from July 1, 1919, to August 4, 1961 such  
7 deductions for a present employee shall continue until such  
8 date as the amounts deducted will provide an accumulation at  
9 least equal to that which would be provided on such date,  
10 assuming regular interest to such date, from deductions from  
11 salary of such employee if such employee had been under the  
12 provisions of "The 1919 Act" and this Article from the  
13 beginning of his service and the salary of such employee during  
14 his period of prior service was the same as it was on July 1,  
15 1919 or on July 1, 1937 in the case of an employee of the board.

16           (d) Any employee shall have the option to contribute for  
17 service annuity an amount, together with regular interest,  
18 equal to the difference between the amount he had accumulated  
19 in the fund on June 30, 1947, from contributions at the rate of  
20 4% of salary, together with regular interest, and the amount he  
21 would have accumulated, together with regular interest, if he  
22 had made contributions at the rate of 5% of salary. All such  
23 contributions shall be subject to salary limitations and other  
24 conditions in effect prior to July 1, 1947. Upon making such  
25 contribution the employer of such employee shall contribute in  
26 the ratio of 2 to 1 with such employee.

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

2 (40 ILCS 5/12-150.5 new)

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

7 (40 ILCS 5/12-155.5 new)

8 Sec. 12-155.5. Funding obligation.

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



1 statutory right or remedy.

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

20 (40 ILCS 5/12-195 new)

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

23 (a) As used in this Section, "new benefit increase" means  
24 an increase in the amount of any benefit provided under this  
25 Article, or an expansion of the conditions of eligibility for

1 any benefit under this Article, that results from an amendment  
2 to this Code that takes effect after the effective date of this  
3 amendatory Act of the 98th General Assembly.

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

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

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

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

3           (30 ILCS 805/8.37 new)

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

8           Section 97. Inseverability. The changes made by this  
9 amendatory Act are inseverable.".