

1 AN ACT concerning public employee benefits.

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

4 ARTICLE 5. RETIREMENT CONTRIBUTIONS

5 Section 5-5. The State Finance Act is amended by changing  
6 Sections 8.12 and 14.1 as follows:

7 (30 ILCS 105/8.12) (from Ch. 127, par. 144.12)

8 Sec. 8.12. State Pensions Fund.

9 (a) The moneys in the State Pensions Fund shall be used  
10 exclusively for the administration of the Uniform Disposition  
11 of Unclaimed Property Act and for the expenses incurred by the  
12 Auditor General for administering the provisions of Section  
13 2-8.1 of the Illinois State Auditing Act and for the funding of  
14 the unfunded liabilities of the designated retirement systems.  
15 Beginning in State fiscal year 2017 ~~2016~~, payments to the  
16 designated retirement systems under this Section shall be in  
17 addition to, and not in lieu of, any State contributions  
18 required under the Illinois Pension Code.

19 "Designated retirement systems" means:

20 (1) the State Employees' Retirement System of  
21 Illinois;

22 (2) the Teachers' Retirement System of the State of

1 Illinois;

2 (3) the State Universities Retirement System;

3 (4) the Judges Retirement System of Illinois; and

4 (5) the General Assembly Retirement System.

5 (b) Each year the General Assembly may make appropriations  
6 from the State Pensions Fund for the administration of the  
7 Uniform Disposition of Unclaimed Property Act.

8 Each month, the Commissioner of the Office of Banks and  
9 Real Estate shall certify to the State Treasurer the actual  
10 expenditures that the Office of Banks and Real Estate incurred  
11 conducting unclaimed property examinations under the Uniform  
12 Disposition of Unclaimed Property Act during the immediately  
13 preceding month. Within a reasonable time following the  
14 acceptance of such certification by the State Treasurer, the  
15 State Treasurer shall pay from its appropriation from the State  
16 Pensions Fund to the Bank and Trust Company Fund, the Savings  
17 Bank Regulatory Fund, and the Residential Finance Regulatory  
18 Fund an amount equal to the expenditures incurred by each Fund  
19 for that month.

20 Each month, the Director of Financial Institutions shall  
21 certify to the State Treasurer the actual expenditures that the  
22 Department of Financial Institutions incurred conducting  
23 unclaimed property examinations under the Uniform Disposition  
24 of Unclaimed Property Act during the immediately preceding  
25 month. Within a reasonable time following the acceptance of  
26 such certification by the State Treasurer, the State Treasurer

1 shall pay from its appropriation from the State Pensions Fund  
2 to the Financial Institution Fund and the Credit Union Fund an  
3 amount equal to the expenditures incurred by each Fund for that  
4 month.

5 (c) As soon as possible after the effective date of this  
6 amendatory Act of the 93rd General Assembly, the General  
7 Assembly shall appropriate from the State Pensions Fund (1) to  
8 the State Universities Retirement System the amount certified  
9 under Section 15-165 during the prior year, (2) to the Judges  
10 Retirement System of Illinois the amount certified under  
11 Section 18-140 during the prior year, and (3) to the General  
12 Assembly Retirement System the amount certified under Section  
13 2-134 during the prior year as part of the required State  
14 contributions to each of those designated retirement systems;  
15 except that amounts appropriated under this subsection (c) in  
16 State fiscal year 2005 shall not reduce the amount in the State  
17 Pensions Fund below \$5,000,000. If the amount in the State  
18 Pensions Fund does not exceed the sum of the amounts certified  
19 in Sections 15-165, 18-140, and 2-134 by at least \$5,000,000,  
20 the amount paid to each designated retirement system under this  
21 subsection shall be reduced in proportion to the amount  
22 certified by each of those designated retirement systems.

