



Rep. Michael J. Zalewski

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LRB098 09566 EFG 45131 a

1 AMENDMENT TO SENATE BILL 1922

2 AMENDMENT NO. _____. Amend Senate Bill 1922 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Illinois Pension Code is amended by
5 changing Sections 9-134 and 9-160 as follows:

6 (40 ILCS 5/9-134) (from Ch. 108 1/2, par. 9-134)

7 Sec. 9-134. Minimum annuity - Additional provisions.

8 (a) An employee who withdraws after July 1, 1957 at age 60
9 or more with 20 or more years of service, for whom the amount
10 of age and service and prior service annuity combined is less
11 than the amount stated in this Section from the date of
12 withdrawal, instead of all annuities otherwise provided in this
13 Article, is entitled to receive an annuity for life of an
14 amount equal to 1 2/3% for each year of service, of his highest
15 average annual salary for any 5 consecutive years within the
16 last 10 years of service immediately preceding the date of

1 withdrawal; provided that in the case of any employee who
2 withdraws on or after July 1, 1971, such employee age 60 or
3 over with 20 or more years of service, or who withdraws on or
4 after January 1, 1982 and on or after attainment of age 65 with
5 10 or more years of service, shall instead receive an annuity
6 for life equal to 1.67% for each of the first 10 years of
7 service; 1.90% for each of the next 10 years of service; 2.10%
8 for each year of service in excess of 20 but not exceeding 30;
9 and 2.30% for each year of service in excess of 30, based on
10 the highest average annual salary for any 4 consecutive years
11 within the last 10 years of service immediately preceding the
12 date of withdrawal.

13 An employee who withdraws after July 1, 1957, but prior to
14 January 1, 1988, with 20 or more years of service, before age
15 60 is entitled to annuity, to begin not earlier than age 55, if
16 under such age at withdrawal, as computed in the last preceding
17 paragraph, reduced 1/2 of 1% for each full month or fractional
18 part thereof that his attained age when annuity is to begin is
19 less than 60 to the end that the total reduction at age 55
20 shall be 30%, except that an employee retiring at age 55 or
21 over but less than age 60, having at least 35 years of service,
22 shall not be subject to the reduction in his retirement annuity
23 because of retirement below age 60.

24 An employee who withdraws on or after January 1, 1988, with
25 20 or more years of service and before age 60, is entitled to
26 annuity as computed above, to begin not earlier than age 50 if

1 under such age at withdrawal, reduced 1/2 of 1% for each full
2 month or fractional part thereof that his attained age when
3 annuity is to begin is less than 60, to the end that the total
4 reduction at age 50 shall be 60%, except that an employee
5 retiring at age 50 or over but less than age 60, having at
6 least 30 years of service, shall not be subject to the
7 reduction in retirement annuity because of retirement below age
8 60.

9 An employee who withdraws on or after January 1, 1992 but
10 before January 1, 1993, at age 60 or over with 5 or more years
11 of service, may elect, in lieu of any other employee annuity
12 provided in this Section, to receive an annuity for life equal
13 to 2.20% for each of the first 20 years of service, and 2.40%
14 for each year of service in excess of 20, based on the highest
15 average annual salary for any 4 consecutive years within the
16 last 10 years of service immediately preceding the date of
17 withdrawal. An employee who withdraws on or after January 1,
18 1992, but before January 1, 1993, on or after attainment of age
19 55 but before attainment of age 60 with 5 or more years of
20 service, is entitled to elect such annuity, but the annuity
21 shall be reduced 0.25% for each full month or fractional part
22 thereof that his attained age when the annuity is to begin is
23 less than age 60, to the end that the total reduction at age 55
24 shall be 15%, except that an employee retiring at age 55 or
25 over but less than age 60, having at least 30 years of service,
26 shall not be subject to the reduction in retirement annuity

1 because of retirement below age 60. This annuity benefit
2 formula shall only apply to those employees who are age 55 or
3 over prior to January 1, 1993, and who elect to withdraw at age
4 55 or over on or after January 1, 1992 but before January 1,
5 1993.

6 An employee who withdraws on or after July 1, 1996 but
7 before August 1, 1996, at age 55 or over with 8 or more years of
8 service, may elect, in lieu of any other employee annuity
9 provided in this Section, to receive an annuity for life equal
10 to 2.20% for each of the first 20 years of service, and 2.40%
11 for each year of service in excess of 20, based on the highest
12 average annual salary for any 4 consecutive years within the
13 last 10 years of service immediately preceding the date of
14 withdrawal, but the annuity shall be reduced by 0.25% for each
15 full month or fractional part thereof that the annuitant's
16 attained age when the annuity is to begin is less than age 60,
17 unless the annuitant has at least 30 years of service.

