



## 99TH GENERAL ASSEMBLY

### State of Illinois

2015 and 2016

HB0254

by Rep. Joe Sosnowski

#### SYNOPSIS AS INTRODUCED:

40 ILCS 5/1-103.3	
40 ILCS 5/2-124	from Ch. 108 1/2, par. 2-124
40 ILCS 5/14-131	
40 ILCS 5/15-155	from Ch. 108 1/2, par. 15-155
40 ILCS 5/16-158	from Ch. 108 1/2, par. 16-158
40 ILCS 5/18-131	from Ch. 108 1/2, par. 18-131

Provides that if and only if the Supreme Court of Illinois, in the consolidated case of In re Pension Reform Litigation, No. 118585, finds that either Public Act 98-599 is unconstitutional in its entirety or that the changes made by Public Act 98-599 to certain Sections of the Illinois Pension Code are unconstitutional, the Illinois Pension Code is amended to make changes to the prescribed funding formulas for the 5 State-funded retirement systems. In the Judges Article, increases the funding ratio from 90% to 100%. Makes corresponding changes. Effective immediately.

LRB099 04001 RPS 24018 b

FISCAL NOTE ACT  
MAY APPLY

PENSION IMPACT  
NOTE ACT MAY  
APPLY

1 AN ACT concerning public employee benefits.

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

4 Section 5. If and only if the Supreme Court of Illinois, in  
5 the consolidated case of In re Pension Reform Litigation, No.  
6 118585, finds that either: Public Act 98-599 is  
7 unconstitutional in its entirety; or that the changes made by  
8 Public Act 98-599 to Sections 1-103.3, 2-124, 14-131, 15-155,  
9 16-158, and 18-131 of the Illinois Pension Code are  
10 unconstitutional, the Illinois Pension Code is amended by  
11 changing Sections 1-103.3, 2-124, 14-131, 15-155, 16-158, and  
12 18-131 as follows:

13 (40 ILCS 5/1-103.3)

14 Sec. 1-103.3. Application of 1994 amendment; funding  
15 standard.

16 (a) The provisions of Public Act 88-593 that change the  
17 method of calculating, certifying, and paying the required  
18 State contributions to the retirement systems established  
19 under Articles 2, 14, 15, 16, and 18 shall first apply to the  
20 State contributions required for State fiscal year 1996.

21 (b) (Blank).

22 (b-5) The General Assembly declares that a funding ratio  
23 (the ratio of a retirement system's total assets to its total

1 actuarial liabilities) of 100% is an appropriate goal for  
2 State-funded retirement systems in Illinois, and it finds that  
3 a funding ratio of 100% is now the generally-recognized norm  
4 throughout the nation for public employee retirement systems  
5 that are considered to be financially secure and funded in an  
6 appropriate and responsible manner.

7 (c) Every 5 years, beginning in 1999, the Commission on  
8 Government Forecasting and Accountability, in consultation  
9 with the affected retirement systems and the Governor's Office  
10 of Management and Budget (formerly Bureau of the Budget), shall  
11 consider and determine whether the 100% funding ratio goals  
12 adopted in Articles 2, 14, 15, 16, and 18 of this Code continue  
13 to represent appropriate funding goals for those retirement  
14 systems, and it shall report its findings and recommendations  
15 on this subject to the Governor and the General Assembly.

16 (Source: P.A. 98-599, eff. 6-1-14.)

17 (40 ILCS 5/2-124) (from Ch. 108 1/2, par. 2-124)

18 Sec. 2-124. Contributions by State.

19 (a) The State shall make contributions to the System by  
20 appropriations of amounts which, together with the  
21 contributions of participants, interest earned on investments,  
22 and other income will meet the cost of maintaining and  
23 administering the System on a 100% funded basis in accordance  
24 with actuarial recommendations ~~by the end of State fiscal year~~  
25 ~~2044.~~

1 (b) The Board shall determine the amount of State  
2 contributions required for each fiscal year on the basis of the  
3 actuarial tables and other assumptions adopted by the Board and  
4 the prescribed rate of interest, using the formula in  
5 subsection (c).

6 (c) For State fiscal years 2016 through 2045, the minimum  
7 contribution to the System to be made by the State for each  
8 fiscal year shall be an amount determined by the System to be  
9 sufficient to bring the total assets of the System up to 100%  
10 of the total actuarial liabilities of the System by the end of  
11 State fiscal year 2045. In making these determinations, the  
12 required State contribution shall be calculated each year as a  
13 level percentage of payroll over the years remaining to and  
14 including fiscal year 2045 and shall be determined under the  
15 projected unit credit actuarial cost method.

16 For State fiscal ~~year years~~ 2015 ~~through 2044~~, the minimum  
17 contribution to the System to be made by the State for ~~the each~~  
18 fiscal year shall be an amount determined by the System to be  
19 equal to the sum of (1) the State's portion of the projected  
20 normal cost for ~~the that~~ fiscal year, plus (2) an amount  
21 sufficient to bring the total assets of the System up to 100%  
22 of the total actuarial liabilities of the System by the end of  
23 State fiscal year 2044. In making these determinations, the  
24 required State contribution shall be calculated ~~each year~~ as a  
25 level percentage of payroll over the years remaining to and  
26 including fiscal year 2044 ~~and shall be determined under the~~

1 ~~projected unit cost method for fiscal year 2015 and under the~~  
2 ~~entry age normal actuarial cost method for fiscal years 2016~~  
3 ~~through 2044.~~

4 For State fiscal years 2012 through 2014, the minimum  
5 contribution to the System to be made by the State for each  
6 fiscal year shall be an amount determined by the System to be  
7 sufficient to bring the total assets of the System up to 90% of  
8 the total actuarial liabilities of the System by the end of  
9 State fiscal year 2045. In making these determinations, the  
10 required State contribution shall be calculated each year as a  
11 level percentage of payroll over the years remaining to and  
12 including fiscal year 2045 and shall be determined under the  
13 projected unit credit actuarial cost method.

14 For State fiscal years 1996 through 2005, the State  
15 contribution to the System, as a percentage of the applicable  
16 employee payroll, shall be increased in equal annual increments  
17 so that by State fiscal year 2011, the State is contributing at  
18 the rate required under this Section.

19 Notwithstanding any other provision of this Article, the  
20 total required State contribution for State fiscal year 2006 is  
21 \$4,157,000.

22 Notwithstanding any other provision of this Article, the  
23 total required State contribution for State fiscal year 2007 is  
24 \$5,220,300.

25 For each of State fiscal years 2008 through 2009, the State  
26 contribution to the System, as a percentage of the applicable

1 employee payroll, shall be increased in equal annual increments  
2 from the required State contribution for State fiscal year  
3 2007, so that by State fiscal year 2011, the State is  
4 contributing at the rate otherwise required under this Section.

5 Notwithstanding any other provision of this Article, the  
6 total required State contribution for State fiscal year 2010 is  
7 \$10,454,000 and shall be made from the proceeds of bonds sold  
8 in fiscal year 2010 pursuant to Section 7.2 of the General  
9 Obligation Bond Act, less (i) the pro rata share of bond sale  
10 expenses determined by the System's share of total bond  
11 proceeds, (ii) any amounts received from the General Revenue  
12 Fund in fiscal year 2010, and (iii) any reduction in bond  
13 proceeds due to the issuance of discounted bonds, if  
14 applicable.

15 Notwithstanding any other provision of this Article, the  
16 total required State contribution for State fiscal year 2011 is  
17 the amount recertified by the System on or before April 1, 2011  
18 pursuant to Section 2-134 and shall be made from the proceeds  
19 of bonds sold in fiscal year 2011 pursuant to Section 7.2 of  
20 the General Obligation Bond Act, less (i) the pro rata share of  
21 bond sale expenses determined by the System's share of total  
22 bond proceeds, (ii) any amounts received from the General  
23 Revenue Fund in fiscal year 2011, and (iii) any reduction in  
24 bond proceeds due to the issuance of discounted bonds, if  
25 applicable.

26 Beginning in State fiscal year 2045, the minimum State

1 contribution for each fiscal year shall be the amount needed to  
2 maintain the total assets of the System at 100% of the total  
3 actuarial liabilities of the System.

4 Amounts received by the System pursuant to Section 25 of  
5 the Budget Stabilization Act or Section 8.12 of the State  
6 Finance Act in any fiscal year do not reduce and do not  
7 constitute payment of any portion of the minimum State  
8 contribution required under this Article in that fiscal year.  
9 Such amounts shall not reduce, and shall not be included in the  
10 calculation of, the required State contributions under this  
11 Article in any future year until the System has reached a  
12 funding ratio of at least 100%. A reference in this Article to  
13 the "required State contribution" or any substantially similar  
14 term does not include or apply to any amounts payable to the  
15 System under Section 25 of the Budget Stabilization Act.

16 Notwithstanding any other provision of this Section, the  
17 required State contribution for State fiscal year 2005 and for  
18 fiscal year 2008 and each fiscal year thereafter through State  
19 fiscal year 2014, as calculated under this Section and  
20 certified under Section 2-134, shall not exceed an amount equal  
21 to (i) the amount of the required State contribution that would  
22 have been calculated under this Section for that fiscal year if  
23 the System had not received any payments under subsection (d)  
24 of Section 7.2 of the General Obligation Bond Act, minus (ii)  
25 the portion of the State's total debt service payments for that  
26 fiscal year on the bonds issued in fiscal year 2003 for the

1 purposes of that Section 7.2, as determined and certified by  
2 the Comptroller, that is the same as the System's portion of  
3 the total moneys distributed under subsection (d) of Section  
4 7.2 of the General Obligation Bond Act. In determining this  
5 maximum for State fiscal years 2008 through 2010, however, the  
6 amount referred to in item (i) shall be increased, as a  
7 percentage of the applicable employee payroll, in equal  
8 increments calculated from the sum of the required State  
9 contribution for State fiscal year 2007 plus the applicable  
10 portion of the State's total debt service payments for fiscal  
11 year 2007 on the bonds issued in fiscal year 2003 for the  
12 purposes of Section 7.2 of the General Obligation Bond Act, so  
13 that, by State fiscal year 2011, the State is contributing at  
14 the rate otherwise required under this Section.