23 (c-5) For fiscal years 2006 through 2016 ~~2015~~, the General  
24 Assembly shall appropriate from the State Pensions Fund to the  
25 State Universities Retirement System the amount estimated to be  
26 available during the fiscal year in the State Pensions Fund;

1 provided, however, that the amounts appropriated under this  
2 subsection (c-5) shall not reduce the amount in the State  
3 Pensions Fund below \$5,000,000.

4 (c-6) For fiscal year 2017 ~~2016~~ and each fiscal year  
5 thereafter, as soon as may be practical after any money is  
6 deposited into the State Pensions Fund from the Unclaimed  
7 Property Trust Fund, the State Treasurer shall apportion the  
8 deposited amount among the designated retirement systems as  
9 defined in subsection (a) to reduce their actuarial reserve  
10 deficiencies. The State Comptroller and State Treasurer shall  
11 pay the apportioned amounts to the designated retirement  
12 systems to fund the unfunded liabilities of the designated  
13 retirement systems. The amount apportioned to each designated  
14 retirement system shall constitute a portion of the amount  
15 estimated to be available for appropriation from the State  
16 Pensions Fund that is the same as that retirement system's  
17 portion of the total actual reserve deficiency of the systems,  
18 as determined annually by the Governor's Office of Management  
19 and Budget at the request of the State Treasurer. The amounts  
20 apportioned under this subsection shall not reduce the amount  
21 in the State Pensions Fund below \$5,000,000.

22 (d) The Governor's Office of Management and Budget shall  
23 determine the individual and total reserve deficiencies of the  
24 designated retirement systems. For this purpose, the  
25 Governor's Office of Management and Budget shall utilize the  
26 latest available audit and actuarial reports of each of the

1 retirement systems and the relevant reports and statistics of  
2 the Public Employee Pension Fund Division of the Department of  
3 Insurance.

4 (d-1) As soon as practicable after the effective date of  
5 this amendatory Act of the 93rd General Assembly, the  
6 Comptroller shall direct and the Treasurer shall transfer from  
7 the State Pensions Fund to the General Revenue Fund, as funds  
8 become available, a sum equal to the amounts that would have  
9 been paid from the State Pensions Fund to the Teachers'  
10 Retirement System of the State of Illinois, the State  
11 Universities Retirement System, the Judges Retirement System  
12 of Illinois, the General Assembly Retirement System, and the  
13 State Employees' Retirement System of Illinois after the  
14 effective date of this amendatory Act during the remainder of  
15 fiscal year 2004 to the designated retirement systems from the  
16 appropriations provided for in this Section if the transfers  
17 provided in Section 6z-61 had not occurred. The transfers  
18 described in this subsection (d-1) are to partially repay the  
19 General Revenue Fund for the costs associated with the bonds  
20 used to fund the moneys transferred to the designated  
21 retirement systems under Section 6z-61.

22 (e) The changes to this Section made by this amendatory Act  
23 of 1994 shall first apply to distributions from the Fund for  
24 State fiscal year 1996.

25 (Source: P.A. 97-72, eff. 7-1-11; 97-732, eff. 6-30-12; 98-24,  
26 eff. 6-19-13; 98-463, eff. 8-16-13; 98-674, eff. 6-30-14;

1 98-1081, eff. 1-1-15; revised 10-1-14.)

2 (30 ILCS 105/14.1) (from Ch. 127, par. 150.1)

3 Sec. 14.1. Appropriations for State contributions to the  
4 State Employees' Retirement System; payroll requirements.

5 (a) Appropriations for State contributions to the State  
6 Employees' Retirement System of Illinois shall be expended in  
7 the manner provided in this Section. Except as otherwise  
8 provided in subsections (a-1), (a-2), (a-3), and (a-4) at the  
9 time of each payment of salary to an employee under the  
10 personal services line item, payment shall be made to the State  
11 Employees' Retirement System, from the amount appropriated for  
12 State contributions to the State Employees' Retirement System,  
13 of an amount calculated at the rate certified for the  
14 applicable fiscal year by the Board of Trustees of the State  
15 Employees' Retirement System under Section 14-135.08 of the  
16 Illinois Pension Code. If a line item appropriation to an  
17 employer for this purpose is exhausted or is unavailable due to  
18 any limitation on appropriations that may apply, (including,  
19 but not limited to, limitations on appropriations from the Road  
20 Fund under Section 8.3 of the State Finance Act), the amounts  
21 shall be paid under the continuing appropriation for this  
22 purpose contained in the State Pension Funds Continuing  
23 Appropriation Act.

