



Rep. Elaine Nekritz

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LRB099 17069 RPS 45888 a

1 AMENDMENT TO HOUSE BILL 4532

2 AMENDMENT NO. \_\_\_\_\_. Amend House Bill 4532 by replacing  
3 everything after the enacting clause with the following:

4 "Section 5. The Illinois Pension Code is amended by  
5 changing Sections 7-139, 7-139.2, 7-142.1, 7-145.1, 7-169,  
6 14-123, 14-123.1, 14-124, 14-125, 14-127, 15-158.2, 18-125,  
7 18-126.1, 18-128.01, and 18-133 as follows:

8 (40 ILCS 5/7-139) (from Ch. 108 1/2, par. 7-139)

9 (Text of Section WITHOUT the changes made by P.A. 98-599,  
10 which has been held unconstitutional)

11 Sec. 7-139. Credits and creditable service to employees.

12 (a) Each participating employee shall be granted credits  
13 and creditable service, for purposes of determining the amount  
14 of any annuity or benefit to which he or a beneficiary is  
15 entitled, as follows:

16 1. For prior service: Each participating employee who

1 is an employee of a participating municipality or  
2 participating instrumentality on the effective date shall  
3 be granted creditable service, but no credits under  
4 paragraph 2 of this subsection (a), for periods of prior  
5 service for which credit has not been received under any  
6 other pension fund or retirement system established under  
7 this Code, as follows:

8 If the effective date of participation for the  
9 participating municipality or participating  
10 instrumentality is on or before January 1, 1998, creditable  
11 service shall be granted for the entire period of prior  
12 service with that employer without any employee  
13 contribution.

14 If the effective date of participation for the  
15 participating municipality or participating  
16 instrumentality is after January 1, 1998, creditable  
17 service shall be granted for the last 20% of the period of  
18 prior service with that employer, but no more than 5 years,  
19 without any employee contribution. A participating  
20 employee may establish creditable service for the  
21 remainder of the period of prior service with that employer  
22 by making an application in writing, accompanied by payment  
23 of an employee contribution in an amount determined by the  
24 Fund, based on the employee contribution rates in effect at  
25 the time of application for the creditable service and the  
26 employee's salary rate on the effective date of

1 participation for that employer, plus interest at the  
2 effective rate from the date of the prior service to the  
3 date of payment. Application for this creditable service  
4 may be made at any time while the employee is still in  
5 service.

6 A municipality that (i) has at least 35 employees; (ii)  
7 is located in a county with at least 2,000,000 inhabitants;  
8 and (iii) maintains an independent defined benefit pension  
9 plan for the benefit of its eligible employees may restrict  
10 creditable service in whole or in part for periods of prior  
11 service with the employer if the governing body of the  
12 municipality adopts an irrevocable resolution to restrict  
13 that creditable service and files the resolution with the  
14 board before the municipality's effective date of  
15 participation.

16 Any person who has withdrawn from the service of a  
17 participating municipality or participating  
18 instrumentality prior to the effective date, who reenters  
19 the service of the same municipality or participating  
20 instrumentality after the effective date and becomes a  
21 participating employee is entitled to creditable service  
22 for prior service as otherwise provided in this subdivision  
23 (a)(1) only if he or she renders 2 years of service as a  
24 participating employee after the effective date.  
25 Application for such service must be made while in a  
26 participating status. The salary rate to be used in the

1 calculation of the required employee contribution, if any,  
2 shall be the employee's salary rate at the time of first  
3 reentering service with the employer after the employer's  
4 effective date of participation.

5 2. For current service, each participating employee  
6 shall be credited with:

7 a. Additional credits of amounts equal to each  
8 payment of additional contributions received from him  
9 under Section 7-173, as of the date the corresponding  
10 payment of earnings is payable to him.

11 b. Normal credits of amounts equal to each payment  
12 of normal contributions received from him, as of the  
13 date the corresponding payment of earnings is payable  
14 to him, and normal contributions made for the purpose  
15 of establishing out-of-state service credits as  
16 permitted under the conditions set forth in paragraph 6  
17 of this subsection (a).

18 c. Municipality credits in an amount equal to 1.4  
19 times the normal credits, except those established by  
20 out-of-state service credits, as of the date of  
21 computation of any benefit if these credits would  
22 increase the benefit.

23 d. Survivor credits equal to each payment of  
24 survivor contributions received from the participating  
25 employee as of the date the corresponding payment of  
26 earnings is payable, and survivor contributions made

1           for the purpose of establishing out-of-state service  
2           credits.

3           3. For periods of temporary and total and permanent  
4           disability benefits, each employee receiving disability  
5           benefits shall be granted creditable service for the period  
6           during which disability benefits are payable. Normal and  
7           survivor credits, based upon the rate of earnings applied  
8           for disability benefits, shall also be granted if such  
9           credits would result in a higher benefit to any such  
10          employee or his beneficiary.

11          4. For authorized leave of absence without pay: A  
12          participating employee shall be granted credits and  
13          creditable service for periods of authorized leave of  
14          absence without pay under the following conditions:

15           a. An application for credits and creditable  
16           service is submitted to the board while the employee is  
17           in a status of active employment.

18           b. Not more than 12 complete months of creditable  
19           service for authorized leave of absence without pay  
20           shall be counted for purposes of determining any  
21           benefits payable under this Article.

22           c. Credits and creditable service shall be granted  
23           for leave of absence only if such leave is approved by  
24           the governing body of the municipality, including  
25           approval of the estimated cost thereof to the  
26           municipality as determined by the fund, and employee

1 contributions, plus interest at the effective rate  
2 applicable for each year from the end of the period of  
3 leave to date of payment, have been paid to the fund in  
4 accordance with Section 7-173. The contributions shall  
5 be computed upon the assumption earnings continued  
6 during the period of leave at the rate in effect when  
7 the leave began.

8 d. Benefits under the provisions of Sections  
9 7-141, 7-146, 7-150 and 7-163 shall become payable to  
10 employees on authorized leave of absence, or their  
11 designated beneficiary, only if such leave of absence  
12 is creditable hereunder, and if the employee has at  
13 least one year of creditable service other than the  
14 service granted for leave of absence. Any employee  
15 contributions due may be deducted from any benefits  
16 payable.

17 e. No credits or creditable service shall be  
18 allowed for leave of absence without pay during any  
19 period of prior service.

20 5. For military service: The governing body of a  
21 municipality or participating instrumentality may elect to  
22 allow creditable service to participating employees who  
23 leave their employment to serve in the armed forces of the  
24 United States for all periods of such service, provided  
25 that the person returns to active employment within 90 days  
26 after completion of full time active duty, but no

1       creditable service shall be allowed such person for any  
2       period that can be used in the computation of a pension or  
3       any other pay or benefit, other than pay for active duty,  
4       for service in any branch of the armed forces of the United  
5       States. If necessary to the computation of any benefit, the  
6       board shall establish municipality credits for  
7       participating employees under this paragraph on the  
8       assumption that the employee received earnings at the rate  
9       received at the time he left the employment to enter the  
10      armed forces. A participating employee in the armed forces  
11      shall not be considered an employee during such period of  
12      service and no additional death and no disability benefits  
13      are payable for death or disability during such period.

14       Any participating employee who left his employment  
15      with a municipality or participating instrumentality to  
16      serve in the armed forces of the United States and who  
17      again became a participating employee within 90 days after  
18      completion of full time active duty by entering the service  
19      of a different municipality or participating  
20      instrumentality, which has elected to allow creditable  
21      service for periods of military service under the preceding  
22      paragraph, shall also be allowed creditable service for his  
23      period of military service on the same terms that would  
24      apply if he had been employed, before entering military  
25      service, by the municipality or instrumentality which  
26      employed him after he left the military service and the

1 employer costs arising in relation to such grant of  
2 creditable service shall be charged to and paid by that  
3 municipality or instrumentality.

4 Notwithstanding the foregoing, any participating  
5 employee shall be entitled to creditable service as  
6 required by any federal law relating to re-employment  
7 rights of persons who served in the United States Armed  
8 Services. Such creditable service shall be granted upon  
9 payment by the member of an amount equal to the employee  
10 contributions which would have been required had the  
11 employee continued in service at the same rate of earnings  
12 during the military leave period, plus interest at the  
13 effective rate.

14 5.1. In addition to any creditable service established  
15 under paragraph 5 of this subsection (a), creditable  
16 service may be granted for up to 48 months of service in  
17 the armed forces of the United States.

18 In order to receive creditable service for military  
19 service under this paragraph 5.1, a participating employee  
20 must (1) apply to the Fund in writing and provide evidence  
21 of the military service that is satisfactory to the Board;  
22 (2) obtain the written approval of the current employer;  
23 and (3) make contributions to the Fund equal to (i) the  
24 employee contributions that would have been required had  
25 the service been rendered as a member, plus (ii) an amount  
26 determined by the board to be equal to the employer's



1 normal cost of the benefits accrued for that military  
2 service, plus (iii) interest on items (i) and (ii) from the  
3 date of first membership in the Fund to the date of  
4 payment. The required interest shall be calculated at the  
5 regular interest rate.

6 The changes made to this paragraph 5.1 by Public Acts  
7 95-483 and 95-486 apply only to participating employees in  
8 service on or after August 28, 2007 (the effective date of  
9 those Public Acts).

10 6. For out-of-state service: Creditable service shall  
11 be granted for service rendered to an out-of-state local  
12 governmental body under the following conditions: The  
13 employee had participated and has irrevocably forfeited  
14 all rights to benefits in the out-of-state public employees  
15 pension system; the governing body of his participating  
16 municipality or instrumentality authorizes the employee to  
17 establish such service; the employee has 2 years current  
18 service with this municipality or participating  
19 instrumentality; the employee makes a payment of  
20 contributions, which shall be computed at 8% (normal) plus  
21 2% (survivor) times length of service purchased times the  
22 average rate of earnings for the first 2 years of service  
23 with the municipality or participating instrumentality  
24 whose governing body authorizes the service established  
25 plus interest at the effective rate on the date such  
26 credits are established, payable from the date the employee

1 completes the required 2 years of current service to date  
2 of payment. In no case shall more than 120 months of  
3 creditable service be granted under this provision.