18 The maximum annuity under this paragraph (a) shall not
19 exceed 70% of highest average annual salary for any 5
20 consecutive years within the last 10 years of service in the
21 case of an employee who withdraws prior to July 1, 1971, and
22 75% of the highest average annual salary for any 4 consecutive
23 years within the last 10 years of service immediately preceding
24 the date of withdrawal if withdrawal takes place on or after
25 July 1, 1971 and prior to January 1, 1988, and 80% of the
26 highest average annual salary for any 4 consecutive years

1 within the last 10 years of service immediately preceding the
2 date of withdrawal if withdrawal takes place on or after
3 January 1, 1988. Fifteen hundred dollars shall be considered
4 the minimum amount of annual salary for any year, and the
5 maximum shall be his salary as defined in this Article, except
6 that for the years before 1957 and subsequent to 1952 the
7 maximum annual salary to be considered shall be \$6,000, and for
8 any year before the year 1953, \$4,800.

9 (b) Any employee who withdraws on or after July 1, 1985 but
10 prior to January 1, 1988, at age 60 or over with 10 or more
11 years of service, may elect in lieu of the benefit in paragraph
12 (a) to receive an annuity for life equal to 2.00% for each year
13 of service, based on the highest average annual salary for any
14 4 consecutive years within the last 10 years of service
15 immediately preceding the date of withdrawal. An employee who
16 withdraws on or after July 1, 1985, but prior to January 1,
17 1988, with 10 or more years of service, but before age 60, is
18 entitled to elect such annuity, to begin not earlier than age
19 55, but the annuity shall be reduced 0.5% for each full month
20 or fractional part thereof that his attained age when the
21 annuity is to begin is less than 60, to the end that the total
22 reduction at age 55 shall be 30%; except that an employee
23 retiring at age 55 or over but less than age 60, having at
24 least 30 years of service, shall not be subject to the
25 reduction in retirement annuity because of retirement below age
26 60.

1 An employee who withdraws on or after January 1, 1988, at
2 age 60 or over with 10 or more years of service, may elect, in
3 lieu of the benefit in paragraph (a), to receive an annuity for
4 life equal to 2.20% for each of the first 20 years of service,
5 and 2.4% for each year of service in excess of 20, based on the
6 highest average annual salary for any 4 consecutive years
7 within the last 10 years of service immediately preceding the
8 date of withdrawal. An employee who withdraws on or after
9 January 1, 1988, with 10 or more years of service, but before
10 age 60, is entitled to elect such annuity, to begin not earlier
11 than age 50, but the annuity shall be reduced 0.5% for each
12 full month or fractional part thereof that his attained age
13 when the annuity is to begin is less than 60, to the end that
14 the total reduction at age 50 shall be 60%, except that an
15 employee retiring at age 50 or over but less than age 60,
16 having at least 30 years of service, shall not be subject to
17 the reduction in retirement annuity because of retirement below
18 age 60.

19 An employee who withdraws on or after June 30, 2002 with 10
20 or more years of service may elect, in lieu of any other
21 retirement annuity provided under this Article, to receive an
22 annuity for life, beginning no earlier than upon attainment of
23 age 50, equal to 2.40% of his or her highest average annual
24 salary for any 4 consecutive years within the last 10 years of
25 service immediately preceding withdrawal, for each year of
26 service. If the employee has less than 30 years of service, the

1 annuity shall be reduced by 0.5% for each full month or
2 remaining fraction thereof that the employee's attained age
3 when the annuity is to begin is less than 60.

4 The maximum annuity under this paragraph (b) shall not
5 exceed 75% of the highest average annual salary for any 4
6 consecutive years within the last 10 years of service
7 immediately preceding the date of withdrawal if withdrawal
8 occurs prior to January 1, 1988, or 80% of the highest average
9 annual salary for any 4 consecutive years within the last 10
10 years of service immediately preceding the date of withdrawal
11 if withdrawal takes place on or after January 1, 1988.

12 The provisions of this paragraph (b) do not apply to any
13 former County employee receiving an annuity from the fund, who
14 re-enters service as a County employee, unless he renders at
15 least 3 years of additional service after the date of re-entry.

16 (c) For an employee receiving disability benefit, the
17 salary for annuity purposes under paragraph (a) or (b) of this
18 Section shall, for all periods of disability benefit subsequent
19 to the year 1956, be the amount on which his disability benefit
20 was based.