24 (a-1) Beginning on the effective date of this amendatory  
25 Act of the 93rd General Assembly through the payment of the

1 final payroll from fiscal year 2004 appropriations,  
2 appropriations for State contributions to the State Employees'  
3 Retirement System of Illinois shall be expended in the manner  
4 provided in this subsection (a-1). At the time of each payment  
5 of salary to an employee under the personal services line item  
6 from a fund other than the General Revenue Fund, payment shall  
7 be made for deposit into the General Revenue Fund from the  
8 amount appropriated for State contributions to the State  
9 Employees' Retirement System of an amount calculated at the  
10 rate certified for fiscal year 2004 by the Board of Trustees of  
11 the State Employees' Retirement System under Section 14-135.08  
12 of the Illinois Pension Code. This payment shall be made to the  
13 extent that a line item appropriation to an employer for this  
14 purpose is available or unexhausted. No payment from  
15 appropriations for State contributions shall be made in  
16 conjunction with payment of salary to an employee under the  
17 personal services line item from the General Revenue Fund.

18 (a-2) For fiscal year 2010 only, at the time of each  
19 payment of salary to an employee under the personal services  
20 line item from a fund other than the General Revenue Fund,  
21 payment shall be made for deposit into the State Employees'  
22 Retirement System of Illinois from the amount appropriated for  
23 State contributions to the State Employees' Retirement System  
24 of Illinois of an amount calculated at the rate certified for  
25 fiscal year 2010 by the Board of Trustees of the State  
26 Employees' Retirement System of Illinois under Section

1 14-135.08 of the Illinois Pension Code. This payment shall be  
2 made to the extent that a line item appropriation to an  
3 employer for this purpose is available or unexhausted. For  
4 fiscal year 2010 only, no payment from appropriations for State  
5 contributions shall be made in conjunction with payment of  
6 salary to an employee under the personal services line item  
7 from the General Revenue Fund.

8 (a-3) For fiscal year 2011 only, at the time of each  
9 payment of salary to an employee under the personal services  
10 line item from a fund other than the General Revenue Fund,  
11 payment shall be made for deposit into the State Employees'  
12 Retirement System of Illinois from the amount appropriated for  
13 State contributions to the State Employees' Retirement System  
14 of Illinois of an amount calculated at the rate certified for  
15 fiscal year 2011 by the Board of Trustees of the State  
16 Employees' Retirement System of Illinois under Section  
17 14-135.08 of the Illinois Pension Code. This payment shall be  
18 made to the extent that a line item appropriation to an  
19 employer for this purpose is available or unexhausted. For  
20 fiscal year 2011 only, no payment from appropriations for State  
21 contributions shall be made in conjunction with payment of  
22 salary to an employee under the personal services line item  
23 from the General Revenue Fund.

24 (a-4) In fiscal years 2012 through 2016 ~~2015~~ only, at the  
25 time of each payment of salary to an employee under the  
26 personal services line item from a fund other than the General



1 Revenue Fund, payment shall be made for deposit into the State  
2 Employees' Retirement System of Illinois from the amount  
3 appropriated for State contributions to the State Employees'  
4 Retirement System of Illinois of an amount calculated at the  
5 rate certified for the applicable fiscal year by the Board of  
6 Trustees of the State Employees' Retirement System of Illinois  
7 under Section 14-135.08 of the Illinois Pension Code. In fiscal  
8 years 2012 through 2016 ~~2015~~ only, no payment from  
9 appropriations for State contributions shall be made in  
10 conjunction with payment of salary to an employee under the  
11 personal services line item from the General Revenue Fund.