4 7. For retroactive service: Any employee who could have  
5 but did not elect to become a participating employee, or  
6 who should have been a participant in the Municipal Public  
7 Utilities Annuity and Benefit Fund before that fund was  
8 superseded, may receive creditable service for the period  
9 of service not to exceed 50 months; however, a current or  
10 former elected or appointed official of a participating  
11 municipality may establish credit under this paragraph 7  
12 for more than 50 months of service as an official of that  
13 municipality, if the excess over 50 months is approved by  
14 resolution of the governing body of the affected  
15 municipality filed with the Fund before January 1, 2002.

16 Any employee who is a participating employee on or  
17 after September 24, 1981 and who was excluded from  
18 participation by the age restrictions removed by Public Act  
19 82-596 may receive creditable service for the period, on or  
20 after January 1, 1979, excluded by the age restriction and,  
21 in addition, if the governing body of the participating  
22 municipality or participating instrumentality elects to  
23 allow creditable service for all employees excluded by the  
24 age restriction prior to January 1, 1979, for service  
25 during the period prior to that date excluded by the age  
26 restriction. Any employee who was excluded from

1 participation by the age restriction removed by Public Act  
2 82-596 and who is not a participating employee on or after  
3 September 24, 1981 may receive creditable service for  
4 service after January 1, 1979. Creditable service under  
5 this paragraph shall be granted upon payment of the  
6 employee contributions which would have been required had  
7 he participated, with interest at the effective rate for  
8 each year from the end of the period of service established  
9 to date of payment.

10 8. For accumulated unused sick leave: A participating  
11 employee who is applying for a retirement annuity shall be  
12 entitled to creditable service for that portion of the  
13 employee's accumulated unused sick leave for which payment  
14 is not received, as follows:

15 a. Sick leave days shall be limited to those  
16 accumulated under a sick leave plan established by a  
17 participating municipality or participating  
18 instrumentality which is available to all employees or  
19 a class of employees.

20 b. Except as provided in item b-1, only sick leave  
21 days accumulated with a participating municipality or  
22 participating instrumentality with which the employee  
23 was in service within 60 days of the effective date of  
24 his retirement annuity shall be credited; If the  
25 employee was in service with more than one employer  
26 during this period only the sick leave days with the

1 employer with which the employee has the greatest  
2 number of unpaid sick leave days shall be considered.

3 b-1. If the employee was in the service of more  
4 than one employer as defined in item (2) of paragraph  
5 (a) of subsection (A) of Section 7-132, then the sick  
6 leave days from all such employers shall be credited,  
7 as long as the creditable service attributed to those  
8 sick leave days does not exceed the limitation in item  
9 f of this paragraph 8. In calculating the creditable  
10 service under this item b-1, the sick leave days from  
11 the last employer shall be considered first, then the  
12 remaining sick leave days shall be considered until  
13 there are no more days or the maximum creditable sick  
14 leave threshold under item f of this paragraph 8 has  
15 been reached.

16 c. The creditable service granted shall be  
17 considered solely for the purpose of computing the  
18 amount of the retirement annuity and shall not be used  
19 to establish any minimum service period required by any  
20 provision of the Illinois Pension Code, the effective  
21 date of the retirement annuity, or the final rate of  
22 earnings.

23 d. The creditable service shall be at the rate of  
24 1/20 of a month for each full sick day, provided that  
25 no more than 12 months may be credited under this  
26 subdivision 8.

1 e. Employee contributions shall not be required  
2 for creditable service under this subdivision 8.

3 f. Each participating municipality and  
4 participating instrumentality with which an employee  
5 has service within 60 days of the effective date of his  
6 retirement annuity shall certify to the board the  
7 number of accumulated unpaid sick leave days credited  
8 to the employee at the time of termination of service.

9 9. For service transferred from another system:  
10 Credits and creditable service shall be granted for service  
11 under Article 4, 5, 8, 14, or 16 of this Act, to any active  
12 member of this Fund, and to any inactive member who has  
13 been a county sheriff, upon transfer of such credits  
14 pursuant to Section 4-108.3, 5-235, 8-226.7, 14-105.6, or  
15 16-131.4, and payment by the member of the amount by which  
16 (1) the employer and employee contributions that would have  
17 been required if he had participated in this Fund as a  
18 sheriff's law enforcement employee during the period for  
19 which credit is being transferred, plus interest thereon at  
20 the effective rate for each year, compounded annually, from  
21 the date of termination of the service for which credit is  
22 being transferred to the date of payment, exceeds (2) the  
23 amount actually transferred to the Fund. Such transferred  
24 service shall be deemed to be service as a sheriff's law  
25 enforcement employee for the purposes of Section 7-142.1.

26 10. (Blank).

1           11. For service transferred from an Article 3 system  
2 under Section 3-110.3: Credits and creditable service  
3 shall be granted for service under Article 3 of this Act as  
4 provided in Section 3-110.3, to any active member of this  
5 Fund, upon transfer of such credits pursuant to Section  
6 3-110.3. If the board determines that the amount  
7 transferred is less than the true cost to the Fund of  
8 allowing that creditable service to be established, then in  
9 order to establish that creditable service, the member must  
10 pay to the Fund an additional contribution equal to the  
11 difference, as determined by the board in accordance with  
12 the rules and procedures adopted under this paragraph. If  
13 the member does not make the full additional payment as  
14 required by this paragraph prior to termination of his  
15 participation with that employer, then his or her  
16 creditable service shall be reduced by an amount equal to  
17 the difference between the amount transferred under  
18 Section 3-110.3, including any payments made by the member  
19 under this paragraph prior to termination, and the true  
20 cost to the Fund of allowing that creditable service to be  
21 established, as determined by the board in accordance with  
22 the rules and procedures adopted under this paragraph.

23           The board shall establish by rule the manner of making  
24 the calculation required under this paragraph 11, taking  
25 into account the appropriate actuarial assumptions; the  
26 member's service, age, and salary history, and any other

1 factors that the board determines to be relevant.

2 12. For omitted service: Any employee who was employed  
3 by a participating employer in a position that required  
4 participation, but who was not enrolled in the Fund, may  
5 establish such credits under the following conditions:

6 a. Application for such credits is received by the  
7 Board while the employee is an active participant of  
8 the Fund or a reciprocal retirement system.

9 b. Eligibility for participation and earnings are  
10 verified by the Authorized Agent of the participating  
11 employer for which the service was rendered.

12 Creditable service under this paragraph shall be  
13 granted upon payment of the employee contributions that  
14 would have been required had he participated, which shall  
15 be calculated by the Fund using the member contribution  
16 rate in effect during the period that the service was  
17 rendered.

18 (b) Creditable service - amount:

19 1. One month of creditable service shall be allowed for  
20 each month for which a participating employee made  
21 contributions as required under Section 7-173, or for which  
22 creditable service is otherwise granted hereunder. Not  
23 more than 1 month of service shall be credited and counted  
24 for 1 calendar month, and not more than 1 year of service  
25 shall be credited and counted for any calendar year. A  
26 calendar month means a nominal month beginning on the first

1 day thereof, and a calendar year means a year beginning  
2 January 1 and ending December 31.

3 2. A seasonal employee shall be given 12 months of  
4 creditable service if he renders the number of months of  
5 service normally required by the position in a 12-month  
6 period and he remains in service for the entire 12-month  
7 period. Otherwise a fractional year of service in the  
8 number of months of service rendered shall be credited.

9 3. An intermittent employee shall be given creditable  
10 service for only those months in which a contribution is  
11 made under Section 7-173.

12 (c) No application for correction of credits or creditable  
13 service shall be considered unless the board receives an  
14 application for correction while (1) the applicant is a  
15 participating employee and in active employment with a  
16 participating municipality or instrumentality, or (2) while  
17 the applicant is actively participating in a pension fund or  
18 retirement system which is a participating system under the  
19 Retirement Systems Reciprocal Act. A participating employee or  
20 other applicant shall not be entitled to credits or creditable  
21 service unless the required employee contributions are made in  
22 a lump sum or in installments made in accordance with board  
23 rule. Payments made to establish service credit under paragraph  
24 1, 4, 5, 5.1, 6, 7, or 12 of subsection (a) of this Section must  
25 be received by the Board while the applicant is an active  
26 participant in the Fund or a reciprocal retirement system,



1 except that an applicant may make one payment after termination  
2 of active participation in the Fund or a reciprocal retirement  
3 system.

4 (d) Upon the granting of a retirement, surviving spouse or  
5 child annuity, a death benefit or a separation benefit, on  
6 account of any employee, all individual accumulated credits  
7 shall thereupon terminate. Upon the withdrawal of additional  
8 contributions, the credits applicable thereto shall thereupon  
9 terminate. Terminated credits shall not be applied to increase  
10 the benefits any remaining employee would otherwise receive  
11 under this Article.

12 (Source: P.A. 97-415, eff. 8-16-11; 98-439, eff. 8-16-13;  
13 98-932, eff. 8-15-14.)

14 (40 ILCS 5/7-139.2) (from Ch. 108 1/2, par. 7-139.2)

15 Sec. 7-139.2. Validation of service credits. An active  
16 member of the General Assembly having no service credits or  
17 creditable service in the Fund, may establish service credit  
18 and creditable service for periods during which he was an  
19 employee of a municipality in an elective office and could have  
20 elected to participate in the Fund but did not so elect.  
21 Service credits and creditable service may be established by  
22 payment to the Fund of an amount equal to the contributions he  
23 would have made if he had elected to participate plus interest  
24 to the date of payment, together with the applicable  
25 municipality credits including interest, but the total period

1 of such creditable service that may be validated shall not  
2 exceed 8 years. Payments made to establish such service credit  
3 must be received by the Board while the member is an active  
4 participant in the General Assembly Retirement System, except  
5 that one payment will be permitted after the member terminates  
6 such service.

7 (Source: P.A. 81-1536.)