15 (d) For purposes of determining the required State  
16 contribution to the System, the value of the System's assets  
17 shall be equal to the actuarial value of the System's assets,  
18 which shall be calculated as follows:

19 As of June 30, 2008, the actuarial value of the System's  
20 assets shall be equal to the market value of the assets as of  
21 that date. In determining the actuarial value of the System's  
22 assets for fiscal years after June 30, 2008, any actuarial  
23 gains or losses from investment return incurred in a fiscal  
24 year shall be recognized in equal annual amounts over the  
25 5-year period following that fiscal year.

26 (e) For purposes of determining the required State



1 contribution to the system for a particular year, the actuarial  
2 value of assets shall be assumed to earn a rate of return equal  
3 to the system's actuarially assumed rate of return.

4 (Source: P.A. 97-813, eff. 7-13-12; 98-599, eff. 6-1-14.)

5 (40 ILCS 5/14-131)

6 Sec. 14-131. Contributions by State.

7 (a) The State shall make contributions to the System by  
8 appropriations of amounts which, together with other employer  
9 contributions from trust, federal, and other funds, employee  
10 contributions, investment income, and other income, will be  
11 sufficient to meet the cost of maintaining and administering  
12 the System on a 100% funded basis in accordance with actuarial  
13 recommendations ~~by the end of State fiscal year 2044.~~

14 For the purposes of this Section and Section 14-135.08,  
15 references to State contributions refer only to employer  
16 contributions and do not include employee contributions that  
17 are picked up or otherwise paid by the State or a department on  
18 behalf of the employee.

19 (b) The Board shall determine the total amount of State  
20 contributions required for each fiscal year on the basis of the  
21 actuarial tables and other assumptions adopted by the Board,  
22 using the formula in subsection (e).

23 The Board shall also determine a State contribution rate  
24 for each fiscal year, expressed as a percentage of payroll,  
25 based on the total required State contribution for that fiscal

1 year (less the amount received by the System from  
2 appropriations under Section 8.12 of the State Finance Act and  
3 Section 1 of the State Pension Funds Continuing Appropriation  
4 Act, if any, for the fiscal year ending on the June 30  
5 immediately preceding the applicable November 15 certification  
6 deadline), the estimated payroll (including all forms of  
7 compensation) for personal services rendered by eligible  
8 employees, and the recommendations of the actuary.

9 For the purposes of this Section and Section 14.1 of the  
10 State Finance Act, the term "eligible employees" includes  
11 employees who participate in the System, persons who may elect  
12 to participate in the System but have not so elected, persons  
13 who are serving a qualifying period that is required for  
14 participation, and annuitants employed by a department as  
15 described in subdivision (a) (1) or (a) (2) of Section 14-111.

16 (c) Contributions shall be made by the several departments  
17 for each pay period by warrants drawn by the State Comptroller  
18 against their respective funds or appropriations based upon  
19 vouchers stating the amount to be so contributed. These amounts  
20 shall be based on the full rate certified by the Board under  
21 Section 14-135.08 for that fiscal year. From the effective date  
22 of this amendatory Act of the 93rd General Assembly through the  
23 payment of the final payroll from fiscal year 2004  
24 appropriations, the several departments shall not make  
25 contributions for the remainder of fiscal year 2004 but shall  
26 instead make payments as required under subsection (a-1) of

1 Section 14.1 of the State Finance Act. The several departments  
2 shall resume those contributions at the commencement of fiscal  
3 year 2005.

4 (c-1) Notwithstanding subsection (c) of this Section, for  
5 fiscal years 2010, 2012, 2013, 2014, and 2015 only,  
6 contributions by the several departments are not required to be  
7 made for General Revenue Funds payrolls processed by the  
8 Comptroller. Payrolls paid by the several departments from all  
9 other State funds must continue to be processed pursuant to  
10 subsection (c) of this Section.

11 (c-2) For State fiscal years 2010, 2012, 2013, 2014, and  
12 2015 only, on or as soon as possible after the 15th day of each  
13 month, the Board shall submit vouchers for payment of State  
14 contributions to the System, in a total monthly amount of  
15 one-twelfth of the fiscal year General Revenue Fund  
16 contribution as certified by the System pursuant to Section  
17 14-135.08 of the Illinois Pension Code.

18 (d) If an employee is paid from trust funds or federal  
19 funds, the department or other employer shall pay employer  
20 contributions from those funds to the System at the certified  
21 rate, unless the terms of the trust or the federal-State  
22 agreement preclude the use of the funds for that purpose, in  
23 which case the required employer contributions shall be paid by  
24 the State. From the effective date of this amendatory Act of  
25 the 93rd General Assembly through the payment of the final  
26 payroll from fiscal year 2004 appropriations, the department or

1 other employer shall not pay contributions for the remainder of  
2 fiscal year 2004 but shall instead make payments as required  
3 under subsection (a-1) of Section 14.1 of the State Finance  
4 Act. The department or other employer shall resume payment of  
5 contributions at the commencement of fiscal year 2005.

6 (e) For State fiscal years 2016 through 2045, the minimum  
7 contribution to the System to be made by the State for each  
8 fiscal year shall be an amount determined by the System to be  
9 sufficient to bring the total assets of the System up to 100%  
10 of the total actuarial liabilities of the System by the end of  
11 State fiscal year 2045. In making these determinations, the  
12 required State contribution shall be calculated each year as a  
13 level percentage of payroll over the years remaining to and  
14 including fiscal year 2045 and shall be determined under the  
15 projected unit credit actuarial cost method.

16 For State fiscal ~~year years~~ 2015 ~~through 2044~~, the minimum  
17 contribution to the System to be made by the State for ~~the each~~  
18 fiscal year shall be an amount determined by the System to be  
19 equal to the sum of (1) the State's portion of the projected  
20 normal cost for ~~the that~~ fiscal year, plus (2) an amount  
21 sufficient to bring the total assets of the System up to 100%  
22 of the total actuarial liabilities of the System by the end of  
23 State fiscal year 2044. In making these determinations, the  
24 required State contribution shall be calculated ~~each year~~ as a  
25 level percentage of payroll over the years remaining to and  
26 including fiscal year 2044 and shall be determined under the

1 projected unit cost method for fiscal year 2015 ~~and under the~~  
2 ~~entry age normal actuarial cost method for fiscal years 2016~~  
3 ~~through 2044.~~

4 For State fiscal years 2012 through 2014, the minimum  
5 contribution to the System to be made by the State for each  
6 fiscal year shall be an amount determined by the System to be  
7 sufficient to bring the total assets of the System up to 90% of  
8 the total actuarial liabilities of the System by the end of  
9 State fiscal year 2045. In making these determinations, the  
10 required State contribution shall be calculated each year as a  
11 level percentage of payroll over the years remaining to and  
12 including fiscal year 2045 and shall be determined under the  
13 projected unit credit actuarial cost method.

14 For State fiscal years 1996 through 2005, the State  
15 contribution to the System, as a percentage of the applicable  
16 employee payroll, shall be increased in equal annual increments  
17 so that by State fiscal year 2011, the State is contributing at  
18 the rate required under this Section; except that (i) for State  
19 fiscal year 1998, for all purposes of this Code and any other  
20 law of this State, the certified percentage of the applicable  
21 employee payroll shall be 5.052% for employees earning eligible  
22 creditable service under Section 14-110 and 6.500% for all  
23 other employees, notwithstanding any contrary certification  
24 made under Section 14-135.08 before the effective date of this  
25 amendatory Act of 1997, and (ii) in the following specified  
26 State fiscal years, the State contribution to the System shall

1 not be less than the following indicated percentages of the  
2 applicable employee payroll, even if the indicated percentage  
3 will produce a State contribution in excess of the amount  
4 otherwise required under this subsection and subsection (a):  
5 9.8% in FY 1999; 10.0% in FY 2000; 10.2% in FY 2001; 10.4% in FY  
6 2002; 10.6% in FY 2003; and 10.8% in FY 2004.

7 Notwithstanding any other provision of this Article, the  
8 total required State contribution to the System for State  
9 fiscal year 2006 is \$203,783,900.

10 Notwithstanding any other provision of this Article, the  
11 total required State contribution to the System for State  
12 fiscal year 2007 is \$344,164,400.

13 For each of State fiscal years 2008 through 2009, the State  
14 contribution to the System, as a percentage of the applicable  
15 employee payroll, shall be increased in equal annual increments  
16 from the required State contribution for State fiscal year  
17 2007, so that by State fiscal year 2011, the State is  
18 contributing at the rate otherwise required under this Section.

19 Notwithstanding any other provision of this Article, the  
20 total required State General Revenue Fund contribution for  
21 State fiscal year 2010 is \$723,703,100 and shall be made from  
22 the proceeds of bonds sold in fiscal year 2010 pursuant to  
23 Section 7.2 of the General Obligation Bond Act, less (i) the  
24 pro rata share of bond sale expenses determined by the System's  
25 share of total bond proceeds, (ii) any amounts received from  
26 the General Revenue Fund in fiscal year 2010, and (iii) any

1 reduction in bond proceeds due to the issuance of discounted  
2 bonds, if applicable.