21 (d) A county employee with 20 or more years of service,
22 whose entire disability benefit credit period expires before
23 attainment of age 50 (age 55 if expiration occurs before
24 January 1, 1988, or age 62 if the member first became a
25 participant on or after January 1, 2011), while still disabled
26 for service is entitled upon withdrawal to the larger of:

1 (1) The minimum annuity provided above, assuming that
2 he is then age 50 (age 55 if expiration occurs before
3 January 1, 1988, or age 62 if the member first became a
4 participant on or after January 1, 2011), and reducing such
5 annuity to its actuarial equivalent at his attained age on
6 such date, or

7 (2) the annuity provided from his age and service and
8 prior service annuity credits.

9 (e) The minimum annuity provisions above do not apply to
10 any former county employee receiving an annuity from the fund,
11 who re-enters service as a county employee, unless he renders
12 at least 3 years of additional service after the date of
13 re-entry.

14 (f) Any employee in service on July 1, 1947, or who enters
15 service thereafter before attaining age 65 and withdraws after
16 age 65 with less than 10 years of service for whom the annuity
17 has been fixed under the foregoing Sections of this Article,
18 shall, instead of the annuity so fixed, receive an annuity as
19 follows:

20 Such amount as he could have received had the accumulated
21 amounts for annuity been improved with interest at the
22 effective rate to the date of withdrawal, or to attainment of
23 age 70, whichever is earlier, and had the county contributed to
24 such earlier date for age and service annuity the amount that
25 it would have contributed had he been under age 65, after the
26 date his annuity was fixed in accordance with this Article, and

1 assuming his annuity were computed from such accumulations as
2 of his age on such earlier date. However those employees who
3 before July 1, 1953, made additional contributions in
4 accordance with this Article, the annuity so computed under
5 this paragraph shall not exceed the annuity which would be
6 payable under the other provisions of this Section if the
7 employee concerned was credited with 20 years of service and
8 would qualify for annuity thereunder.

9 (g) Instead of the annuity provided in this or any other
10 Section of this Article, an employee having attained age 65
11 with at least 15 years of service may elect to receive a
12 minimum annual annuity for life equal to 1% of the highest
13 average annual salary for any 4 consecutive years within the
14 last 10 years of service immediately preceding retirement for
15 each year of service, plus the sum of \$25 for each year of
16 service provided that no such minimum annual annuity may be
17 greater than 60% of such highest average annual salary.

18 (h) The annuity is payable in equal monthly installments.

19 (i) If, by operation of law, a function of a governmental
20 unit, as defined by Section 20-107 of this Code, is transferred
21 in whole or in part to the county in which this Article 9 is
22 created as set forth in Section 9-101, and employees of the
23 governmental unit are transferred as a class to such county,
24 the earnings credits in the retirement system covering the
25 governmental unit which have been validated under Section
26 20-109 of this Code shall be considered in determining the

1 highest average annual salary for purposes of this Section
2 9-134.

3 (j) The annuity being paid to an employee annuitant on July
4 1, 1988, shall be increased on that date by 1% for each full
5 year that has elapsed from the date the annuity began.

6 (k) Notwithstanding anything to the contrary in this
7 Article 9, Section 20-131 shall not apply to an employee who
8 withdraws on or after January 1, 1988, but prior to attaining
9 age 55. Therefore, no employee shall be entitled to elect to
10 have the alternative formula previously set forth in Section
11 20-122 prior to the amendatory Act of 1975 apply to any
12 annuity, the payment of which commenced after January 1, 1988,
13 but prior to such employee's attainment of age 55.

14 (Source: P.A. 92-599, eff. 6-28-02.)

15 (40 ILCS 5/9-160) (from Ch. 108 1/2, par. 9-160)

16 Sec. 9-160. Annuity after withdrawal while disabled. An
17 employee whose disability continues after he has received
18 ~~ordinary~~ disability benefit for the maximum period of time
19 prescribed by this Article, ~~and who withdraws before age 60~~
20 while still so disabled, is entitled to receive the annuity
21 provided from the total sum accumulated to his credit from
22 employee contributions and county contributions to be computed
23 as of his age on the date of withdrawal.

24 The annuity to which his wife shall be entitled upon his
25 death, shall be fixed on the date of his withdrawal. It shall

1 be provided on a reversionary annuity basis from the total sum
2 accumulated to his credit for widow's annuity on the date of
3 such withdrawal.

4 Upon the death of any such employee while on annuity, if
5 his service was at least 4 years after the date of his original
6 entry, and at least 2 years after the date of his latest
7 re-entry, his unmarried child or children under age 18 shall be
8 entitled to annuity specified in this Article for children of
9 an employee who retires after age 50 (age 55 for withdrawal
10 before January 1, 1988), subject to prescribed limitations on
11 total payments to a family of an employee.

12 (Source: P.A. 85-964.)

13 Section 99. Effective date. This Act takes effect upon
14 becoming law."