8 (40 ILCS 5/7-142.1) (from Ch. 108 1/2, par. 7-142.1)

9 Sec. 7-142.1. Sheriff's law enforcement employees.

10 (a) In lieu of the retirement annuity provided by  
11 subparagraph 1 of paragraph (a) of Section 7-142:

12 Any sheriff's law enforcement employee who has 20 or more  
13 years of service in that capacity and who terminates service  
14 prior to January 1, 1988 shall be entitled at his option to  
15 receive a monthly retirement annuity for his service as a  
16 sheriff's law enforcement employee computed by multiplying 2%  
17 for each year of such service up to 10 years, 2 1/4% for each  
18 year of such service above 10 years and up to 20 years, and 2  
19 1/2% for each year of such service above 20 years, by his  
20 annual final rate of earnings and dividing by 12.

21 Any sheriff's law enforcement employee who has 20 or more  
22 years of service in that capacity and who terminates service on  
23 or after January 1, 1988 and before July 1, 2004 shall be  
24 entitled at his option to receive a monthly retirement annuity  
25 for his service as a sheriff's law enforcement employee

1 computed by multiplying 2.5% for each year of such service up  
2 to 20 years, 2% for each year of such service above 20 years  
3 and up to 30 years, and 1% for each year of such service above  
4 30 years, by his annual final rate of earnings and dividing by  
5 12.

6 Any sheriff's law enforcement employee who has 20 or more  
7 years of service in that capacity and who terminates service on  
8 or after July 1, 2004 shall be entitled at his or her option to  
9 receive a monthly retirement annuity for service as a sheriff's  
10 law enforcement employee computed by multiplying 2.5% for each  
11 year of such service by his annual final rate of earnings and  
12 dividing by 12.

13 If a sheriff's law enforcement employee has service in any  
14 other capacity, his retirement annuity for service as a  
15 sheriff's law enforcement employee may be computed under this  
16 Section and the retirement annuity for his other service under  
17 Section 7-142.

18 In no case shall the total monthly retirement annuity for  
19 persons who retire before July 1, 2004 exceed 75% of the  
20 monthly final rate of earnings. In no case shall the total  
21 monthly retirement annuity for persons who retire on or after  
22 July 1, 2004 exceed 80% of the monthly final rate of earnings.

23 (b) Whenever continued group insurance coverage is elected  
24 in accordance with the provisions of Section 367h of the  
25 Illinois Insurance Code, as now or hereafter amended, the total  
26 monthly premium for such continued group insurance coverage or

1 such portion thereof as is not paid by the municipality shall,  
2 upon request of the person electing such continued group  
3 insurance coverage, be deducted from any monthly pension  
4 benefit otherwise payable to such person pursuant to this  
5 Section, to be remitted by the Fund to the insurance company or  
6 other entity providing the group insurance coverage.

7 (c) A sheriff's law enforcement employee who began service  
8 in that capacity prior to the effective date of this amendatory  
9 Act of the 97th General Assembly and who has service in any  
10 other capacity may convert up to 10 years of that service into  
11 service as a sheriff's law enforcement employee by paying to  
12 the Fund an amount equal to (1) the additional employee  
13 contribution required under Section 7-173.1, plus (2) the  
14 additional employer contribution required under Section 7-172,  
15 plus (3) interest on items (1) and (2) at the prescribed rate  
16 from the date of the service to the date of payment.  
17 Application must be received by the Board while the employee is  
18 an active participant in the Fund. Payment must be received  
19 while the member is an active participant, except that one  
20 payment will be permitted after termination of participation.

21 (d) The changes to subsections (a) and (b) of this Section  
22 made by this amendatory Act of the 94th General Assembly apply  
23 only to persons in service on or after July 1, 2004. In the  
24 case of such a person who begins to receive a retirement  
25 annuity before the effective date of this amendatory Act of the  
26 94th General Assembly, the annuity shall be recalculated

1 prospectively to reflect those changes, with the resulting  
2 increase beginning to accrue on the first annuity payment date  
3 following the effective date of this amendatory Act.

4 (e) Any elected county officer who was entitled to receive  
5 a stipend from the State on or after July 1, 2009 and on or  
6 before June 30, 2010 may establish earnings credit for the  
7 amount of stipend not received, if the elected county official  
8 applies in writing to the fund within 6 months after the  
9 effective date of this amendatory Act of the 96th General  
10 Assembly and pays to the fund an amount equal to (i) employee  
11 contributions on the amount of stipend not received, (ii)  
12 employer contributions determined by the Board equal to the  
13 employer's normal cost of the benefit on the amount of stipend  
14 not received, plus (iii) interest on items (i) and (ii) at the  
15 actuarially assumed rate.

16 (f) Notwithstanding any other provision of this Article,  
17 the provisions of this subsection (f) apply to a person who  
18 first becomes a sheriff's law enforcement employee under this  
19 Article on or after January 1, 2011.

20 A sheriff's law enforcement employee age 55 or more who has  
21 10 or more years of service in that capacity shall be entitled  
22 at his option to receive a monthly retirement annuity for his  
23 or her service as a sheriff's law enforcement employee computed  
24 by multiplying 2.5% for each year of such service by his or her  
25 final rate of earnings.

26 The retirement annuity of a sheriff's law enforcement

1 employee who is retiring after attaining age 50 with 10 or more  
2 years of creditable service shall be reduced by one-half of 1%  
3 for each month that the sheriff's law enforcement employee's  
4 age is under age 55.

5 The maximum retirement annuity under this subsection (f)  
6 shall be 75% of final rate of earnings.

7 For the purposes of this subsection (f), "final rate of  
8 earnings" means the average monthly earnings obtained by  
9 dividing the total salary of the sheriff's law enforcement  
10 employee during the 96 consecutive months of service within the  
11 last 120 months of service in which the total earnings was the  
12 highest by the number of months of service in that period.

13 Notwithstanding any other provision of this Article,  
14 beginning on January 1, 2011, for all purposes under this Code  
15 (including without limitation the calculation of benefits and  
16 employee contributions), the annual earnings of a sheriff's law  
17 enforcement employee to whom this Section applies shall not  
18 include overtime and shall not exceed \$106,800; however, that  
19 amount shall annually thereafter be increased by the lesser of  
20 (i) 3% of that amount, including all previous adjustments, or  
21 (ii) one-half the annual unadjusted percentage increase (but  
22 not less than zero) in the consumer price index-u for the 12  
23 months ending with the September preceding each November 1,  
24 including all previous adjustments.

25 (g) Notwithstanding any other provision of this Article,  
26 the monthly annuity of a person who first becomes a sheriff's

1 law enforcement employee under this Article on or after January  
2 1, 2011 shall be increased on the January 1 occurring either on  
3 or after the attainment of age 60 or the first anniversary of  
4 the annuity start date, whichever is later. Each annual  
5 increase shall be calculated at 3% or one-half the annual  
6 unadjusted percentage increase (but not less than zero) in the  
7 consumer price index-u for the 12 months ending with the  
8 September preceding each November 1, whichever is less, of the  
9 originally granted retirement annuity. If the annual  
10 unadjusted percentage change in the consumer price index-u for  
11 a 12-month period ending in September is zero or, when compared  
12 with the preceding period, decreases, then the annuity shall  
13 not be increased.

14 (h) Notwithstanding any other provision of this Article,  
15 for a person who first becomes a sheriff's law enforcement  
16 employee under this Article on or after January 1, 2011, the  
17 annuity to which the surviving spouse, children, or parents are  
18 entitled under this subsection (h) shall be in the amount of  $66\frac{2}{3}\%$   
19 of the sheriff's law enforcement employee's earned annuity  
20 at the date of death.

21 (i) Notwithstanding any other provision of this Article,  
22 the monthly annuity of a survivor of a person who first becomes  
23 a sheriff's law enforcement employee under this Article on or  
24 after January 1, 2011 shall be increased on the January 1 after  
25 attainment of age 60 by the recipient of the survivor's annuity  
26 and each January 1 thereafter by 3% or one-half the annual

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

8 (j) For the purposes of this Section, "consumer price  
9 index-u" means the index published by the Bureau of Labor  
10 Statistics of the United States Department of Labor that  
11 measures the average change in prices of goods and services  
12 purchased by all urban consumers, United States city average,  
13 all items, 1982-84 = 100. The new amount resulting from each  
14 annual adjustment shall be determined by the Public Pension  
15 Division of the Department of Insurance and made available to  
16 the boards of the pension funds.

17 (Source: P.A. 96-961, eff. 7-2-10; 96-1495, eff. 1-1-11;  
18 97-272, eff. 8-8-11; 97-609, eff. 8-26-11.)

19 (40 ILCS 5/7-145.1)

20 Sec. 7-145.1. Alternative annuity for county officers.

21 (a) The benefits provided in this Section and Section  
22 7-145.2 are available only if, prior to the effective date of  
23 this amendatory Act of the 97th General Assembly, the county  
24 board has filed with the Board of the Fund a resolution or  
25 ordinance expressly consenting to the availability of these



1 benefits for its elected county officers. The county board's  
2 consent is irrevocable with respect to persons participating in  
3 the program, but may be revoked at any time with respect to  
4 persons who have not paid an additional optional contribution  
5 under this Section before the date of revocation.

6 An elected county officer may elect to establish  
7 alternative credits for an alternative annuity by electing in  
8 writing before the effective date of this amendatory Act of the  
9 97th General Assembly to make additional optional  
10 contributions in accordance with this Section and procedures  
11 established by the board. These alternative credits are  
12 available only for periods of service as an elected county  
13 officer. The elected county officer may discontinue making the  
14 additional optional contributions by notifying the Fund in  
15 writing in accordance with this Section and procedures  
16 established by the board.

17 Additional optional contributions for the alternative  
18 annuity shall be as follows:

19 (1) For service as an elected county officer after the  
20 option is elected, an additional contribution of 3% of  
21 salary shall be contributed to the Fund on the same basis  
22 and under the same conditions as contributions required  
23 under Section 7-173.

24 (2) For service as an elected county officer before the  
25 option is elected, an additional contribution of 3% of the  
26 salary for the applicable period of service, plus interest

1 at the effective rate from the date of service to the date  
2 of payment, plus any additional amount required by the  
3 county board under paragraph (3). All payments for past  
4 service must be paid in full before credit is given.  
5 Payment must be received by the Board while the member is  
6 an active participant, except that one payment will be  
7 permitted after termination of participation.