12 (b) Except during the period beginning on the effective  
13 date of this amendatory Act of the 93rd General Assembly and  
14 ending at the time of the payment of the final payroll from  
15 fiscal year 2004 appropriations, the State Comptroller shall  
16 not approve for payment any payroll voucher that (1) includes  
17 payments of salary to eligible employees in the State  
18 Employees' Retirement System of Illinois and (2) does not  
19 include the corresponding payment of State contributions to  
20 that retirement system at the full rate certified under Section  
21 14-135.08 for that fiscal year for eligible employees, unless  
22 the balance in the fund on which the payroll voucher is drawn  
23 is insufficient to pay the total payroll voucher, or  
24 unavailable due to any limitation on appropriations that may  
25 apply, including, but not limited to, limitations on  
26 appropriations from the Road Fund under Section 8.3 of the

1 State Finance Act. If the State Comptroller approves a payroll  
2 voucher under this Section for which the fund balance is  
3 insufficient to pay the full amount of the required State  
4 contribution to the State Employees' Retirement System, the  
5 Comptroller shall promptly so notify the Retirement System.

6 (b-1) For fiscal year 2010 and fiscal year 2011 only, the  
7 State Comptroller shall not approve for payment any non-General  
8 Revenue Fund payroll voucher that (1) includes payments of  
9 salary to eligible employees in the State Employees' Retirement  
10 System of Illinois and (2) does not include the corresponding  
11 payment of State contributions to that retirement system at the  
12 full rate certified under Section 14-135.08 for that fiscal  
13 year for eligible employees, unless the balance in the fund on  
14 which the payroll voucher is drawn is insufficient to pay the  
15 total payroll voucher, or unavailable due to any limitation on  
16 appropriations that may apply, including, but not limited to,  
17 limitations on appropriations from the Road Fund under Section  
18 8.3 of the State Finance Act. If the State Comptroller approves  
19 a payroll voucher under this Section for which the fund balance  
20 is insufficient to pay the full amount of the required State  
21 contribution to the State Employees' Retirement System of  
22 Illinois, the Comptroller shall promptly so notify the  
23 retirement system.

24 (c) Notwithstanding any other provisions of law, beginning  
25 July 1, 2007, required State and employee contributions to the  
26 State Employees' Retirement System of Illinois relating to

1 affected legislative staff employees shall be paid out of  
2 moneys appropriated for that purpose to the Commission on  
3 Government Forecasting and Accountability, rather than out of  
4 the lump-sum appropriations otherwise made for the payroll and  
5 other costs of those employees.

6 These payments must be made pursuant to payroll vouchers  
7 submitted by the employing entity as part of the regular  
8 payroll voucher process.

9 For the purpose of this subsection, "affected legislative  
10 staff employees" means legislative staff employees paid out of  
11 lump-sum appropriations made to the General Assembly, an  
12 Officer of the General Assembly, or the Senate Operations  
13 Commission, but does not include district-office staff or  
14 employees of legislative support services agencies.

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

17 Section 5-10. The Illinois Pension Code is amended by  
18 changing Sections 3-125, 4-118, 7-172.1, 7-195.1, 7-210,  
19 7-214, and 14-131 and by adding Sections 9-184.5, 10-107.5,  
20 12-149.5, 13-503.5, and 22-104 as follows:

21 (40 ILCS 5/3-125) (from Ch. 108 1/2, par. 3-125)  
22 Sec. 3-125. Financing.