3 Notwithstanding any other provision of this Article, the  
4 total required State General Revenue Fund contribution for  
5 State fiscal year 2011 is the amount recertified by the System  
6 on or before April 1, 2011 pursuant to Section 14-135.08 and  
7 shall be made from the proceeds of bonds sold in fiscal year  
8 2011 pursuant to Section 7.2 of the General Obligation Bond  
9 Act, less (i) the pro rata share of bond sale expenses  
10 determined by the System's share of total bond proceeds, (ii)  
11 any amounts received from the General Revenue Fund in fiscal  
12 year 2011, and (iii) any reduction in bond proceeds due to the  
13 issuance of discounted bonds, if applicable.

14 Beginning in State fiscal year 2046 ~~2045~~, the minimum State  
15 contribution for each fiscal year shall be the amount needed to  
16 maintain the total assets of the System at 100% of the total  
17 actuarial liabilities of the System.

18 Amounts received by the System pursuant to Section 25 of  
19 the Budget Stabilization Act or Section 8.12 of the State  
20 Finance Act in any fiscal year do not reduce and do not  
21 constitute payment of any portion of the minimum State  
22 contribution required under this Article in that fiscal year.  
23 Such amounts shall not reduce, and shall not be included in the  
24 calculation of, the required State contributions under this  
25 Article in any future year until the System has reached a  
26 funding ratio of at least 100%. A reference in this Article to

1 the "required State contribution" or any substantially similar  
2 term does not include or apply to any amounts payable to the  
3 System under Section 25 of the Budget Stabilization Act.

4 Notwithstanding any other provision of this Section, the  
5 required State contribution for State fiscal year 2005 and for  
6 fiscal year 2008 and each fiscal year thereafter through State  
7 fiscal year 2014, as calculated under this Section and  
8 certified under Section 14-135.08, shall not exceed an amount  
9 equal to (i) the amount of the required State contribution that  
10 would have been calculated under this Section for that fiscal  
11 year if the System had not received any payments under  
12 subsection (d) of Section 7.2 of the General Obligation Bond  
13 Act, minus (ii) the portion of the State's total debt service  
14 payments for that fiscal year on the bonds issued in fiscal  
15 year 2003 for the purposes of that Section 7.2, as determined  
16 and certified by the Comptroller, that is the same as the  
17 System's portion of the total moneys distributed under  
18 subsection (d) of Section 7.2 of the General Obligation Bond  
19 Act. In determining this maximum for State fiscal years 2008  
20 through 2010, however, the amount referred to in item (i) shall  
21 be increased, as a percentage of the applicable employee  
22 payroll, in equal increments calculated from the sum of the  
23 required State contribution for State fiscal year 2007 plus the  
24 applicable portion of the State's total debt service payments  
25 for fiscal year 2007 on the bonds issued in fiscal year 2003  
26 for the purposes of Section 7.2 of the General Obligation Bond



1 Act, so that, by State fiscal year 2011, the State is  
2 contributing at the rate otherwise required under this Section.

3 (f) After the submission of all payments for eligible  
4 employees from personal services line items in fiscal year 2004  
5 have been made, the Comptroller shall provide to the System a  
6 certification of the sum of all fiscal year 2004 expenditures  
7 for personal services that would have been covered by payments  
8 to the System under this Section if the provisions of this  
9 amendatory Act of the 93rd General Assembly had not been  
10 enacted. Upon receipt of the certification, the System shall  
11 determine the amount due to the System based on the full rate  
12 certified by the Board under Section 14-135.08 for fiscal year  
13 2004 in order to meet the State's obligation under this  
14 Section. The System shall compare this amount due to the amount  
15 received by the System in fiscal year 2004 through payments  
16 under this Section and under Section 6z-61 of the State Finance  
17 Act. If the amount due is more than the amount received, the  
18 difference shall be termed the "Fiscal Year 2004 Shortfall" for  
19 purposes of this Section, and the Fiscal Year 2004 Shortfall  
20 shall be satisfied under Section 1.2 of the State Pension Funds  
21 Continuing Appropriation Act. If the amount due is less than  
22 the amount received, the difference shall be termed the "Fiscal  
23 Year 2004 Overpayment" for purposes of this Section, and the  
24 Fiscal Year 2004 Overpayment shall be repaid by the System to  
25 the Pension Contribution Fund as soon as practicable after the  
26 certification.

1 (g) For purposes of determining the required State  
2 contribution to the System, the value of the System's assets  
3 shall be equal to the actuarial value of the System's assets,  
4 which shall be calculated as follows:

5 As of June 30, 2008, the actuarial value of the System's  
6 assets shall be equal to the market value of the assets as of  
7 that date. In determining the actuarial value of the System's  
8 assets for fiscal years after June 30, 2008, any actuarial  
9 gains or losses from investment return incurred in a fiscal  
10 year shall be recognized in equal annual amounts over the  
11 5-year period following that fiscal year.

12 (h) For purposes of determining the required State  
13 contribution to the System for a particular year, the actuarial  
14 value of assets shall be assumed to earn a rate of return equal  
15 to the System's actuarially assumed rate of return.

16 (i) After the submission of all payments for eligible  
17 employees from personal services line items paid from the  
18 General Revenue Fund in fiscal year 2010 have been made, the  
19 Comptroller shall provide to the System a certification of the  
20 sum of all fiscal year 2010 expenditures for personal services  
21 that would have been covered by payments to the System under  
22 this Section if the provisions of this amendatory Act of the  
23 96th General Assembly had not been enacted. Upon receipt of the  
24 certification, the System shall determine the amount due to the  
25 System based on the full rate certified by the Board under  
26 Section 14-135.08 for fiscal year 2010 in order to meet the

1 State's obligation under this Section. The System shall compare  
2 this amount due to the amount received by the System in fiscal  
3 year 2010 through payments under this Section. If the amount  
4 due is more than the amount received, the difference shall be  
5 termed the "Fiscal Year 2010 Shortfall" for purposes of this  
6 Section, and the Fiscal Year 2010 Shortfall shall be satisfied  
7 under Section 1.2 of the State Pension Funds Continuing  
8 Appropriation Act. If the amount due is less than the amount  
9 received, the difference shall be termed the "Fiscal Year 2010  
10 Overpayment" for purposes of this Section, and the Fiscal Year  
11 2010 Overpayment shall be repaid by the System to the General  
12 Revenue Fund as soon as practicable after the certification.

13 (j) After the submission of all payments for eligible  
14 employees from personal services line items paid from the  
15 General Revenue Fund in fiscal year 2011 have been made, the  
16 Comptroller shall provide to the System a certification of the  
17 sum of all fiscal year 2011 expenditures for personal services  
18 that would have been covered by payments to the System under  
19 this Section if the provisions of this amendatory Act of the  
20 96th General Assembly had not been enacted. Upon receipt of the  
21 certification, the System shall determine the amount due to the  
22 System based on the full rate certified by the Board under  
23 Section 14-135.08 for fiscal year 2011 in order to meet the  
24 State's obligation under this Section. The System shall compare  
25 this amount due to the amount received by the System in fiscal  
26 year 2011 through payments under this Section. If the amount

1 due is more than the amount received, the difference shall be  
2 termed the "Fiscal Year 2011 Shortfall" for purposes of this  
3 Section, and the Fiscal Year 2011 Shortfall shall be satisfied  
4 under Section 1.2 of the State Pension Funds Continuing  
5 Appropriation Act. If the amount due is less than the amount  
6 received, the difference shall be termed the "Fiscal Year 2011  
7 Overpayment" for purposes of this Section, and the Fiscal Year  
8 2011 Overpayment shall be repaid by the System to the General  
9 Revenue Fund as soon as practicable after the certification.

10 (k) For fiscal years 2012 through 2015 only, after the  
11 submission of all payments for eligible employees from personal  
12 services line items paid from the General Revenue Fund in the  
13 fiscal year have been made, the Comptroller shall provide to  
14 the System a certification of the sum of all expenditures in  
15 the fiscal year for personal services. Upon receipt of the  
16 certification, the System shall determine the amount due to the  
17 System based on the full rate certified by the Board under  
18 Section 14-135.08 for the fiscal year in order to meet the  
19 State's obligation under this Section. The System shall compare  
20 this amount due to the amount received by the System for the  
21 fiscal year. If the amount due is more than the amount  
22 received, the difference shall be termed the "Prior Fiscal Year  
23 Shortfall" for purposes of this Section, and the Prior Fiscal  
24 Year Shortfall shall be satisfied under Section 1.2 of the  
25 State Pension Funds Continuing Appropriation Act. If the amount  
26 due is less than the amount received, the difference shall be

1       termed the "Prior Fiscal Year Overpayment" for purposes of this  
2       Section, and the Prior Fiscal Year Overpayment shall be repaid  
3       by the System to the General Revenue Fund as soon as  
4       practicable after the certification.

5       (Source: P.A. 97-72, eff. 7-1-11; 97-732, eff. 6-30-12; 98-24,  
6       eff. 6-19-13; 98-599, eff. 6-1-14; 98-674, eff. 6-30-14.)