8 (3) With respect to service as an elected county  
9 officer before the option is elected, if payment is made  
10 after the county board has filed with the Board of the Fund  
11 a resolution or ordinance requiring an additional  
12 contribution under this paragraph, then the contribution  
13 required under paragraph (2) shall include an amount to be  
14 determined by the Fund, equal to the actuarial present  
15 value of the additional employer cost that would otherwise  
16 result from the alternative credits being established for  
17 that service. A county board's resolution or ordinance  
18 requiring additional contributions under this paragraph  
19 (3) is irrevocable. Payment must be received by the Board  
20 while the member is an active participant, except that one  
21 payment will be permitted after termination of  
22 participation.

23 No additional optional contributions may be made for any  
24 period of service for which credit has been previously  
25 forfeited by acceptance of a refund, unless the refund is  
26 repaid in full with interest at the effective rate from the

1 date of refund to the date of repayment.

2 (b) In lieu of the retirement annuity otherwise payable  
3 under this Article, an elected county officer who (1) has  
4 elected to participate in the Fund and make additional optional  
5 contributions in accordance with this Section, (2) has held and  
6 made additional optional contributions with respect to the same  
7 elected county office for at least 8 years, and (3) has  
8 attained age 55 with at least 8 years of service credit (or has  
9 attained age 50 with at least 20 years of service as a  
10 sheriff's law enforcement employee) may elect to have his  
11 retirement annuity computed as follows: 3% of the participant's  
12 salary for each of the first 8 years of service credit, plus 4%  
13 of that salary for each of the next 4 years of service credit,  
14 plus 5% of that salary for each year of service credit in  
15 excess of 12 years, subject to a maximum of 80% of that salary.

16 This formula applies only to service in an elected county  
17 office that the officer held for at least 8 years, and only to  
18 service for which additional optional contributions have been  
19 paid under this Section. If an elected county officer qualifies  
20 to have this formula applied to service in more than one  
21 elected county office, the qualifying service shall be  
22 accumulated for purposes of determining the applicable accrual  
23 percentages, but the salary used for each office shall be the  
24 separate salary calculated for that office, as defined in  
25 subsection (g).

26 To the extent that the elected county officer has service

1 credit that does not qualify for this formula, his retirement  
2 annuity will first be determined in accordance with this  
3 formula with respect to the service to which this formula  
4 applies, and then in accordance with the remaining Sections of  
5 this Article with respect to the service to which this formula  
6 does not apply.

7 (c) In lieu of the disability benefits otherwise payable  
8 under this Article, an elected county officer who (1) has  
9 elected to participate in the Fund, and (2) has become  
10 permanently disabled and as a consequence is unable to perform  
11 the duties of his office, and (3) was making optional  
12 contributions in accordance with this Section at the time the  
13 disability was incurred, may elect to receive a disability  
14 annuity calculated in accordance with the formula in subsection  
15 (b). For the purposes of this subsection, an elected county  
16 officer shall be considered permanently disabled only if: (i)  
17 disability occurs while in service as an elected county officer  
18 and is of such a nature as to prevent him from reasonably  
19 performing the duties of his office at the time; and (ii) the  
20 board has received a written certification by at least 2  
21 licensed physicians appointed by it stating that the officer is  
22 disabled and that the disability is likely to be permanent.

23 (d) Refunds of additional optional contributions shall be  
24 made on the same basis and under the same conditions as  
25 provided under Section 7-166, 7-167 and 7-168. Interest shall  
26 be credited at the effective rate on the same basis and under

1 the same conditions as for other contributions.

2 If an elected county officer fails to hold that same  
3 elected county office for at least 8 years, he or she shall be  
4 entitled after leaving office to receive a refund of the  
5 additional optional contributions made with respect to that  
6 office, plus interest at the effective rate.

7 (e) The plan of optional alternative benefits and  
8 contributions shall be available to persons who are elected  
9 county officers and active contributors to the Fund on or after  
10 November 15, 1994 and elected to establish alternative credit  
11 before the effective date of this amendatory Act of the 97th  
12 General Assembly. A person who was an elected county officer  
13 and an active contributor to the Fund on November 15, 1994 but  
14 is no longer an active contributor may apply to make additional  
15 optional contributions under this Section at any time within 90  
16 days after the effective date of this amendatory Act of 1997;  
17 if the person is an annuitant, the resulting increase in  
18 annuity shall begin to accrue on the first day of the month  
19 following the month in which the required payment is received  
20 by the Fund.

21 (f) For the purposes of this Section and Section 7-145.2,  
22 the terms "elected county officer" and "elected county office"  
23 include, but are not limited to: (1) the county clerk,  
24 recorder, treasurer, coroner, assessor (if elected), auditor,  
25 sheriff, and State's Attorney; members of the county board; and  
26 the clerk of the circuit court; and (2) a person who has been

1 appointed to fill a vacancy in an office that is normally  
2 filled by election on a countywide basis, for the duration of  
3 his or her service in that office. The terms "elected county  
4 officer" and "elected county office" do not include any officer  
5 or office of a county that has not consented to the  
6 availability of benefits under this Section and Section  
7 7-145.2.

8 (g) For the purposes of this Section and Section 7-145.2,  
9 the term "salary" means the final rate of earnings for the  
10 elected county office held, calculated in a manner consistent  
11 with Section 7-116, but for that office only. If an elected  
12 county officer qualifies to have the formula in subsection (b)  
13 applied to service in more than one elected county office, a  
14 separate salary shall be calculated and applied with respect to  
15 each such office.

16 (h) The changes to this Section made by this amendatory Act  
17 of the 91st General Assembly apply to persons who first make an  
18 additional optional contribution under this Section on or after  
19 the effective date of this amendatory Act.

20 (i) Any elected county officer who was entitled to receive  
21 a stipend from the State on or after July 1, 2009 and on or  
22 before June 30, 2010 may establish earnings credit for the  
23 amount of stipend not received, if the elected county official  
24 applies in writing to the fund within 6 months after the  
25 effective date of this amendatory Act of the 96th General  
26 Assembly and pays to the fund an amount equal to (i) employee

1 contributions on the amount of stipend not received, (ii)  
2 employer contributions determined by the Board equal to the  
3 employer's normal cost of the benefit on the amount of stipend  
4 not received, plus (iii) interest on items (i) and (ii) at the  
5 actuarially assumed rate.

6 (Source: P.A. 96-961, eff. 7-2-10; 97-272, eff. 8-8-11; 97-609,  
7 eff. 8-26-11.)

8 (40 ILCS 5/7-169) (from Ch. 108 1/2, par. 7-169)

9 Sec. 7-169. Separation benefits; repayments.

10 (a) If an employee who has received a separation benefit  
11 subsequently becomes a participating employee, and renders at  
12 least 2 years of contributing service from the date of such  
13 re-entry, he may pay to the fund the amount of the separation  
14 benefit, plus interest at the effective rate for each year from  
15 the date of payment of the separation benefit to the date of  
16 repayment. Upon payment his creditable service shall be  
17 reinstated and the payment shall be credited to his account as  
18 normal contributions. Application must be received by the Board  
19 while the employee is an active participant in the Fund or a  
20 reciprocal retirement system. Payment must be received while  
21 the member is an active participant, except that one payment  
22 will be permitted after termination of participation in the  
23 Fund or a reciprocal retirement system.

24 (b) Beginning July 1, 2004, the requirement of returning  
25 to service for at least 2 years does not apply to persons who

1 return to service as a sheriff's law enforcement employee. This  
2 subsection applies only to persons in service on or after July  
3 1, 2004. In the case of such a person who begins to receive a  
4 retirement annuity before the effective date of this amendatory  
5 Act of the 94th General Assembly, the annuity shall be  
6 recalculated prospectively to reflect any credits reinstated  
7 as a result of this subsection, with the resulting increase in  
8 annuity beginning to accrue on the first annuity payment date  
9 following the effective date of this amendatory Act, but not  
10 earlier than the date the repayment is received by the Fund.

11 (Source: P.A. 94-712, eff. 6-1-06.)

12 (40 ILCS 5/14-123) (from Ch. 108 1/2, par. 14-123)

13 Sec. 14-123. Occupational disability benefits. A member  
14 who becomes incapacitated to perform the duties of his position  
15 as the proximate result of bodily injuries sustained or a  
16 hazard undergone while in the performance and within the scope  
17 of the member's duties, shall receive an occupational  
18 disability benefit; provided:

19 (a) application is made within 12 months after the date  
20 that such disability results in the loss of pay, or 12  
21 months after the date that the Illinois Workers'  
22 Compensation Commission rules on the application for an  
23 occupational disability, or 12 months after the occurrence  
24 of disablement if an occupational disease; ~~and~~

25 (b) proper proof is received from one or more licensed



1        healthcare practitioners ~~physicians~~ designated by the  
2        Board certifying that the member is mentally or physically  
3        incapacitated; and-

4            (c) the Board may waive the application deadline  
5            requirement as prescribed under item (a) of this Section  
6            and the benefit shall be payable retroactive to the date  
7            that the participant attained the eligibility criteria for  
8            the benefit provided by this Section.

9        The benefit shall be 75% of the member's final average  
10       compensation at date of disability and shall be payable until  
11       the first of the following dates occurs:

12            (1) the date on which disability ceases;

13            (2) the date on which the member engages in gainful  
14       employment;

15            (3) the end of the month in which the member attains  
16       age 65, in the case of benefits commencing prior to  
17       attainment of age 60;

18            (4) the end of the month following the fifth  
19       anniversary of the effective date of the benefit, or of the  
20       temporary disability benefit if one was received, in the  
21       case of benefits commencing on or after attainment of age  
22       60; or

23            (5) the end of the month in which the death of the  
24       member occurs.

25       At the end of the month in which the benefits cease as  
26       prescribed in paragraphs (3) or (4) above, if the member is

1 still disabled, he shall become entitled to a retirement  
2 annuity and the minimum period of service prescribed for the  
3 receipt of such annuity shall be waived.

4 In the event that a temporary disability benefit has been  
5 received, the benefit paid under this Section shall be subject  
6 to adjustment by the Board under Section 14-123.1.

7 The Board shall prescribe rules and regulations governing  
8 the filing of claims for occupational disability benefits, and  
9 the investigation, control and supervision of such claims.

10 (Source: P.A. 93-721, eff. 1-1-05.)