23 (a) The city council or the board of trustees of the  
24 municipality shall annually levy a tax upon all the taxable

1 property of the municipality at the rate on the dollar which  
2 will produce an amount which, when added to the deductions from  
3 the salaries or wages of police officers, and revenues  
4 available from other sources, will equal a sum sufficient to  
5 meet the annual requirements of the police pension fund. The  
6 annual requirements to be provided by such tax levy are equal  
7 to (1) the normal cost of the pension fund for the year  
8 involved, plus (2) an amount sufficient to bring the total  
9 assets of the pension fund up to 90% of the total actuarial  
10 liabilities of the pension fund by the end of municipal fiscal  
11 year 2040, as annually updated and determined by an enrolled  
12 actuary employed by the Illinois Department of Insurance or by  
13 an enrolled actuary retained by the pension fund or the  
14 municipality. In making these determinations, the required  
15 minimum employer contribution shall be calculated each year as  
16 a level percentage of payroll over the years remaining up to  
17 and including fiscal year 2040 and shall be determined under  
18 the projected unit credit actuarial cost method. The tax shall  
19 be levied and collected in the same manner as the general taxes  
20 of the municipality, and in addition to all other taxes now or  
21 hereafter authorized to be levied upon all property within the  
22 municipality, and shall be in addition to the amount authorized  
23 to be levied for general purposes as provided by Section 8-3-1  
24 of the Illinois Municipal Code, approved May 29, 1961, as  
25 amended. The tax shall be forwarded directly to the treasurer  
26 of the board within 30 business days after receipt by the

1 county.

2 (b) For purposes of determining the required employer  
3 contribution to a pension fund, the value of the pension fund's  
4 assets shall be equal to the actuarial value of the pension  
5 fund's assets, which shall be calculated as follows:

6 (1) On March 30, 2011, the actuarial value of a pension  
7 fund's assets shall be equal to the market value of the  
8 assets as of that date.

9 (2) In determining the actuarial value of the System's  
10 assets for fiscal years after March 30, 2011, any actuarial  
11 gains or losses from investment return incurred in a fiscal  
12 year shall be recognized in equal annual amounts over the  
13 5-year period following that fiscal year.

14 (c) If a participating municipality fails to transmit to  
15 the fund contributions required of it under this Article for  
16 more than 90 days after the payment of those contributions is  
17 due, the fund may, after giving notice to the municipality,  
18 certify to the State Comptroller the amounts of the delinquent  
19 payments in accordance with any applicable rules of the  
20 Comptroller, and the Comptroller must, beginning in fiscal year  
21 2016, deduct and remit to ~~deposit into~~ the fund the certified  
22 amounts or a portion of those amounts from the following  
23 proportions of payments ~~grants~~ of State funds to the  
24 municipality:

25 (1) in fiscal year 2016, one-third of the total amount  
26 of any payments ~~grants~~ of State funds to the municipality;

1           (2) in fiscal year 2017, two-thirds of the total amount  
2           of any payments ~~grants~~ of State funds to the municipality;  
3           and

4           (3) in fiscal year 2018 and each fiscal year  
5           thereafter, the total amount of any payments ~~grants~~ of  
6           State funds to the municipality.

7           The State Comptroller may not deduct from any payments  
8           ~~grants~~ of State funds to the municipality more than the amount  
9           of delinquent payments certified to the State Comptroller by  
10          the fund.

11          (d) The police pension fund shall consist of the following  
12          moneys which shall be set apart by the treasurer of the  
13          municipality:

14                (1) All moneys derived from the taxes levied hereunder;

15                (2) Contributions by police officers under Section  
16                3-125.1;

17                (3) All moneys accumulated by the municipality under  
18                any previous legislation establishing a fund for the  
19                benefit of disabled or retired police officers;

20                (4) Donations, gifts or other transfers authorized by  
21                this Article.

22          (e) The Commission on Government Forecasting and  
23          Accountability shall conduct a study of all funds established  
24          under this Article and shall report its findings to the General  
25          Assembly on or before January 1, 2013. To the fullest extent  
26          possible, the study shall include, but not be limited to, the

1 following:

2 (1) fund balances;

3 (2) historical employer contribution rates for each  
4 fund;

5 (3) the actuarial formulas used as a basis for employer  
6 contributions, including the actual assumed rate of return  
7 for each year, for each fund;

8 (4) available contribution funding sources;

9 (5) the impact of any revenue limitations caused by  
10 PTELL and employer home rule or non-home rule status; and

11 (6) existing statutory funding compliance procedures  
12 and funding enforcement mechanisms for all municipal  
13 pension funds.