7               (40 ILCS 5/15-155) (from Ch. 108 1/2, par. 15-155)

8               Sec. 15-155. Employer contributions.

9               (a) The State of Illinois shall make contributions by  
10              appropriations of amounts which, together with the other  
11              employer contributions from trust, federal, and other funds,  
12              employee contributions, income from investments, and other  
13              income of this System, will be sufficient to meet the cost of  
14              maintaining and administering the System on a 100% funded basis  
15              in accordance with actuarial recommendations ~~by the end of~~  
16              ~~State fiscal year 2044.~~

17              The Board shall determine the amount of State contributions  
18              required for each fiscal year on the basis of the actuarial  
19              tables and other assumptions adopted by the Board and the  
20              recommendations of the actuary, using the formula in subsection  
21              (a-1).

22              (a-1) For State fiscal years 2016 through 2045, the minimum  
23              contribution to the System to be made by the State for each  
24              fiscal year shall be an amount determined by the System to be  
25              sufficient to bring the total assets of the System up to 100%

1 of the total actuarial liabilities of the System by the end of  
2 State fiscal year 2045. In making these determinations, the  
3 required State contribution shall be calculated each year as a  
4 level percentage of payroll over the years remaining to and  
5 including fiscal year 2045 and shall be determined under the  
6 projected unit credit actuarial cost method.

7 For State fiscal year ~~years~~ 2015 ~~through 2044~~, the minimum  
8 contribution to the System to be made by the State for the ~~each~~  
9 fiscal year shall be an amount determined by the System to be  
10 equal to the sum of (1) the State's portion of the projected  
11 normal cost for the ~~that~~ fiscal year, plus (2) an amount  
12 sufficient to bring the total assets of the System up to 100%  
13 of the total actuarial liabilities of the System by the end of  
14 the State fiscal year 2044. In making these determinations, the  
15 required State contribution shall be calculated ~~each year~~ as a  
16 level percentage of payroll over the years remaining to and  
17 including fiscal year 2044 and shall be determined under the  
18 projected unit cost method for fiscal year 2015 ~~and under the~~  
19 ~~entry age normal actuarial cost method for fiscal years 2016~~  
20 ~~through 2044.~~

21 For State fiscal years 2012 through 2014, the minimum  
22 contribution to the System to be made by the State for each  
23 fiscal year shall be an amount determined by the System to be  
24 sufficient to bring the total assets of the System up to 90% of  
25 the total actuarial liabilities of the System by the end of  
26 State fiscal year 2045. In making these determinations, the

1 required State contribution shall be calculated each year as a  
2 level percentage of payroll over the years remaining to and  
3 including fiscal year 2045 and shall be determined under the  
4 projected unit credit actuarial cost method.

5 For State fiscal years 1996 through 2005, the State  
6 contribution to the System, as a percentage of the applicable  
7 employee payroll, shall be increased in equal annual increments  
8 so that by State fiscal year 2011, the State is contributing at  
9 the rate required under this Section.

10 Notwithstanding any other provision of this Article, the  
11 total required State contribution for State fiscal year 2006 is  
12 \$166,641,900.

13 Notwithstanding any other provision of this Article, the  
14 total required State contribution for State fiscal year 2007 is  
15 \$252,064,100.

16 For each of State fiscal years 2008 through 2009, the State  
17 contribution to the System, as a percentage of the applicable  
18 employee payroll, shall be increased in equal annual increments  
19 from the required State contribution for State fiscal year  
20 2007, so that by State fiscal year 2011, the State is  
21 contributing at the rate otherwise required under this Section.

22 Notwithstanding any other provision of this Article, the  
23 total required State contribution for State fiscal year 2010 is  
24 \$702,514,000 and shall be made from the State Pensions Fund and  
25 proceeds of bonds sold in fiscal year 2010 pursuant to Section  
26 7.2 of the General Obligation Bond Act, less (i) the pro rata

1 share of bond sale expenses determined by the System's share of  
2 total bond proceeds, (ii) any amounts received from the General  
3 Revenue Fund in fiscal year 2010, (iii) any reduction in bond  
4 proceeds due to the issuance of discounted bonds, if  
5 applicable.

6 Notwithstanding any other provision of this Article, the  
7 total required State contribution for State fiscal year 2011 is  
8 the amount recertified by the System on or before April 1, 2011  
9 pursuant to Section 15-165 and shall be made from the State  
10 Pensions Fund and proceeds of bonds sold in fiscal year 2011  
11 pursuant to Section 7.2 of the General Obligation Bond Act,  
12 less (i) the pro rata share of bond sale expenses determined by  
13 the System's share of total bond proceeds, (ii) any amounts  
14 received from the General Revenue Fund in fiscal year 2011, and  
15 (iii) any reduction in bond proceeds due to the issuance of  
16 discounted bonds, if applicable.

17 Beginning in State fiscal year 2046 ~~2045~~, the minimum  
18 contribution for each fiscal year shall be the amount needed to  
19 maintain the total assets of the System at 100% of the total  
20 liabilities of the System.

21 Amounts received by the System pursuant to Section 25 of  
22 the Budget Stabilization Act or Section 8.12 of the State  
23 Finance Act in any fiscal year do not reduce and do not  
24 constitute payment of any portion of the minimum State  
25 contribution required under this Article in that fiscal year.  
26 Such amounts shall not reduce, and shall not be included in the



1 calculation of, the required State contributions under this  
2 Article in any future year until the System has reached a  
3 funding ratio of at least 100%. A reference in this Article to  
4 the "required State contribution" or any substantially similar  
5 term does not include or apply to any amounts payable to the  
6 System under Section 25 of the Budget Stabilization Act.

7 Notwithstanding any other provision of this Section, the  
8 required State contribution for State fiscal year 2005 and for  
9 fiscal year 2008 and each fiscal year thereafter through State  
10 fiscal year 2014, as calculated under this Section and  
11 certified under Section 15-165, shall not exceed an amount  
12 equal to (i) the amount of the required State contribution that  
13 would have been calculated under this Section for that fiscal  
14 year if the System had not received any payments under  
15 subsection (d) of Section 7.2 of the General Obligation Bond  
16 Act, minus (ii) the portion of the State's total debt service  
17 payments for that fiscal year on the bonds issued in fiscal  
18 year 2003 for the purposes of that Section 7.2, as determined  
19 and certified by the Comptroller, that is the same as the  
20 System's portion of the total moneys distributed under  
21 subsection (d) of Section 7.2 of the General Obligation Bond  
22 Act. In determining this maximum for State fiscal years 2008  
23 through 2010, however, the amount referred to in item (i) shall  
24 be increased, as a percentage of the applicable employee  
25 payroll, in equal increments calculated from the sum of the  
26 required State contribution for State fiscal year 2007 plus the

1 applicable portion of the State's total debt service payments  
2 for fiscal year 2007 on the bonds issued in fiscal year 2003  
3 for the purposes of Section 7.2 of the General Obligation Bond  
4 Act, so that, by State fiscal year 2011, the State is  
5 contributing at the rate otherwise required under this Section.

6 (b) If an employee is paid from trust or federal funds, the  
7 employer shall pay to the Board contributions from those funds  
8 which are sufficient to cover the accruing normal costs on  
9 behalf of the employee. However, universities having employees  
10 who are compensated out of local auxiliary funds, income funds,  
11 or service enterprise funds are not required to pay such  
12 contributions on behalf of those employees. The local auxiliary  
13 funds, income funds, and service enterprise funds of  
14 universities shall not be considered trust funds for the  
15 purpose of this Article, but funds of alumni associations,  
16 foundations, and athletic associations which are affiliated  
17 with the universities included as employers under this Article  
18 and other employers which do not receive State appropriations  
19 are considered to be trust funds for the purpose of this  
20 Article.

21 (b-1) The City of Urbana and the City of Champaign shall  
22 each make employer contributions to this System for their  
23 respective firefighter employees who participate in this  
24 System pursuant to subsection (h) of Section 15-107. The rate  
25 of contributions to be made by those municipalities shall be  
26 determined annually by the Board on the basis of the actuarial

1 assumptions adopted by the Board and the recommendations of the  
2 actuary, and shall be expressed as a percentage of salary for  
3 each such employee. The Board shall certify the rate to the  
4 affected municipalities as soon as may be practical. The  
5 employer contributions required under this subsection shall be  
6 remitted by the municipality to the System at the same time and  
7 in the same manner as employee contributions.

8 (c) Through State fiscal year 1995: The total employer  
9 contribution shall be apportioned among the various funds of  
10 the State and other employers, whether trust, federal, or other  
11 funds, in accordance with actuarial procedures approved by the  
12 Board. State of Illinois contributions for employers receiving  
13 State appropriations for personal services shall be payable  
14 from appropriations made to the employers or to the System. The  
15 contributions for Class I community colleges covering earnings  
16 other than those paid from trust and federal funds, shall be  
17 payable solely from appropriations to the Illinois Community  
18 College Board or the System for employer contributions.

19 (d) Beginning in State fiscal year 1996, the required State  
20 contributions to the System shall be appropriated directly to  
21 the System and shall be payable through vouchers issued in  
22 accordance with subsection (c) of Section 15-165, except as  
23 provided in subsection (g).

24 (e) The State Comptroller shall draw warrants payable to  
25 the System upon proper certification by the System or by the  
26 employer in accordance with the appropriation laws and this

1 Code.

2 (f) Normal costs under this Section means liability for  
3 pensions and other benefits which accrues to the System because  
4 of the credits earned for service rendered by the participants  
5 during the fiscal year and expenses of administering the  
6 System, but shall not include the principal of or any  
7 redemption premium or interest on any bonds issued by the Board  
8 or any expenses incurred or deposits required in connection  
9 therewith.