11 (40 ILCS 5/14-123.1) (from Ch. 108 1/2, par. 14-123.1)

12 Sec. 14-123.1. Temporary disability benefit.

13 (a) A member who has at least 18 months of creditable  
14 service and who becomes physically or mentally incapacitated to  
15 perform the duties of his position shall receive a temporary  
16 disability benefit, provided that:

17 (1) the agency responsible for determining the  
18 liability of the State (i) has formally denied all  
19 employer-paid temporary total disability benefits under  
20 the Workers' Compensation Act or the Workers' Occupational  
21 Diseases Act and an appeal of that denial is pending before  
22 the Illinois Workers' Compensation Commission, or (ii) has  
23 granted and then terminated for any reason an employer-paid  
24 temporary total disability benefit and the member has filed  
25 a petition for a ~~emergency~~ hearing under Section 19(b) or

1 Section 19(b-1) of the Workers' Compensation Act or Section  
2 19(b) or Section 19(b-1) of the Workers' Occupational  
3 Diseases Act; ~~and~~

4 (2) application is made not later than (i) 12 months  
5 after the date that the disability results in loss of pay,  
6 (ii) 12 months after the date the agency responsible for  
7 determining the liability of the State under the Workers'  
8 Compensation Act or Workers' Occupational Diseases Act has  
9 formally denied or terminated the employer-paid temporary  
10 total disability benefit, or (iii) in the case of  
11 termination of an employer-paid temporary total disability  
12 benefit, 12 months after the effective date of this  
13 amendatory Act of 1995, whichever occurs last; ~~and~~

14 (3) proper proof is received from one or more licensed  
15 healthcare practitioners ~~physicians~~ designated by the  
16 Board certifying that the member is mentally or physically  
17 incapacitated; ~~and~~

18 (4) the Board may waive the application deadline  
19 requirement as prescribed under item (2) of this subsection  
20 and the benefit shall be payable retroactive to the date  
21 that the participant attained the eligibility criteria for  
22 the benefit provided by this Section.

23 (b) In the case of a denial of benefits, the temporary  
24 disability benefit shall begin to accrue on the 31st day of  
25 absence from work on account of disability, but the benefit  
26 shall not become actually payable to the member until the

1 expiration of 31 days from the day upon which the member last  
2 received or had a right to receive any compensation.

3 In the case of termination of an employer-paid temporary  
4 total disability benefit, the temporary disability benefit  
5 under this Section shall be calculated from the day following  
6 the date of termination of the employer-paid benefit or the  
7 31st day of absence from work on account of disability,  
8 whichever is later, but shall not become payable to the member  
9 until (i) the member's right to an employer-paid temporary  
10 total disability benefit is denied as a result of the ~~emergency~~  
11 hearing held under Section 19(b) or Section 19(b-1) of the  
12 Workers' Compensation Act or Section 19(b) or Section 19(b-1)  
13 of the Workers' Occupational Diseases Act or (ii) the  
14 expiration of 150 days from the date of termination of the  
15 employer-paid benefit, whichever occurs first. If a terminated  
16 employer-paid temporary total disability benefit is resumed or  
17 replaced with another employer-paid disability benefit and the  
18 resumed or replacement benefit is later terminated and the  
19 member again files a petition for a ~~emergency~~  
20 Section 19(b) or Section 19(b-1) of the Workers' Compensation  
21 Act or Section 19(b) or Section 19(b-1) of the Workers'  
22 Occupational Diseases Act, the member may again become eligible  
23 to receive a temporary disability benefit under this Section.  
24 The waiting period before the temporary disability benefit  
25 under this Section becomes payable applies each time that the  
26 benefit is reinstated.

1           The benefit shall continue to accrue until the first of the  
2 following events occurs:

3           (1) the disability ceases;

4           (2) the member engages in gainful employment;

5           (3) the end of the month in which the member attains  
6 age 65, in the case of benefits commencing prior to  
7 attainment of age 60;

8           (4) the end of the month following the fifth  
9 anniversary of the effective date of the benefit in the  
10 case of benefits commencing on or after attainment of age  
11 60;

12           (5) the end of the month in which the death of the  
13 member occurs;

14           (6) the end of the month in which the aggregate period  
15 for which temporary disability payments have been made  
16 becomes equal to 1/2 of the member's total period of  
17 creditable service, not including the time for which he has  
18 received a temporary disability benefit or nonoccupational  
19 disability benefit; for purposes of this item (6) only, in  
20 the case of a member to whom Section 14-108.2a or 14-108.2b  
21 applies and who, at the time disability commences, is  
22 performing services for the Illinois Department of Public  
23 Health or the Department of State Police relating to the  
24 transferred functions referred to in that Section and has  
25 less than 10 years of creditable service under this  
26 Article, the member's "total period of creditable service"

1 shall be augmented by an amount equal to (i) one half of  
2 the member's period of creditable service in the Fund  
3 established under Article 8 (excluding any creditable  
4 service over 20 years), minus (ii) the amount of the  
5 member's creditable service under this Article;

6 (7) a payment is made on the member's claim pursuant to  
7 a determination made by the agency responsible for  
8 determining the liability of the State under the Workers'  
9 Compensation Act or the Workers' Occupational Diseases  
10 Act;

11 (8) a final determination is made on the member's claim  
12 by the Illinois Workers' Compensation Commission.

13 (c) The temporary disability benefit shall be 50% of the  
14 member's final average compensation at the date of disability.

15 If a covered employee is eligible under the Social Security  
16 Act for a disability benefit before attaining the Social  
17 Security full retirement age ~~65~~, or a retirement benefit on or  
18 after attaining the Social Security full retirement age ~~65~~,  
19 then the amount of the member's temporary disability benefit  
20 shall be reduced by the amount of primary benefit the member is  
21 eligible to receive under the Social Security Act, whether or  
22 not such eligibility came about as the result of service as a  
23 covered employee under this Article. The Board may make such  
24 reduction pending a determination of eligibility if it appears  
25 that the employee may be so eligible, and shall make an  
26 appropriate adjustment if necessary after such determination

1 has been made. The amount of temporary disability benefit  
2 payable under this Article shall not be reduced by reason of  
3 any increase in benefits payable under the Social Security Act  
4 which occurs after the reduction required by this paragraph has  
5 been applied. For purposes of this subsection, "Social Security  
6 full retirement age" is the age at which an individual is  
7 eligible to receive full Social Security retirement benefits.

8 (d) The temporary disability benefit provided under this  
9 Section is intended as a temporary payment of occupational or  
10 nonoccupational disability benefit, whichever is appropriate,  
11 in cases in which the occupational or nonoccupational character  
12 of the disability has not been finally determined.

13 When an employer-paid disability benefit is paid or  
14 resumed, the Board shall calculate the benefit that is payable  
15 under Section 14-123 and shall deduct from the benefit payable  
16 under Section 14-123 the amounts already paid under this  
17 Section; those amounts shall then be treated as if they had  
18 been paid under Section 14-123.

19 When a final determination of the character of the  
20 disability has been made by the Illinois Workers' Compensation  
21 Commission, or by settlement between the parties to the  
22 disputed claim, the Board shall calculate the benefit that is  
23 payable under Section 14-123 or 14-124, whichever is  
24 applicable, and shall deduct from such benefit the amounts  
25 already paid under this Section; such amounts shall then be  
26 treated as if they had been paid under such Section 14-123 or

1 14-124.

2 (e) Any excess benefits paid under this Section shall be  
3 subject to recovery by the System from benefits payable under  
4 the Workers' Compensation Act or the Workers' Occupational  
5 Diseases Act or from third parties as provided in Section  
6 14-129, or from any other benefits payable either to the member  
7 or on his behalf under this Article. A member who accepts  
8 benefits under this Section acknowledges and authorizes these  
9 recovery rights of the System.

10 (f) Service credits under the State Universities  
11 Retirement System and the Teachers' Retirement System of the  
12 State of Illinois shall be considered for the purposes of  
13 determining temporary disability benefit eligibility under  
14 this Section, and for determining the total period of time for  
15 which such benefits are payable.

16 (g) The Board shall prescribe rules and regulations  
17 governing the filing of claims for temporary disability  
18 benefits, and the investigation, control and supervision of  
19 such claims.

20 (h) References in this Section to employer-paid benefits  
21 include benefits paid for by the State, either directly or  
22 through a program of insurance or self-insurance, whether paid  
23 through the member's own department or through some other  
24 department or entity; but the term does not include benefits  
25 paid by the System under this Article.

26 (Source: P.A. 93-721, eff. 1-1-05.)



1 (40 ILCS 5/14-124) (from Ch. 108 1/2, par. 14-124)

2 Sec. 14-124. Nonoccupational disability benefit. A member  
3 with at least 1 1/2 years of creditable service may be granted  
4 a nonoccupational disability benefit, if:

5 (1) application for the benefit is made to the system  
6 by the member in writing after the commencement of  
7 disability;

8 (2) the member is found upon medical examination to be  
9 mentally or physically incapacitated to perform the duties  
10 of the member's position;

11 (3) the disability resulted from a cause other than an  
12 injury or illness sustained in connection with the member's  
13 performance of duty as a State employee;

14 (4) the member has been granted a leave of absence for  
15 disability at the time of commencement of disability.  
16 Renewal of a disability leave of absence shall not be  
17 required for the continued payment of benefits; and

18 (5) the member has used all accumulated sick leave  
19 available at the beginning of the leave of absence for  
20 disability.