14 (Source: P.A. 95-530, eff. 8-28-07; 96-1495, eff. 1-1-11.)

15 (40 ILCS 5/4-118) (from Ch. 108 1/2, par. 4-118)

16 Sec. 4-118. Financing.

17 (a) The city council or the board of trustees of the  
18 municipality shall annually levy a tax upon all the taxable  
19 property of the municipality at the rate on the dollar which  
20 will produce an amount which, when added to the deductions from  
21 the salaries or wages of firefighters and revenues available  
22 from other sources, will equal a sum sufficient to meet the  
23 annual actuarial requirements of the pension fund, as  
24 determined by an enrolled actuary employed by the Illinois  
25 Department of Insurance or by an enrolled actuary retained by

1 the pension fund or municipality. For the purposes of this  
2 Section, the annual actuarial requirements of the pension fund  
3 are equal to (1) the normal cost of the pension fund, or 17.5%  
4 of the salaries and wages to be paid to firefighters for the  
5 year involved, whichever is greater, plus (2) an annual amount  
6 sufficient to bring the total assets of the pension fund up to  
7 90% of the total actuarial liabilities of the pension fund by  
8 the end of municipal fiscal year 2040, as annually updated and  
9 determined by an enrolled actuary employed by the Illinois  
10 Department of Insurance or by an enrolled actuary retained by  
11 the pension fund or the municipality. In making these  
12 determinations, the required minimum employer contribution  
13 shall be calculated each year as a level percentage of payroll  
14 over the years remaining up to and including fiscal year 2040  
15 and shall be determined under the projected unit credit  
16 actuarial cost method. The amount to be applied towards the  
17 amortization of the unfunded accrued liability in any year  
18 shall not be less than the annual amount required to amortize  
19 the unfunded accrued liability, including interest, as a level  
20 percentage of payroll over the number of years remaining in the  
21 40 year amortization period.

22 (a-5) For purposes of determining the required employer  
23 contribution to a pension fund, the value of the pension fund's  
24 assets shall be equal to the actuarial value of the pension  
25 fund's assets, which shall be calculated as follows:

26 (1) On March 30, 2011, the actuarial value of a pension



1 fund's assets shall be equal to the market value of the  
2 assets as of that date.

3 (2) In determining the actuarial value of the pension  
4 fund's assets for fiscal years after March 30, 2011, any  
5 actuarial gains or losses from investment return incurred  
6 in a fiscal year shall be recognized in equal annual  
7 amounts over the 5-year period following that fiscal year.

8 (b) The tax shall be levied and collected in the same  
9 manner as the general taxes of the municipality, and shall be  
10 in addition to all other taxes now or hereafter authorized to  
11 be levied upon all property within the municipality, and in  
12 addition to the amount authorized to be levied for general  
13 purposes, under Section 8-3-1 of the Illinois Municipal Code or  
14 under Section 14 of the Fire Protection District Act. The tax  
15 shall be forwarded directly to the treasurer of the board  
16 within 30 business days of receipt by the county (or, in the  
17 case of amounts added to the tax levy under subsection (f),  
18 used by the municipality to pay the employer contributions  
19 required under subsection (b-1) of Section 15-155 of this  
20 Code).

21 (b-5) If a participating municipality fails to transmit to  
22 the fund contributions required of it under this Article for  
23 more than 90 days after the payment of those contributions is  
24 due, the fund may, after giving notice to the municipality,  
25 certify to the State Comptroller the amounts of the delinquent  
26 payments in accordance with any applicable rules of the

1 Comptroller, and the Comptroller must, beginning in fiscal year  
2 2016, deduct and remit to ~~deposit into~~ the fund the certified  
3 amounts or a portion of those amounts from the following  
4 proportions of payments ~~grants~~ of State funds to the  
5 municipality:

6 (1) in fiscal year 2016, one-third of the total amount  
7 of any payments ~~grants~~ of State funds to the municipality;

8 (2) in fiscal year 2017, two-thirds of the total amount  
9 of any payments ~~grants~~ of State funds to the municipality;

10 and

11 (3) in fiscal year 2018 and each fiscal year  
12 thereafter, the total amount of any payments ~~grants~~ of  
13 State funds to the municipality.