10 (g) If the amount of a participant's earnings for any  
11 academic year used to determine the final rate of earnings,  
12 determined on a full-time equivalent basis, exceeds the amount  
13 of his or her earnings with the same employer for the previous  
14 academic year, determined on a full-time equivalent basis, by  
15 more than 6%, the participant's employer shall pay to the  
16 System, in addition to all other payments required under this  
17 Section and in accordance with guidelines established by the  
18 System, the present value of the increase in benefits resulting  
19 from the portion of the increase in earnings that is in excess  
20 of 6%. This present value shall be computed by the System on  
21 the basis of the actuarial assumptions and tables used in the  
22 most recent actuarial valuation of the System that is available  
23 at the time of the computation. The System may require the  
24 employer to provide any pertinent information or  
25 documentation.

26 Whenever it determines that a payment is or may be required

1 under this subsection (g), the System shall calculate the  
2 amount of the payment and bill the employer for that amount.  
3 The bill shall specify the calculations used to determine the  
4 amount due. If the employer disputes the amount of the bill, it  
5 may, within 30 days after receipt of the bill, apply to the  
6 System in writing for a recalculation. The application must  
7 specify in detail the grounds of the dispute and, if the  
8 employer asserts that the calculation is subject to subsection  
9 (h) or (i) of this Section, must include an affidavit setting  
10 forth and attesting to all facts within the employer's  
11 knowledge that are pertinent to the applicability of subsection  
12 (h) or (i). Upon receiving a timely application for  
13 recalculation, the System shall review the application and, if  
14 appropriate, recalculate the amount due.

15 The employer contributions required under this subsection  
16 (g) may be paid in the form of a lump sum within 90 days after  
17 receipt of the bill. If the employer contributions are not paid  
18 within 90 days after receipt of the bill, then interest will be  
19 charged at a rate equal to the System's annual actuarially  
20 assumed rate of return on investment compounded annually from  
21 the 91st day after receipt of the bill. Payments must be  
22 concluded within 3 years after the employer's receipt of the  
23 bill.

24 (h) This subsection (h) applies only to payments made or  
25 salary increases given on or after June 1, 2005 but before July  
26 1, 2011. The changes made by Public Act 94-1057 shall not

1 require the System to refund any payments received before July  
2 31, 2006 (the effective date of Public Act 94-1057).

3 When assessing payment for any amount due under subsection  
4 (g), the System shall exclude earnings increases paid to  
5 participants under contracts or collective bargaining  
6 agreements entered into, amended, or renewed before June 1,  
7 2005.

8 When assessing payment for any amount due under subsection  
9 (g), the System shall exclude earnings increases paid to a  
10 participant at a time when the participant is 10 or more years  
11 from retirement eligibility under Section 15-135.

12 When assessing payment for any amount due under subsection  
13 (g), the System shall exclude earnings increases resulting from  
14 overload work, including a contract for summer teaching, or  
15 overtime when the employer has certified to the System, and the  
16 System has approved the certification, that: (i) in the case of  
17 overloads (A) the overload work is for the sole purpose of  
18 academic instruction in excess of the standard number of  
19 instruction hours for a full-time employee occurring during the  
20 academic year that the overload is paid and (B) the earnings  
21 increases are equal to or less than the rate of pay for  
22 academic instruction computed using the participant's current  
23 salary rate and work schedule; and (ii) in the case of  
24 overtime, the overtime was necessary for the educational  
25 mission.

26 When assessing payment for any amount due under subsection

1 (g), the System shall exclude any earnings increase resulting  
2 from (i) a promotion for which the employee moves from one  
3 classification to a higher classification under the State  
4 Universities Civil Service System, (ii) a promotion in academic  
5 rank for a tenured or tenure-track faculty position, or (iii) a  
6 promotion that the Illinois Community College Board has  
7 recommended in accordance with subsection (k) of this Section.  
8 These earnings increases shall be excluded only if the  
9 promotion is to a position that has existed and been filled by  
10 a member for no less than one complete academic year and the  
11 earnings increase as a result of the promotion is an increase  
12 that results in an amount no greater than the average salary  
13 paid for other similar positions.

14 (i) When assessing payment for any amount due under  
15 subsection (g), the System shall exclude any salary increase  
16 described in subsection (h) of this Section given on or after  
17 July 1, 2011 but before July 1, 2014 under a contract or  
18 collective bargaining agreement entered into, amended, or  
19 renewed on or after June 1, 2005 but before July 1, 2011.  
20 Notwithstanding any other provision of this Section, any  
21 payments made or salary increases given after June 30, 2014  
22 shall be used in assessing payment for any amount due under  
23 subsection (g) of this Section.

24 (j) The System shall prepare a report and file copies of  
25 the report with the Governor and the General Assembly by  
26 January 1, 2007 that contains all of the following information:

1           (1) The number of recalculations required by the  
2 changes made to this Section by Public Act 94-1057 for each  
3 employer.

4           (2) The dollar amount by which each employer's  
5 contribution to the System was changed due to  
6 recalculations required by Public Act 94-1057.

7           (3) The total amount the System received from each  
8 employer as a result of the changes made to this Section by  
9 Public Act 94-4.

10           (4) The increase in the required State contribution  
11 resulting from the changes made to this Section by Public  
12 Act 94-1057.

13           (k) The Illinois Community College Board shall adopt rules  
14 for recommending lists of promotional positions submitted to  
15 the Board by community colleges and for reviewing the  
16 promotional lists on an annual basis. When recommending  
17 promotional lists, the Board shall consider the similarity of  
18 the positions submitted to those positions recognized for State  
19 universities by the State Universities Civil Service System.  
20 The Illinois Community College Board shall file a copy of its  
21 findings with the System. The System shall consider the  
22 findings of the Illinois Community College Board when making  
23 determinations under this Section. The System shall not exclude  
24 any earnings increases resulting from a promotion when the  
25 promotion was not submitted by a community college. Nothing in  
26 this subsection (k) shall require any community college to



1 submit any information to the Community College Board.

2 (1) For purposes of determining the required State  
3 contribution to the System, the value of the System's assets  
4 shall be equal to the actuarial value of the System's assets,  
5 which shall be calculated as follows:

6 As of June 30, 2008, the actuarial value of the System's  
7 assets shall be equal to the market value of the assets as of  
8 that date. In determining the actuarial value of the System's  
9 assets for fiscal years after June 30, 2008, any actuarial  
10 gains or losses from investment return incurred in a fiscal  
11 year shall be recognized in equal annual amounts over the  
12 5-year period following that fiscal year.

13 (m) For purposes of determining the required State  
14 contribution to the system for a particular year, the actuarial  
15 value of assets shall be assumed to earn a rate of return equal  
16 to the system's actuarially assumed rate of return.

17 (Source: P.A. 97-813, eff. 7-13-12; 98-92, eff. 7-16-13;  
18 98-463, eff. 8-16-13; 98-599, eff. 6-1-14.)

19 (40 ILCS 5/16-158) (from Ch. 108 1/2, par. 16-158)

20 Sec. 16-158. Contributions by State and other employing  
21 units.

22 (a) The State shall make contributions to the System by  
23 means of appropriations from the Common School Fund and other  
24 State funds of amounts which, together with other employer  
25 contributions, employee contributions, investment income, and

1 other income, will be sufficient to meet the cost of  
2 maintaining and administering the System on a 100% funded basis  
3 in accordance with actuarial recommendations ~~by the end of~~  
4 ~~State fiscal year 2044.~~

5 The Board shall determine the amount of State contributions  
6 required for each fiscal year on the basis of the actuarial  
7 tables and other assumptions adopted by the Board and the  
8 recommendations of the actuary, using the formula in subsection  
9 (b-3).

10 (a-1) Annually, on or before November 15 through November  
11 15, 2011, the Board shall certify to the Governor the amount of  
12 the required State contribution for the coming fiscal year. The  
13 certification under this subsection (a-1) shall include a copy  
14 of the actuarial recommendations upon which it is based.

15 On or before May 1, 2004, the Board shall recalculate and  
16 recertify to the Governor the amount of the required State  
17 contribution to the System for State fiscal year 2005, taking  
18 into account the amounts appropriated to and received by the  
19 System under subsection (d) of Section 7.2 of the General  
20 Obligation Bond Act.

21 On or before July 1, 2005, the Board shall recalculate and  
22 recertify to the Governor the amount of the required State  
23 contribution to the System for State fiscal year 2006, taking  
24 into account the changes in required State contributions made  
25 by this amendatory Act of the 94th General Assembly.

26 On or before April 1, 2011, the Board shall recalculate and

1 recertify to the Governor the amount of the required State  
2 contribution to the System for State fiscal year 2011, applying  
3 the changes made by Public Act 96-889 to the System's assets  
4 and liabilities as of June 30, 2009 as though Public Act 96-889  
5 was approved on that date.

6 (a-5) On or before November 1 of each year, beginning  
7 November 1, 2012, the Board shall submit to the State Actuary,  
8 the Governor, and the General Assembly a proposed certification  
9 of the amount of the required State contribution to the System  
10 for the next fiscal year, along with all of the actuarial  
11 assumptions, calculations, and data upon which that proposed  
12 certification is based. On or before January 1 of each year,  
13 beginning January 1, 2013, the State Actuary shall issue a  
14 preliminary report concerning the proposed certification and  
15 identifying, if necessary, recommended changes in actuarial  
16 assumptions that the Board must consider before finalizing its  
17 certification of the required State contributions.