21 The benefit shall begin to accrue on the latest of: (i) the  
22 31st day of absence from work on account of disability  
23 (including any periods of such absence for which sick pay was  
24 received); (ii) the day following the day on which the member  
25 last receives or has a right to receive any compensation as an

1 employee, including any sick pay; or (iii) if application by  
2 the member is delayed more than 90 days after the member's name  
3 is removed from the payroll, the benefit shall be payable  
4 retroactive to the date that a participant attained the  
5 eligibility criteria as provided by this Section ~~the date~~  
6 ~~application is received by the system.~~ The benefit shall  
7 continue to accrue until the first of the following to occur:

8 (a) the date on which disability ceases;

9 (b) the end of the month in which the member attains  
10 age 65 in the case of benefits commencing prior to  
11 attainment of age 60;

12 (c) the end of the month following the fifth  
13 anniversary of the effective date of the benefit, or of the  
14 temporary disability benefit if one was received, in the  
15 case of benefits commencing on or after attainment of age  
16 60;

17 (d) the end of the month in which the aggregate period  
18 for which non-occupational disability and temporary  
19 disability benefit payments have been made becomes equal to  
20 1/2 of the member's total period of creditable service, not  
21 including the time during which he has received a temporary  
22 disability benefit or nonoccupational disability benefit;  
23 for purposes of this item (d) only, in the case of a member  
24 to whom Section 14-108.2a or 14-108.2b applies and who, at  
25 the time disability commences, is performing services for  
26 the Illinois Department of Public Health or the Department

1 of State Police relating to the transferred functions  
2 referred to in that Section and has less than 10 years of  
3 creditable service under this Article, the member's "total  
4 period of creditable service" shall be augmented by an  
5 amount equal to (i) one half of the member's period of  
6 creditable service in the Fund established under Article 8  
7 (excluding any creditable service over 20 years), minus  
8 (ii) the amount of the member's creditable service under  
9 this Article;

10 (e) the date on which the member engages in gainful  
11 employment;

12 (f) the end of the month in which the death of the  
13 member occurs.

14 If disability has ceased and the member again becomes  
15 disabled within 60 days from date of resumption of State  
16 employment, and if the disability is due to the same cause for  
17 which he received nonoccupational disability benefit  
18 immediately preceding such reentry into service, the 30 days  
19 waiting period prescribed for the receipt of benefits is waived  
20 as to such new period of disability.

21 A member shall be considered disabled only when the board  
22 has received:

23 (a) a written certificate by one or more licensed  
24 healthcare practitioners ~~and practicing physicians~~  
25 designated by the board, certifying that the member is  
26 disabled and unable properly to perform the duties of his

1 position at the time of disability; and

2 (b) the employee certifies that he is not and has not  
3 been engaged in gainful employment.

4 The board shall prescribe rules and regulations governing  
5 the filing of claims for nonoccupational disability benefits,  
6 and the investigation, control and supervision of such claims.

7 Service credits under the State Universities Retirement  
8 System and the Teachers' Retirement System of the State of  
9 Illinois shall be considered for the purposes of  
10 nonoccupational disability benefit eligibility under this  
11 Article and for the total period of time for which such  
12 benefits are payable.

13 (Source: P.A. 88-535; 89-246, eff. 8-4-95.)

14 (40 ILCS 5/14-125) (from Ch. 108 1/2, par. 14-125)

15 Sec. 14-125. Nonoccupational disability benefit - Amount  
16 of. The nonoccupational disability benefit shall be 50% of the  
17 member's final average compensation at the time disability  
18 occurred. In the case of a member whose benefit was resumed due  
19 to the same disability, the amount of the benefit shall be the  
20 same as that last paid before resumption of State employment.  
21 In the event that a temporary disability benefit has been  
22 received, the nonoccupational disability benefit shall be  
23 subject to adjustment by the Board under Section 14-123.1.

24 If a covered employee is eligible for a disability benefit  
25 before attaining the Social Security full retirement age ~~65~~ or

1 a retirement benefit on or after attaining the Social Security  
2 full retirement age ~~65~~ under the Federal Social Security Act,  
3 the amount of the member's nonoccupational disability benefit  
4 shall be reduced by the amount of primary benefit the member  
5 would be eligible to receive under such Act, whether or not  
6 entitlement thereto came about as the result of service as a  
7 covered employee under this Article. The Board may make such  
8 reduction if it appears that the employee may be so eligible  
9 pending determination of eligibility and make an appropriate  
10 adjustment if necessary after such determination. The amount of  
11 any nonoccupational disability benefit payable under this  
12 Article shall not be reduced by reason of any increase under  
13 the Federal Social Security Act which occurs after the offset  
14 required by this Section is first applied to that benefit.

15 For purposes of this Section, "Social Security full  
16 retirement age" is the age at which an individual is eligible  
17 to receive full Social Security retirement benefits.

18 (Source: P.A. 84-1028.)

19 (40 ILCS 5/14-127) (from Ch. 108 1/2, par. 14-127)

20 Sec. 14-127. Credit during disability. During any period of  
21 disability for which nonoccupational, occupational or  
22 temporary disability benefits are paid, there shall be credited  
23 to the account of the disabled member amounts representing the  
24 contributions the member would have made had he or she remained  
25 in active employment in the same position and at the rate of

1 compensation in effect at the time disability occurred. Service  
2 credit shall also be granted ~~him~~ during any such periods of  
3 disability for all purposes of this Article except for  
4 measuring the duration of nonoccupational and temporary  
5 disability benefits. The resolution of a temporary disability  
6 benefit into an occupational or nonoccupational disability  
7 benefit shall not entitle the disabled member to receive  
8 duplicate contribution and service credit under this Section  
9 for the period during which the temporary disability benefit  
10 was paid.

11 (Source: P.A. 84-1028.)

12 (40 ILCS 5/15-158.2)

13 Sec. 15-158.2. Self-managed plan.

14 (a) Purpose. The General Assembly finds that it is  
15 important for colleges and universities to be able to attract  
16 and retain the most qualified employees and that in order to  
17 attract and retain these employees, colleges and universities  
18 should have the flexibility to provide a defined contribution  
19 plan as an alternative for eligible employees who elect not to  
20 participate in a defined benefit retirement program provided  
21 under this Article. Accordingly, the State Universities  
22 Retirement System is hereby authorized to establish and  
23 administer a self-managed plan, which shall offer  
24 participating employees the opportunity to accumulate assets  
25 for retirement through a combination of employee and employer

1 contributions that may be invested in mutual funds, collective  
2 investment funds, or other investment products and used to  
3 purchase annuity contracts, either fixed or variable or a  
4 combination thereof. The plan must be qualified under the  
5 Internal Revenue Code of 1986.

6 (b) Adoption by employers. Each employer subject to this  
7 Article may elect to adopt the self-managed plan established  
8 under this Section; this election is irrevocable. An employer's  
9 election to adopt the self-managed plan makes available to the  
10 eligible employees of that employer the elections described in  
11 Section 15-134.5.

12 The State Universities Retirement System shall be the plan  
13 sponsor for the self-managed plan and shall prepare a plan  
14 document and prescribe such rules and procedures as are  
15 considered necessary or desirable for the administration of the  
16 self-managed plan. Consistent with its fiduciary duty to the  
17 participants and beneficiaries of the self-managed plan, the  
18 Board of Trustees of the System may delegate aspects of plan  
19 administration as it sees fit to companies authorized to do  
20 business in this State, to the employers, or to a combination  
21 of both.

22 (c) Selection of service providers and funding vehicles.  
23 The System, in consultation with the employers, shall solicit  
24 proposals to provide administrative services and funding  
25 vehicles for the self-managed plan from insurance and annuity  
26 companies and mutual fund companies, banks, trust companies, or

1 other financial institutions authorized to do business in this  
2 State. In reviewing the proposals received and approving and  
3 contracting with no fewer than 2 and no more than 7 companies,  
4 the Board of Trustees of the System shall consider, among other  
5 things, the following criteria:

6 (1) the nature and extent of the benefits that would be  
7 provided to the participants;

8 (2) the reasonableness of the benefits in relation to  
9 the premium charged;

10 (3) the suitability of the benefits to the needs and  
11 interests of the participating employees and the employer;

12 (4) the ability of the company to provide benefits  
13 under the contract and the financial stability of the  
14 company; and

15 (5) the efficacy of the contract in the recruitment and  
16 retention of employees.

17 The System, in consultation with the employers, shall  
18 periodically review each approved company. A company may  
19 continue to provide administrative services and funding  
20 vehicles for the self-managed plan only so long as it continues  
21 to be an approved company under contract with the Board.

22 (d) Employee Direction. Employees who are participating in  
23 the program must be allowed to direct the transfer of their  
24 account balances among the various investment options offered,  
25 subject to applicable contractual provisions. The participant  
26 shall not be deemed a fiduciary by reason of providing such



1 investment direction. A person who is a fiduciary shall not be  
2 liable for any loss resulting from such investment direction  
3 and shall not be deemed to have breached any fiduciary duty by  
4 acting in accordance with that direction. The System shall  
5 provide advance notice to the participant of the participant's  
6 obligation to direct the investment of employee and employer  
7 contributions into one or more investment funds selected by the  
8 System at the time he or she makes his or her initial  
9 retirement plan selection. If a participant fails to direct the  
10 investment of employee and employer contributions into the  
11 various investment options offered to the participant when  
12 making his or her initial retirement election choice, that  
13 failure shall require the System to invest the employee and  
14 employer contributions in a default investment fund on behalf  
15 of the participant, and the investment shall be deemed to have  
16 been made at the participant's investment direction. The  
17 participant has the right to transfer account balances out of  
18 the default investment fund during time periods designated by  
19 the System. Neither the System nor the employer guarantees any  
20 of the investments in the employee's account balances.

21 (e) Participation. An employee eligible to participate in  
22 the self-managed plan must make a written election in  
23 accordance with the provisions of Section 15-134.5 and the  
24 procedures established by the System. Participation in the  
25 self-managed plan by an electing employee shall begin on the  
26 first day of the first pay period following the later of the

1 date the employee's election is filed with the System or the  
2 effective date as of which the employee's employer begins to  
3 offer participation in the self-managed plan. Employers may not  
4 make the self-managed plan available earlier than January 1,  
5 1998. An employee's participation in any other retirement  
6 program administered by the System under this Article shall  
7 terminate on the date that participation in the self-managed  
8 plan begins.

9 An employee who has elected to participate in the  
10 self-managed plan under this Section must continue  
11 participation while employed in an eligible position, and may  
12 not participate in any other retirement program administered by  
13 the System under this Article while employed by that employer  
14 or any other employer that has adopted the self-managed plan,  
15 unless the self-managed plan is terminated in accordance with  
16 subsection (i).

17 Notwithstanding any other provision of this Article, a Tier  
18 2 member shall have the option to enroll in the self-managed  
19 plan.

20 Participation in the self-managed plan under this Section  
21 shall constitute membership in the State Universities  
22 Retirement System.