14 The State Comptroller may not deduct from any payments  
15 ~~grants~~ of State funds to the municipality more than the amount  
16 of delinquent payments certified to the State Comptroller by  
17 the fund.

18 (c) The board shall make available to the membership and  
19 the general public for inspection and copying at reasonable  
20 times the most recent Actuarial Valuation Balance Sheet and Tax  
21 Levy Requirement issued to the fund by the Department of  
22 Insurance.

23 (d) The firefighters' pension fund shall consist of the  
24 following moneys which shall be set apart by the treasurer of  
25 the municipality: (1) all moneys derived from the taxes levied  
26 hereunder; (2) contributions by firefighters as provided under

1 Section 4-118.1; (3) all rewards in money, fees, gifts, and  
2 emoluments that may be paid or given for or on account of  
3 extraordinary service by the fire department or any member  
4 thereof, except when allowed to be retained by competitive  
5 awards; and (4) any money, real estate or personal property  
6 received by the board.

7 (e) For the purposes of this Section, "enrolled actuary"  
8 means an actuary: (1) who is a member of the Society of  
9 Actuaries or the American Academy of Actuaries; and (2) who is  
10 enrolled under Subtitle C of Title III of the Employee  
11 Retirement Income Security Act of 1974, or who has been engaged  
12 in providing actuarial services to one or more public  
13 retirement systems for a period of at least 3 years as of July  
14 1, 1983.

15 (f) The corporate authorities of a municipality that  
16 employs a person who is described in subdivision (d) of Section  
17 4-106 may add to the tax levy otherwise provided for in this  
18 Section an amount equal to the projected cost of the employer  
19 contributions required to be paid by the municipality to the  
20 State Universities Retirement System under subsection (b-1) of  
21 Section 15-155 of this Code.

22 (g) The Commission on Government Forecasting and  
23 Accountability shall conduct a study of all funds established  
24 under this Article and shall report its findings to the General  
25 Assembly on or before January 1, 2013. To the fullest extent  
26 possible, the study shall include, but not be limited to, the

1 following:

2 (1) fund balances;

3 (2) historical employer contribution rates for each  
4 fund;

5 (3) the actuarial formulas used as a basis for employer  
6 contributions, including the actual assumed rate of return  
7 for each year, for each fund;

8 (4) available contribution funding sources;

9 (5) the impact of any revenue limitations caused by  
10 PTELL and employer home rule or non-home rule status; and

11 (6) existing statutory funding compliance procedures  
12 and funding enforcement mechanisms for all municipal  
13 pension funds.

14 (Source: P.A. 96-1495, eff. 1-1-11.)

15 (40 ILCS 5/7-172.1) (from Ch. 108 1/2, par. 7-172.1)

16 Sec. 7-172.1. Actions to enforce payments by  
17 municipalities and instrumentalities.

18 (a) If any participating municipality or participating  
19 instrumentality fails to transmit to the Fund contributions  
20 required of it under this Article or contributions collected by  
21 it from its participating employees for the purposes of this  
22 Article for more than 90 days after the payment of such  
23 contributions is due, the Fund, after giving notice to such  
24 municipality or instrumentality, may certify to the State  
25 Comptroller the amounts of such delinquent payments in

1 accordance with any applicable rules of the Comptroller, and  
2 the Comptroller shall deduct the amounts so certified or any  
3 part thereof from any payments ~~grants~~ of State funds to the  
4 municipality or instrumentality involved and shall remit ~~pay~~  
5 the amount so deducted to the Fund. If State funds from which  
6 such deductions may be made are not available, the Fund may  
7 proceed against the municipality or instrumentality to recover  
8 the amounts of such delinquent payments in the appropriate  
9 circuit court.