18 On or before January 15, 2013 and each January 15  
19 thereafter, the Board shall certify to the Governor and the  
20 General Assembly the amount of the required State contribution  
21 for the next fiscal year. The certification shall include a  
22 copy of the actuarial recommendations upon which it is based  
23 and shall specifically identify the System's projected State  
24 normal cost for that fiscal year. The Board's certification  
25 must note any deviations from the State Actuary's recommended  
26 changes, the reason or reasons for not following the State

1 Actuary's recommended changes, and the fiscal impact of not  
2 following the State Actuary's recommended changes on the  
3 required State contribution.

4 (a-10) For purposes of Section (c-5) of Section 20 of the  
5 Budget Stabilization Act, on or before November 1 of each year  
6 beginning November 1, 2014, the Board shall determine the  
7 amount of the State contribution to the System that would have  
8 been required for the next fiscal year if this amendatory Act  
9 of the 98th General Assembly had not taken effect, using the  
10 best and most recent available data but based on the law in  
11 effect on May 31, 2014. The Board shall submit to the State  
12 Actuary, the Governor, and the General Assembly a proposed  
13 certification, along with the relevant law, actuarial  
14 assumptions, calculations, and data upon which that  
15 certification is based. On or before January 1, 2015 and every  
16 January 1 thereafter, the State Actuary shall issue a  
17 preliminary report concerning the proposed certification and  
18 identifying, if necessary, recommended changes in actuarial  
19 assumptions that the Board must consider before finalizing its  
20 certification. On or before January 15, 2015 and every January  
21 1 thereafter, the Board shall certify to the Governor and the  
22 General Assembly the amount of the State contribution to the  
23 System that would have been required for the next fiscal year  
24 if this amendatory Act of the 98th General Assembly had not  
25 taken effect, using the best and most recent available data but  
26 based on the law in effect on May 31, 2014. The Board's

1 certification must note any deviations from the State Actuary's  
2 recommended changes, the reason or reasons for not following  
3 the State Actuary's recommended changes, and the impact of not  
4 following the State Actuary's recommended changes.

5 (b) Through State fiscal year 1995, the State contributions  
6 shall be paid to the System in accordance with Section 18-7 of  
7 the School Code.

8 (b-1) Beginning in State fiscal year 1996, on the 15th day  
9 of each month, or as soon thereafter as may be practicable, the  
10 Board shall submit vouchers for payment of State contributions  
11 to the System, in a total monthly amount of one-twelfth of the  
12 required annual State contribution certified under subsection  
13 (a-1). From the effective date of this amendatory Act of the  
14 93rd General Assembly through June 30, 2004, the Board shall  
15 not submit vouchers for the remainder of fiscal year 2004 in  
16 excess of the fiscal year 2004 certified contribution amount  
17 determined under this Section after taking into consideration  
18 the transfer to the System under subsection (a) of Section  
19 6z-61 of the State Finance Act. These vouchers shall be paid by  
20 the State Comptroller and Treasurer by warrants drawn on the  
21 funds appropriated to the System for that fiscal year.

22 If in any month the amount remaining unexpended from all  
23 other appropriations to the System for the applicable fiscal  
24 year (including the appropriations to the System under Section  
25 8.12 of the State Finance Act and Section 1 of the State  
26 Pension Funds Continuing Appropriation Act) is less than the

1 amount lawfully vouchered under this subsection, the  
2 difference shall be paid from the Common School Fund under the  
3 continuing appropriation authority provided in Section 1.1 of  
4 the State Pension Funds Continuing Appropriation Act.

5 (b-2) Allocations from the Common School Fund apportioned  
6 to school districts not coming under this System shall not be  
7 diminished or affected by the provisions of this Article.

8 (b-3) For State fiscal years 2016 through 2045, the minimum  
9 contribution to the System to be made by the State for each  
10 fiscal year shall be an amount determined by the System to be  
11 sufficient to bring the total assets of the System up to 100%  
12 of the total actuarial liabilities of the System by the end of  
13 State fiscal year 2045. In making these determinations, the  
14 required State contribution shall be calculated each year as a  
15 level percentage of payroll over the years remaining to and  
16 including fiscal year 2045 and shall be determined under the  
17 projected unit credit actuarial cost method.

18 For State fiscal ~~year~~ ~~years~~ 2015 ~~through~~ 2044, the minimum  
19 contribution to the System to be made by the State for the ~~each~~  
20 fiscal year shall be an amount determined by the System to be  
21 equal to the sum of (1) the State's portion of the projected  
22 normal cost for the ~~that~~ fiscal year, plus (2) an amount  
23 sufficient to bring the total assets of the System up to 100%  
24 of the total actuarial liabilities of the System by the end of  
25 State fiscal year 2044. In making these determinations, the  
26 required State contribution shall be calculated ~~each year~~ as a

1 level percentage of payroll over the years remaining to and  
2 including fiscal year 2044 and shall be determined under the  
3 projected unit cost method for fiscal year 2015 ~~and under the~~  
4 ~~entry age normal actuarial cost method for fiscal years 2016~~  
5 ~~through 2044.~~

6 For State fiscal years 2012 through 2014, the minimum  
7 contribution to the System to be made by the State for each  
8 fiscal year shall be an amount determined by the System to be  
9 sufficient to bring the total assets of the System up to 90% of  
10 the total actuarial liabilities of the System by the end of  
11 State fiscal year 2045. In making these determinations, the  
12 required State contribution shall be calculated each year as a  
13 level percentage of payroll over the years remaining to and  
14 including fiscal year 2045 and shall be determined under the  
15 projected unit credit actuarial cost method.

16 For State fiscal years 1996 through 2005, the State  
17 contribution to the System, as a percentage of the applicable  
18 employee payroll, shall be increased in equal annual increments  
19 so that by State fiscal year 2011, the State is contributing at  
20 the rate required under this Section; except that in the  
21 following specified State fiscal years, the State contribution  
22 to the System shall not be less than the following indicated  
23 percentages of the applicable employee payroll, even if the  
24 indicated percentage will produce a State contribution in  
25 excess of the amount otherwise required under this subsection  
26 and subsection (a), and notwithstanding any contrary

1 certification made under subsection (a-1) before the effective  
2 date of this amendatory Act of 1998: 10.02% in FY 1999; 10.77%  
3 in FY 2000; 11.47% in FY 2001; 12.16% in FY 2002; 12.86% in FY  
4 2003; and 13.56% in FY 2004.

5 Notwithstanding any other provision of this Article, the  
6 total required State contribution for State fiscal year 2006 is  
7 \$534,627,700.

8 Notwithstanding any other provision of this Article, the  
9 total required State contribution for State fiscal year 2007 is  
10 \$738,014,500.

11 For each of State fiscal years 2008 through 2009, the State  
12 contribution to the System, as a percentage of the applicable  
13 employee payroll, shall be increased in equal annual increments  
14 from the required State contribution for State fiscal year  
15 2007, so that by State fiscal year 2011, the State is  
16 contributing at the rate otherwise required under this Section.

17 Notwithstanding any other provision of this Article, the  
18 total required State contribution for State fiscal year 2010 is  
19 \$2,089,268,000 and shall be made from the proceeds of bonds  
20 sold in fiscal year 2010 pursuant to Section 7.2 of the General  
21 Obligation Bond Act, less (i) the pro rata share of bond sale  
22 expenses determined by the System's share of total bond  
23 proceeds, (ii) any amounts received from the Common School Fund  
24 in fiscal year 2010, and (iii) any reduction in bond proceeds  
25 due to the issuance of discounted bonds, if applicable.

26 Notwithstanding any other provision of this Article, the



1 total required State contribution for State fiscal year 2011 is  
2 the amount recertified by the System on or before April 1, 2011  
3 pursuant to subsection (a-1) of this Section and shall be made  
4 from the proceeds of bonds sold in fiscal year 2011 pursuant to  
5 Section 7.2 of the General Obligation Bond Act, less (i) the  
6 pro rata share of bond sale expenses determined by the System's  
7 share of total bond proceeds, (ii) any amounts received from  
8 the Common School Fund in fiscal year 2011, and (iii) any  
9 reduction in bond proceeds due to the issuance of discounted  
10 bonds, if applicable. This amount shall include, in addition to  
11 the amount certified by the System, an amount necessary to meet  
12 employer contributions required by the State as an employer  
13 under paragraph (e) of this Section, which may also be used by  
14 the System for contributions required by paragraph (a) of  
15 Section 16-127.

16 Beginning in State fiscal year 2046 ~~2045~~, the minimum State  
17 contribution for each fiscal year shall be the amount needed to  
18 maintain the total assets of the System at 100% of the total  
19 actuarial liabilities of the System.

20 Amounts received by the System pursuant to Section 25 of  
21 the Budget Stabilization Act or Section 8.12 of the State  
22 Finance Act in any fiscal year do not reduce and do not  
23 constitute payment of any portion of the minimum State  
24 contribution required under this Article in that fiscal year.  
25 Such amounts shall not reduce, and shall not be included in the  
26 calculation of, the required State contributions under this

1 Article in any future year until the System has reached a  
2 funding ratio of at least 100%. A reference in this Article to  
3 the "required State contribution" or any substantially similar  
4 term does not include or apply to any amounts payable to the  
5 System under Section 25 of the Budget Stabilization Act.