23 A participant under this Section shall be entitled to the  
24 benefits of Article 20 of this Code.

25 (f) Establishment of Initial Account Balance. If at the  
26 time an employee elects to participate in the self-managed plan

1 he or she has rights and credits in the System due to previous  
2 participation in the traditional benefit package, the System  
3 shall establish for the employee an opening account balance in  
4 the self-managed plan, equal to the amount of contribution  
5 refund that the employee would be eligible to receive under  
6 Section 15-154 if the employee terminated employment on that  
7 date and elected a refund of contributions, except that this  
8 hypothetical refund shall include interest at the effective  
9 rate for the respective years. The System shall transfer assets  
10 from the defined benefit retirement program to the self-managed  
11 plan, as a tax free transfer in accordance with Internal  
12 Revenue Service guidelines, for purposes of funding the  
13 employee's opening account balance.

14 (g) No Duplication of Service Credit. Notwithstanding any  
15 other provision of this Article, an employee may not purchase  
16 or receive service or service credit applicable to any other  
17 retirement program administered by the System under this  
18 Article for any period during which the employee was a  
19 participant in the self-managed plan established under this  
20 Section.

21 (h) Contributions. The self-managed plan shall be funded by  
22 contributions from employees participating in the self-managed  
23 plan and employer contributions as provided in this Section.

24 The contribution rate for employees participating in the  
25 self-managed plan under this Section shall be equal to the  
26 employee contribution rate for other participants in the

1 System, as provided in Section 15-157. This required  
2 contribution shall be made as an "employer pick-up" under  
3 Section 414(h) of the Internal Revenue Code of 1986 or any  
4 successor Section thereof. Any employee participating in the  
5 System's traditional benefit package prior to his or her  
6 election to participate in the self-managed plan shall continue  
7 to have the employer pick up the contributions required under  
8 Section 15-157. However, the amounts picked up after the  
9 election of the self-managed plan shall be remitted to and  
10 treated as assets of the self-managed plan. In no event shall  
11 an employee have an option of receiving these amounts in cash.  
12 Employees may make additional contributions to the  
13 self-managed plan in accordance with procedures prescribed by  
14 the System, to the extent permitted under rules prescribed by  
15 the System.

16 The program shall provide for employer contributions to be  
17 credited to each self-managed plan participant at a rate of  
18 7.6% of the participating employee's salary, less the amount  
19 used by the System to provide disability benefits for the  
20 employee. The amounts so credited shall be paid into the  
21 participant's self-managed plan accounts in a manner to be  
22 prescribed by the System.

23 An amount of employer contribution, not exceeding 1% of the  
24 participating employee's salary, shall be used for the purpose  
25 of providing the disability benefits of the System to the  
26 employee. Prior to the beginning of each plan year under the

1 self-managed plan, the Board of Trustees shall determine, as a  
2 percentage of salary, the amount of employer contributions to  
3 be allocated during that plan year for providing disability  
4 benefits for employees in the self-managed plan.

5 The State of Illinois shall make contributions by  
6 appropriations to the System of the employer contributions  
7 required for employees who participate in the self-managed plan  
8 under this Section. The amount required shall be certified by  
9 the Board of Trustees of the System and paid by the State in  
10 accordance with Section 15-165. The System shall not be  
11 obligated to remit the required employer contributions to any  
12 of the insurance and annuity companies, mutual fund companies,  
13 banks, trust companies, financial institutions, or other  
14 sponsors of any of the funding vehicles offered under the  
15 self-managed plan until it has received the required employer  
16 contributions from the State. In the event of a deficiency in  
17 the amount of State contributions, the System shall implement  
18 those procedures described in subsection (c) of Section 15-165  
19 to obtain the required funding from the General Revenue Fund.

20 (i) Termination. The self-managed plan authorized under  
21 this Section may be terminated by the System, subject to the  
22 terms of any relevant contracts, and the System shall have no  
23 obligation to reestablish the self-managed plan under this  
24 Section. This Section does not create a right to continued  
25 participation in any self-managed plan set up by the System  
26 under this Section. If the self-managed plan is terminated, the

1 participants shall have the right to participate in one of the  
2 other retirement programs offered by the System and receive  
3 service credit in such other retirement program for any years  
4 of employment following the termination.

5 (j) Vesting; Withdrawal; Return to Service. A participant  
6 in the self-managed plan becomes vested in the employer  
7 contributions credited to his or her accounts in the  
8 self-managed plan on the earliest to occur of the following:

9 (1) completion of 5 years of service with an employer described  
10 in Section 15-106; (2) the death of the participating employee  
11 while employed by an employer described in Section 15-106, if  
12 the participant has completed at least 1 1/2 years of service;  
13 or (3) the participant's election to retire and apply the  
14 reciprocal provisions of Article 20 of this Code.

15 A participant in the self-managed plan who receives a  
16 distribution of his or her vested amounts from the self-managed  
17 plan while not yet eligible for retirement under this Article  
18 (and Article 20, if applicable) shall forfeit all service  
19 credit and accrued rights in the System; if subsequently  
20 re-employed, the participant shall be considered a new  
21 employee. If a former participant again becomes a participating  
22 employee (or becomes employed by a participating system under  
23 Article 20 of this Code) and continues as such for at least 2  
24 years, all such rights, service credits, and previous status as  
25 a participant shall be restored upon repayment of the amount of  
26 the distribution, without interest.

1           (k) Benefit amounts. If an employee who is vested in  
2 employer contributions terminates employment, the employee  
3 shall be entitled to a benefit which is based on the account  
4 values attributable to both employer and employee  
5 contributions and any investment return thereon.

6           If an employee who is not vested in employer contributions  
7 terminates employment, the employee shall be entitled to a  
8 benefit based solely on the account values attributable to the  
9 employee's contributions and any investment return thereon,  
10 and the employer contributions and any investment return  
11 thereon shall be forfeited. Any employer contributions which  
12 are forfeited shall be held in escrow by the company investing  
13 those contributions and shall be used as directed by the System  
14 for future allocations of employer contributions or for the  
15 restoration of amounts previously forfeited by former  
16 participants who again become participating employees.

17           (Source: P.A. 98-92, eff. 7-16-13.)

18           (40 ILCS 5/18-125) (from Ch. 108 1/2, par. 18-125)

19           Sec. 18-125. Retirement annuity amount.

20           (a) The annual retirement annuity for a participant who  
21 terminated service as a judge prior to July 1, 1971 shall be  
22 based on the law in effect at the time of termination of  
23 service.

24           (b) Except as provided in subsection (b-5), effective July  
25 1, 1971, the retirement annuity for any participant in service

1 on or after such date shall be 3 1/2% of final average salary,  
2 as defined in this Section, for each of the first 10 years of  
3 service, and 5% of such final average salary for each year of  
4 service on excess of 10.

5 For purposes of this Section, final average salary for a  
6 participant who first serves as a judge before August 10, 2009  
7 (the effective date of Public Act 96-207) shall be:

8 (1) the average salary for the last 4 years of credited  
9 service as a judge for a participant who terminates service  
10 before July 1, 1975.

11 (2) for a participant who terminates service after June  
12 30, 1975 and before July 1, 1982, the salary on the last  
13 day of employment as a judge.

14 (3) for any participant who terminates service after  
15 June 30, 1982 and before January 1, 1990, the average  
16 salary for the final year of service as a judge.

17 (4) for a participant who terminates service on or  
18 after January 1, 1990 but before the effective date of this  
19 amendatory Act of 1995, the salary on the last day of  
20 employment as a judge.

21 (5) for a participant who terminates service on or  
22 after the effective date of this amendatory Act of 1995,  
23 the salary on the last day of employment as a judge, or the  
24 highest salary received by the participant for employment  
25 as a judge in a position held by the participant for at  
26 least 4 consecutive years, whichever is greater.



1           However, in the case of a participant who elects to  
2           discontinue contributions as provided in subdivision (a) (2) of  
3           Section 18-133, the time of such election shall be considered  
4           the last day of employment in the determination of final  
5           average salary under this subsection.

6           For a participant who first serves as a judge on or after  
7           August 10, 2009 (the effective date of Public Act 96-207) and  
8           before January 1, 2011 (the effective date of Public Act  
9           96-889), final average salary shall be the average monthly  
10          salary obtained by dividing the total salary of the participant  
11          during the period of: (1) the 48 consecutive months of service  
12          within the last 120 months of service in which the total  
13          compensation was the highest, or (2) the total period of  
14          service, if less than 48 months, by the number of months of  
15          service in that period.

16          The maximum retirement annuity for any participant shall be  
17          85% of final average salary.

18          (b-5) Notwithstanding any other provision of this Article,  
19          for a participant who first serves as a judge on or after  
20          January 1, 2011 (the effective date of Public Act 96-889), the  
21          annual retirement annuity is 3% of the participant's final  
22          average salary for each year of service. The maximum retirement  
23          annuity payable shall be 60% of the participant's final average  
24          salary.

25          For a participant who first serves as a judge on or after  
26          January 1, 2011 (the effective date of Public Act 96-889),

1 final average salary shall be the average monthly salary  
2 obtained by dividing the total salary of the judge during the  
3 96 consecutive months of service within the last 120 months of  
4 service in which the total salary was the highest by the number  
5 of months of service in that period; however, beginning January  
6 1, 2011, the annual salary for all purposes under this Article  
7 may not exceed \$106,800, except that that amount shall annually  
8 thereafter be increased by the lesser of (i) 3% of that amount,  
9 including all previous adjustments, or (ii) the annual  
10 unadjusted percentage increase (but not less than zero) in the  
11 consumer price index-u for the 12 months ending with the  
12 September preceding each November 1. "Consumer price index-u"  
13 means the index published by the Bureau of Labor Statistics of  
14 the United States Department of Labor that measures the average  
15 change in prices of goods and services purchased by all urban  
16 consumers, United States city average, all items, 1982-84 =  
17 100. The new amount resulting from each annual adjustment shall  
18 be determined by the Public Pension Division of the Department  
19 of Insurance and made available to the Board by November 1st of  
20 each year.