6 Notwithstanding any other provision of this Section, the  
7 required State contribution for State fiscal year 2005 and for  
8 fiscal year 2008 and each fiscal year thereafter through State  
9 fiscal year 2014, as calculated under this Section and  
10 certified under subsection (a-1), shall not exceed an amount  
11 equal to (i) the amount of the required State contribution that  
12 would have been calculated under this Section for that fiscal  
13 year if the System had not received any payments under  
14 subsection (d) of Section 7.2 of the General Obligation Bond  
15 Act, minus (ii) the portion of the State's total debt service  
16 payments for that fiscal year on the bonds issued in fiscal  
17 year 2003 for the purposes of that Section 7.2, as determined  
18 and certified by the Comptroller, that is the same as the  
19 System's portion of the total moneys distributed under  
20 subsection (d) of Section 7.2 of the General Obligation Bond  
21 Act. In determining this maximum for State fiscal years 2008  
22 through 2010, however, the amount referred to in item (i) shall  
23 be increased, as a percentage of the applicable employee  
24 payroll, in equal increments calculated from the sum of the  
25 required State contribution for State fiscal year 2007 plus the  
26 applicable portion of the State's total debt service payments

1 for fiscal year 2007 on the bonds issued in fiscal year 2003  
2 for the purposes of Section 7.2 of the General Obligation Bond  
3 Act, so that, by State fiscal year 2011, the State is  
4 contributing at the rate otherwise required under this Section.

5 (c) Payment of the required State contributions and of all  
6 pensions, retirement annuities, death benefits, refunds, and  
7 other benefits granted under or assumed by this System, and all  
8 expenses in connection with the administration and operation  
9 thereof, are obligations of the State.

10 If members are paid from special trust or federal funds  
11 which are administered by the employing unit, whether school  
12 district or other unit, the employing unit shall pay to the  
13 System from such funds the full accruing retirement costs based  
14 upon that service, which, beginning July 1, 2014, shall be at a  
15 rate, expressed as a percentage of salary, equal to the total  
16 minimum contribution to the System to be made by the State for  
17 that fiscal year, including both normal cost and unfunded  
18 liability components, expressed as a percentage of payroll, as  
19 determined by the System under subsection (b-3) of this  
20 Section. Employer contributions, based on salary paid to  
21 members from federal funds, may be forwarded by the  
22 distributing agency of the State of Illinois to the System  
23 prior to allocation, in an amount determined in accordance with  
24 guidelines established by such agency and the System. Any  
25 contribution for fiscal year 2015 collected as a result of the  
26 change made by this amendatory Act of the 98th General Assembly

1 shall be considered a State contribution under subsection (b-3)  
2 of this Section.

3 (d) Effective July 1, 1986, any employer of a teacher as  
4 defined in paragraph (8) of Section 16-106 shall pay the  
5 employer's normal cost of benefits based upon the teacher's  
6 service, in addition to employee contributions, as determined  
7 by the System. Such employer contributions shall be forwarded  
8 monthly in accordance with guidelines established by the  
9 System.

10 However, with respect to benefits granted under Section  
11 16-133.4 or 16-133.5 to a teacher as defined in paragraph (8)  
12 of Section 16-106, the employer's contribution shall be 12%  
13 (rather than 20%) of the member's highest annual salary rate  
14 for each year of creditable service granted, and the employer  
15 shall also pay the required employee contribution on behalf of  
16 the teacher. For the purposes of Sections 16-133.4 and  
17 16-133.5, a teacher as defined in paragraph (8) of Section  
18 16-106 who is serving in that capacity while on leave of  
19 absence from another employer under this Article shall not be  
20 considered an employee of the employer from which the teacher  
21 is on leave.

22 (e) Beginning July 1, 1998, every employer of a teacher  
23 shall pay to the System an employer contribution computed as  
24 follows:

25 (1) Beginning July 1, 1998 through June 30, 1999, the  
26 employer contribution shall be equal to 0.3% of each

1 teacher's salary.

2 (2) Beginning July 1, 1999 and thereafter, the employer  
3 contribution shall be equal to 0.58% of each teacher's  
4 salary.

5 The school district or other employing unit may pay these  
6 employer contributions out of any source of funding available  
7 for that purpose and shall forward the contributions to the  
8 System on the schedule established for the payment of member  
9 contributions.

10 These employer contributions are intended to offset a  
11 portion of the cost to the System of the increases in  
12 retirement benefits resulting from this amendatory Act of 1998.

13 Each employer of teachers is entitled to a credit against  
14 the contributions required under this subsection (e) with  
15 respect to salaries paid to teachers for the period January 1,  
16 2002 through June 30, 2003, equal to the amount paid by that  
17 employer under subsection (a-5) of Section 6.6 of the State  
18 Employees Group Insurance Act of 1971 with respect to salaries  
19 paid to teachers for that period.

20 The additional 1% employee contribution required under  
21 Section 16-152 by this amendatory Act of 1998 is the  
22 responsibility of the teacher and not the teacher's employer,  
23 unless the employer agrees, through collective bargaining or  
24 otherwise, to make the contribution on behalf of the teacher.

25 If an employer is required by a contract in effect on May  
26 1, 1998 between the employer and an employee organization to

1 pay, on behalf of all its full-time employees covered by this  
2 Article, all mandatory employee contributions required under  
3 this Article, then the employer shall be excused from paying  
4 the employer contribution required under this subsection (e)  
5 for the balance of the term of that contract. The employer and  
6 the employee organization shall jointly certify to the System  
7 the existence of the contractual requirement, in such form as  
8 the System may prescribe. This exclusion shall cease upon the  
9 termination, extension, or renewal of the contract at any time  
10 after May 1, 1998.

11 (f) If the amount of a teacher's salary for any school year  
12 used to determine final average salary exceeds the member's  
13 annual full-time salary rate with the same employer for the  
14 previous school year by more than 6%, the teacher's employer  
15 shall pay to the System, in addition to all other payments  
16 required under this Section and in accordance with guidelines  
17 established by the System, the present value of the increase in  
18 benefits resulting from the portion of the increase in salary  
19 that is in excess of 6%. This present value shall be computed  
20 by the System on the basis of the actuarial assumptions and  
21 tables used in the most recent actuarial valuation of the  
22 System that is available at the time of the computation. If a  
23 teacher's salary for the 2005-2006 school year is used to  
24 determine final average salary under this subsection (f), then  
25 the changes made to this subsection (f) by Public Act 94-1057  
26 shall apply in calculating whether the increase in his or her

1 salary is in excess of 6%. For the purposes of this Section,  
2 change in employment under Section 10-21.12 of the School Code  
3 on or after June 1, 2005 shall constitute a change in employer.  
4 The System may require the employer to provide any pertinent  
5 information or documentation. The changes made to this  
6 subsection (f) by this amendatory Act of the 94th General  
7 Assembly apply without regard to whether the teacher was in  
8 service on or after its effective date.

9 Whenever it determines that a payment is or may be required  
10 under this subsection, the System shall calculate the amount of  
11 the payment and bill the employer for that amount. The bill  
12 shall specify the calculations used to determine the amount  
13 due. If the employer disputes the amount of the bill, it may,  
14 within 30 days after receipt of the bill, apply to the System  
15 in writing for a recalculation. The application must specify in  
16 detail the grounds of the dispute and, if the employer asserts  
17 that the calculation is subject to subsection (g) or (h) of  
18 this Section, must include an affidavit setting forth and  
19 attesting to all facts within the employer's knowledge that are  
20 pertinent to the applicability of that subsection. Upon  
21 receiving a timely application for recalculation, the System  
22 shall review the application and, if appropriate, recalculate  
23 the amount due.

24 The employer contributions required under this subsection  
25 (f) may be paid in the form of a lump sum within 90 days after  
26 receipt of the bill. If the employer contributions are not paid

1 within 90 days after receipt of the bill, then interest will be  
2 charged at a rate equal to the System's annual actuarially  
3 assumed rate of return on investment compounded annually from  
4 the 91st day after receipt of the bill. Payments must be  
5 concluded within 3 years after the employer's receipt of the  
6 bill.

7 (g) This subsection (g) applies only to payments made or  
8 salary increases given on or after June 1, 2005 but before July  
9 1, 2011. The changes made by Public Act 94-1057 shall not  
10 require the System to refund any payments received before July  
11 31, 2006 (the effective date of Public Act 94-1057).

12 When assessing payment for any amount due under subsection  
13 (f), the System shall exclude salary increases paid to teachers  
14 under contracts or collective bargaining agreements entered  
15 into, amended, or renewed before June 1, 2005.

16 When assessing payment for any amount due under subsection  
17 (f), the System shall exclude salary increases paid to a  
18 teacher at a time when the teacher is 10 or more years from  
19 retirement eligibility under Section 16-132 or 16-133.2.

20 When assessing payment for any amount due under subsection  
21 (f), the System shall exclude salary increases resulting from  
22 overload work, including summer school, when the school  
23 district has certified to the System, and the System has  
24 approved the certification, that (i) the overload work is for  
25 the sole purpose of classroom instruction in excess of the  
26 standard number of classes for a full-time teacher in a school



1 district during a school year and (ii) the salary increases are  
2 equal to or less than the rate of pay for classroom instruction  
3 computed on the teacher's current salary and work schedule.

4 When assessing payment for any amount due under subsection  
5 (f), the System shall exclude a salary increase resulting from  
6 a promotion (i) for which the employee is required to hold a  
7 certificate or supervisory endorsement issued by the State  
8 Teacher Certification Board that is a different certification  
9 or supervisory endorsement than is required for the teacher's  
10 previous position and (ii) to a position that has existed and  
11 been filled by a member for no less than one complete academic  
12 year and the salary increase from the promotion is an increase  
13 that results in an amount no greater than the lesser of the  
14 average salary paid for other similar positions in the district  
15 requiring the same certification or the amount stipulated in  
16 the collective bargaining agreement for a similar position  
17 requiring the same certification.

18 When assessing payment for any amount due under subsection  
19 (f), the System shall exclude any payment to the teacher from  
20 the State of Illinois or the State Board of Education over  
21 which the employer does not have discretion, notwithstanding  
22 that the payment is included in the computation of final  
23 average salary.

24 (h) When assessing payment for any amount due under  
25 subsection (f), the System shall exclude any salary increase  
26 described in subsection (g) of this Section given on or after

1 July 1, 2011 but before July 1, 2014 under a contract or  
2 collective bargaining agreement entered into, amended, or  
3 renewed on or after June 1, 2005 but before July 1, 2011.  
4 Notwithstanding any other provision of this Section, any  
5 payments made or salary increases given after June 30, 2014  
6 shall be used in assessing payment for any amount due under  
7 subsection (f) of this Section.

8 (i) The System shall prepare a report and file copies of  
9 the report with the Governor and the General Assembly by  
10 January 1, 2007 that contains all of the following information:

11 (1) The number of recalculations required by the  
12 changes made to this Section by Public Act 94-1057 for each  
13 employer.

14 (2) The dollar amount by which each employer's  
15 contribution to the System was changed due to  
16 recalculations required by Public Act 94-1057.

17 (3) The total amount the System received from each  
18 employer as a result of the changes made to this Section by  
19 Public Act 94-4.

20 (4) The increase in the required State contribution  
21 resulting from the changes made to this Section by Public  
22 Act 94-1057.

23 (j) For purposes of determining the required State  
24 contribution to the System, the value of the System's assets  
25 shall be equal to the actuarial value of the System's assets,  
26 which shall be calculated as follows:

1           As of June 30, 2008, the actuarial value of the System's  
2 assets shall be equal to the market value of the assets as of  
3 that date. In determining the actuarial value of the System's  
4 assets for fiscal years after June 30, 2008, any actuarial  
5 gains or losses from investment return incurred in a fiscal  
6 year shall be recognized in equal annual amounts over the  
7 5-year period following that fiscal year.

8           (k) For purposes of determining the required State  
9 contribution to the system for a particular year, the actuarial  
10 value of assets shall be assumed to earn a rate of return equal  
11 to the system's actuarially assumed rate of return.

12           (Source: P.A. 97-694, eff. 6-18-12; 97-813, eff. 7-13-12;  
13 98-599, eff. 6-1-14; 98-674, eff. 6-30-14.)

14           (40 ILCS 5/18-131) (from Ch. 108 1/2, par. 18-131)

15           Sec. 18-131. Financing; employer contributions.

16           (a) The State of Illinois shall make contributions to this  
17 System by appropriations of the amounts which, together with  
18 the contributions of participants, net earnings on  
19 investments, and other income, will meet the costs of  
20 maintaining and administering this System on a 100% ~~90%~~ funded  
21 basis in accordance with actuarial recommendations.

22           (b) The Board shall determine the amount of State  
23 contributions required for each fiscal year on the basis of the  
24 actuarial tables and other assumptions adopted by the Board and  
25 the prescribed rate of interest, using the formula in

1 subsection (c).

2 (c) For State fiscal years 2016 through 2045, the minimum  
3 contribution to the System to be made by the State for each  
4 fiscal year shall be an amount determined by the System to be  
5 sufficient to bring the total assets of the System up to 100%  
6 of the total actuarial liabilities of the System by the end of  
7 State fiscal year 2045. In making these determinations, the  
8 required State contribution shall be calculated each year as a  
9 level percentage of payroll over the years remaining to and  
10 including fiscal year 2045 and shall be determined under the  
11 projected unit credit actuarial cost method.

12 For State fiscal years 2012 through ~~2015~~ 2045, the minimum  
13 contribution to the System to be made by the State for each  
14 fiscal year shall be an amount determined by the System to be  
15 sufficient to bring the total assets of the System up to 90% of  
16 the total actuarial liabilities of the System by the end of  
17 State fiscal year 2045. In making these determinations, the  
18 required State contribution shall be calculated each year as a  
19 level percentage of payroll over the years remaining to and  
20 including fiscal year 2045 and shall be determined under the  
21 projected unit credit actuarial cost method.

22 For State fiscal years 1996 through 2005, the State  
23 contribution to the System, as a percentage of the applicable  
24 employee payroll, shall be increased in equal annual increments  
25 so that by State fiscal year 2011, the State is contributing at  
26 the rate required under this Section.

1           Notwithstanding any other provision of this Article, the  
2 total required State contribution for State fiscal year 2006 is  
3 \$29,189,400.

4           Notwithstanding any other provision of this Article, the  
5 total required State contribution for State fiscal year 2007 is  
6 \$35,236,800.

7           For each of State fiscal years 2008 through 2009, the State  
8 contribution to the System, as a percentage of the applicable  
9 employee payroll, shall be increased in equal annual increments  
10 from the required State contribution for State fiscal year  
11 2007, so that by State fiscal year 2011, the State is  
12 contributing at the rate otherwise required under this Section.

13           Notwithstanding any other provision of this Article, the  
14 total required State contribution for State fiscal year 2010 is  
15 \$78,832,000 and shall be made from the proceeds of bonds sold  
16 in fiscal year 2010 pursuant to Section 7.2 of the General  
17 Obligation Bond Act, less (i) the pro rata share of bond sale  
18 expenses determined by the System's share of total bond  
19 proceeds, (ii) any amounts received from the General Revenue  
20 Fund in fiscal year 2010, and (iii) any reduction in bond  
21 proceeds due to the issuance of discounted bonds, if  
22 applicable.

23           Notwithstanding any other provision of this Article, the  
24 total required State contribution for State fiscal year 2011 is  
25 the amount recertified by the System on or before April 1, 2011  
26 pursuant to Section 18-140 and shall be made from the proceeds

1 of bonds sold in fiscal year 2011 pursuant to Section 7.2 of  
2 the General Obligation Bond Act, less (i) the pro rata share of  
3 bond sale expenses determined by the System's share of total  
4 bond proceeds, (ii) any amounts received from the General  
5 Revenue Fund in fiscal year 2011, and (iii) any reduction in  
6 bond proceeds due to the issuance of discounted bonds, if  
7 applicable.

8 Beginning in State fiscal year 2046, the minimum State  
9 contribution for each fiscal year shall be the amount needed to  
10 maintain the total assets of the System at 100% ~~90%~~ of the  
11 total actuarial liabilities of the System.

12 Amounts received by the System pursuant to Section 25 of  
13 the Budget Stabilization Act or Section 8.12 of the State  
14 Finance Act in any fiscal year do not reduce and do not  
15 constitute payment of any portion of the minimum State  
16 contribution required under this Article in that fiscal year.  
17 Such amounts shall not reduce, and shall not be included in the  
18 calculation of, the required State contributions under this  
19 Article in any future year until the System has reached a  
20 funding ratio of at least 100% ~~90%~~. A reference in this Article  
21 to the "required State contribution" or any substantially  
22 similar term does not include or apply to any amounts payable  
23 to the System under Section 25 of the Budget Stabilization Act.

24 Notwithstanding any other provision of this Section, the  
25 required State contribution for State fiscal year 2005 and for  
26 fiscal year 2008 and each fiscal year thereafter, as calculated

1 under this Section and certified under Section 18-140, shall  
2 not exceed an amount equal to (i) the amount of the required  
3 State contribution that would have been calculated under this  
4 Section for that fiscal year if the System had not received any  
5 payments under subsection (d) of Section 7.2 of the General  
6 Obligation Bond Act, minus (ii) the portion of the State's  
7 total debt service payments for that fiscal year on the bonds  
8 issued in fiscal year 2003 for the purposes of that Section  
9 7.2, as determined and certified by the Comptroller, that is  
10 the same as the System's portion of the total moneys  
11 distributed under subsection (d) of Section 7.2 of the General  
12 Obligation Bond Act. In determining this maximum for State  
13 fiscal years 2008 through 2010, however, the amount referred to  
14 in item (i) shall be increased, as a percentage of the  
15 applicable employee payroll, in equal increments calculated  
16 from the sum of the required State contribution for State  
17 fiscal year 2007 plus the applicable portion of the State's  
18 total debt service payments for fiscal year 2007 on the bonds  
19 issued in fiscal year 2003 for the purposes of Section 7.2 of  
20 the General Obligation Bond Act, so that, by State fiscal year  
21 2011, the State is contributing at the rate otherwise required  
22 under this Section.

23 (d) For purposes of determining the required State  
24 contribution to the System, the value of the System's assets  
25 shall be equal to the actuarial value of the System's assets,  
26 which shall be calculated as follows:

1           As of June 30, 2008, the actuarial value of the System's  
2 assets shall be equal to the market value of the assets as of  
3 that date. In determining the actuarial value of the System's  
4 assets for fiscal years after June 30, 2008, any actuarial  
5 gains or losses from investment return incurred in a fiscal  
6 year shall be recognized in equal annual amounts over the  
7 5-year period following that fiscal year.

8           (e) For purposes of determining the required State  
9 contribution to the system for a particular year, the actuarial  
10 value of assets shall be assumed to earn a rate of return equal  
11 to the system's actuarially assumed rate of return.

12           (Source: P.A. 96-43, eff. 7-15-09; 96-1497, eff. 1-14-11;  
13 96-1511, eff. 1-27-11; 96-1554, eff. 3-18-11; 97-813, eff.  
14 7-13-12.)

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