21 (c) The retirement annuity for a participant who retires  
22 prior to age 60 with less than 28 years of service in the  
23 System shall be reduced 1/2 of 1% for each month that the  
24 participant's age is under 60 years at the time the annuity  
25 commences. However, for a participant who retires on or after  
26 the effective date of this amendatory Act of the 91st General

1 Assembly, the percentage reduction in retirement annuity  
2 imposed under this subsection shall be reduced by 5/12 of 1%  
3 for every month of service in this System in excess of 20  
4 years, and therefore a participant with at least 26 years of  
5 service in this System may retire at age 55 without any  
6 reduction in annuity.

7 The reduction in retirement annuity imposed by this  
8 subsection shall not apply in the case of retirement on account  
9 of disability.

10 (d) Notwithstanding any other provision of this Article,  
11 for a participant who first serves as a judge on or after  
12 January 1, 2011 (the effective date of Public Act 96-889) and  
13 who is retiring after attaining age 62, the retirement annuity  
14 shall be reduced by 1/2 of 1% for each month that the  
15 participant's age is under age 67 at the time the annuity  
16 commences.

17 (Source: P.A. 96-207, eff. 8-10-09; 96-889, eff. 1-1-11;  
18 96-1000, eff. 7-2-10; 96-1490, eff. 1-1-11.)

19 (40 ILCS 5/18-126.1) (from Ch. 108 1/2, par. 18-126.1)

20 Sec. 18-126.1. Temporary total disability. A participant  
21 who has served for at least 2 years as a judge and has at least  
22 2 years of service credit shall be entitled to a temporary  
23 total disability benefit provided:

24 (1) While in employment as a judge, the participant is  
25 found by medical examination to be mentally or physically

1 incompetent to perform his or her duties;

2 (2) The participant does not receive or have a right to  
3 receive any salary as a judge;

4 (3) The board has received written certifications by at  
5 least 2 licensed and practicing physicians designated by it  
6 certifying that the participant is totally disabled and unable  
7 to perform the duties of his or her office as a consequence  
8 thereof; and

9 (4) The participant is not engaged in any form of gainful  
10 occupation during his or her disability.

11 The benefit shall begin as of the day following the  
12 removal of the judge from the payroll on account of the  
13 disability and be payable during the period of disability but  
14 not beyond the term of office for which the participant was  
15 last elected or appointed.

16 The benefit shall be 50% of the participant's rate of  
17 salary in effect at the date of removal from the payroll and  
18 shall be payable monthly. The rate of salary to determine the  
19 benefit under this Section payable to a participant who first  
20 serves as a judge on or after January 1, 2011 shall be subject  
21 to the annual salary limitation prescribed by subsection (b-5)  
22 of Section 18-125.

23 A participant shall receive service credit for retirement  
24 and survivor's annuity purposes for the period that temporary  
25 disability benefits are paid.

26 The board shall prescribe rules and regulations necessary

1 for the administration of this benefit.

2 (Source: P.A. 83-1440.)

3 (40 ILCS 5/18-128.01) (from Ch. 108 1/2, par. 18-128.01)

4 Sec. 18-128.01. Amount of survivor's annuity.

5 (a) Upon the death of an annuitant, his or her surviving  
6 spouse shall be entitled to a survivor's annuity of 66 2/3% of  
7 the annuity the annuitant was receiving immediately prior to  
8 his or her death, inclusive of annual increases in the  
9 retirement annuity to the date of death.

10 (b) Upon the death of an active participant, his or her  
11 surviving spouse shall receive a survivor's annuity of 66 2/3%  
12 of the annuity earned by the participant as of the date of his  
13 or her death, determined without regard to whether the  
14 participant had attained age 60 as of that time, or 7 1/2% of  
15 the last salary of the decedent, whichever is greater.

16 (c) Upon the death of a participant who had terminated  
17 service with at least 10 years of service, his or her surviving  
18 spouse shall be entitled to a survivor's annuity of 66 2/3% of  
19 the annuity earned by the deceased participant at the date of  
20 death.

21 (d) Upon the death of an annuitant, active participant, or  
22 participant who had terminated service with at least 10 years  
23 of service, each surviving child under the age of 18 or  
24 disabled as defined in Section 18-128 shall be entitled to a  
25 child's annuity in an amount equal to 5% of the decedent's

1 final salary, not to exceed in total for all such children the  
2 greater of 20% of the decedent's last salary or 66 2/3% of the  
3 annuity received or earned by the decedent as provided under  
4 subsections (a) and (b) of this Section. This child's annuity  
5 shall be paid whether or not a survivor's annuity was elected  
6 under Section 18-123.

7 (e) The changes made in the survivor's annuity provisions  
8 by Public Act 82-306 shall apply to the survivors of a deceased  
9 participant or annuitant whose death occurs on or after August  
10 21, 1981.

11 (f) Beginning January 1, 1990, every survivor's annuity  
12 shall be increased (1) on each January 1 occurring on or after  
13 the commencement of the annuity if the deceased member died  
14 while receiving a retirement annuity, or (2) in other cases, on  
15 each January 1 occurring on or after the first anniversary of  
16 the commencement of the annuity, by an amount equal to 3% of  
17 the current amount of the annuity, including any previous  
18 increases under this Article. Such increases shall apply  
19 without regard to whether the deceased member was in service on  
20 or after the effective date of this amendatory Act of 1991, but  
21 shall not accrue for any period prior to January 1, 1990.

22 (g) Notwithstanding any other provision of this Article,  
23 the initial survivor's annuity for a survivor of a participant  
24 who first serves as a judge after January 1, 2011 (the  
25 effective date of Public Act 96-889) shall be in the amount of  
26 66 2/3% of the annuity received or earned by the decedent, and

1 shall be increased (1) on each January 1 occurring on or after  
2 the commencement of the annuity if the deceased participant  
3 died while receiving a retirement annuity, or (2) in other  
4 cases, on each January 1 occurring on or after the first  
5 anniversary of the commencement of the annuity, but in no event  
6 prior to age 67, by an amount equal to 3% or the annual  
7 unadjusted percentage increase in the consumer price index-u as  
8 determined by the Public Pension Division of the Department of  
9 Insurance under subsection (b-5) of Section 18-125, whichever  
10 is less, of the survivor's annuity then being paid. If 2 or  
11 more persons are eligible to receive survivor's annuities as  
12 provided under this Section based on the same deceased  
13 participant that first serves as a judge after January 1, 2011,  
14 the calculation of the survivor's annuities shall be based on  
15 the total calculation of the survivor's annuity and divided pro  
16 rata.

17 (Source: P.A. 96-889, eff. 1-1-11; 96-1490, eff. 1-1-11.)

18 (40 ILCS 5/18-133) (from Ch. 108 1/2, par. 18-133)

19 Sec. 18-133. Financing; employee contributions.

20 (a) Effective July 1, 1967, each participant is required to  
21 contribute 7 1/2% of each payment of salary toward the  
22 retirement annuity. Such contributions shall continue during  
23 the entire time the participant is in service, with the  
24 following exceptions:

25 (1) Contributions for the retirement annuity are not

1 required on salary received after 18 years of service by  
2 persons who were participants before January 2, 1954.

3 (2) A participant who continues to serve as a judge  
4 after becoming eligible to receive the maximum rate of  
5 annuity may elect, through a written direction filed with  
6 the Board, to discontinue contributing to the System. Any  
7 such option elected by a judge shall be irrevocable unless  
8 prior to January 1, 2000, and while continuing to serve as  
9 judge, the judge (A) files with the Board a letter  
10 cancelling the direction to discontinue contributing to  
11 the System and requesting that such contributing resume,  
12 and (B) pays into the System an amount equal to the total  
13 of the discontinued contributions plus interest thereon at  
14 5% per annum. Service credits earned in any other  
15 "participating system" as defined in Article 20 of this  
16 Code shall be considered for purposes of determining a  
17 judge's eligibility to discontinue contributions under  
18 this subdivision (a)(2).

19 (3) A participant who (i) first serves as a judge  
20 before January 1, 2011 and has attained age 60, or first  
21 serves as a judge on or after January 1, 2011 and has  
22 attained age 67, (ii) continues to serve as a judge after  
23 becoming eligible to receive the maximum rate of annuity,  
24 and (iii) has not elected to discontinue contributing to  
25 the System under subdivision (a)(2) of this Section (or has  
26 revoked any such election) may elect, through a written



1 direction filed with the Board, to make contributions to  
2 the System based only on the amount of the increases in  
3 salary received by the judge on or after the date of the  
4 election, rather than the total salary received. If a judge  
5 who is making contributions to the System on the effective  
6 date of this amendatory Act of the 91st General Assembly  
7 makes an election to limit contributions under this  
8 subdivision (a)(3) within 90 days after that effective  
9 date, the election shall be deemed to become effective on  
10 that effective date and the judge shall be entitled to  
11 receive a refund of any excess contributions paid to the  
12 System during that 90-day period; any other election under  
13 this subdivision (a)(3) becomes effective on the first of  
14 the month following the date of the election. An election  
15 to limit contributions under this subdivision (a)(3) is  
16 irrevocable. Service credits earned in any other  
17 participating system as defined in Article 20 of this Code  
18 shall be considered for purposes of determining a judge's  
19 eligibility to make an election under this subdivision  
20 (a)(3).

21 (b) Beginning July 1, 1969, each participant is required to  
22 contribute 1% of each payment of salary towards the automatic  
23 increase in annuity provided in Section 18-125.1. However, such  
24 contributions need not be made by any participant who has  
25 elected prior to September 15, 1969, not to be subject to the  
26 automatic increase in annuity provisions.

1           (c) Effective July 13, 1953, each married participant  
2 subject to the survivor's annuity provisions is required to  
3 contribute 2 1/2% of each payment of salary, whether or not he  
4 or she is required to make any other contributions under this  
5 Section. Such contributions shall be made concurrently with the  
6 contributions made for annuity purposes.

7           (d) Notwithstanding any other provision of this Article,  
8 the required contributions for a participant who first becomes  
9 a participant on or after January 1, 2011 shall not exceed the  
10 contributions that would be due under this Article if that  
11 participant's highest salary for annuity purposes were  
12 \$106,800, plus any increase in that amount under Section  
13 18-125.

14           (Source: P.A. 96-1490, eff. 1-1-11.)

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