10 (b) If any participating municipality fails to transmit to  
11 the Fund contributions required of it under this Article or  
12 contributions collected by it from its participating employees  
13 for the purposes of this Article for more than 90 days after  
14 the payment of such contributions is due, the Fund, after  
15 giving notice to such municipality, may certify the fact of  
16 such delinquent payment to the county treasurer of the county  
17 in which such municipality is located, who shall thereafter  
18 remit the amounts collected from the tax levied by the  
19 municipality under Section 7-171 directly to the Fund.

20 (c) If reports furnished to the Fund by the municipality or  
21 instrumentality involved are inadequate for the computation of  
22 the amounts of such delinquent payments, the Fund may provide  
23 for such audit of the records of the municipality or  
24 instrumentality as may be required to establish the amounts of  
25 such delinquent payments. The municipality or instrumentality  
26 shall make its records available to the Fund for the purpose of

1 such audit. The cost of such audit shall be added to the amount  
2 of the delinquent payments and shall be recovered by the Fund  
3 from the municipality or instrumentality at the same time and  
4 in the same manner as the delinquent payments are recovered.  
5 (Source: P.A. 86-273.)

6 (40 ILCS 5/7-195.1) (from Ch. 108 1/2, par. 7-195.1)

7 Sec. 7-195.1. To establish and maintain a revolving  
8 account. To establish and maintain a revolving account in a  
9 bank or savings and loan association, approved by the State  
10 Treasurer as a State depository and having capital funds,  
11 represented by capital, surplus, and undivided profits, of at  
12 least 5 million dollars, for the purpose of making payments of  
13 annuities, benefits, and administrative expenses and payments  
14 to the State Agency provided in Section 7-170. All funds  
15 deposited in such account shall be placed in the name of the  
16 Fund ~~fund~~ and shall be withdrawn only by a check or draft upon  
17 the bank or savings and loan association signed by the  
18 president of the board or the executive director, as the board  
19 may direct. In case the president or executive director, whose  
20 signature appears upon any check or draft, after attaching his  
21 signature ceases to hold office before the delivery thereof to  
22 the payee, his signature nevertheless shall be valid and  
23 sufficient for all purposes with the same effect as if he had  
24 remained in office until delivery thereof. The revolving  
25 account shall be created by resolution of the board. ~~The State~~

1 ~~Comptroller, upon receipt of a copy of such resolution and a~~  
2 ~~voucher designating the payment of \$300,000 into the revolving~~  
3 ~~account, shall draw his warrant on the State Treasurer for~~  
4 ~~payment of same to the Fund for deposit in the revolving~~  
5 ~~account.~~ The monies in the revolving account shall be held and  
6 expenditures shall be made by the Fund for the purposes herein  
7 set forth. The Fund shall reimburse the revolving account for  
8 expenditures for such purposes ~~and the Comptroller, upon~~  
9 ~~receipt of vouchers signed as provided in Section 7-210 and~~  
10 ~~including a statement of expenditures made from the revolving~~  
11 ~~account, shall draw his warrant on the State Treasurer for the~~  
12 ~~payment of the amount of such expenditures to the Fund for~~  
13 ~~deposit in the revolving account.~~

14 No bank or savings and loan association shall receive  
15 investment funds as permitted by this Section, unless it has  
16 complied with the requirements established pursuant to Section  
17 6 of the Public Funds Investment Act ~~"An Act relating to~~  
18 ~~certain investments of public funds by public agencies",~~  
19 ~~approved July 23, 1943,~~ as now or hereafter amended. The  
20 limitations set forth in such Section 6 shall be applicable  
21 only at the time of investment and shall not require the  
22 liquidation of any investment at any time.

23 (Source: P.A. 83-541.)

24 (40 ILCS 5/7-210) (from Ch. 108 1/2, par. 7-210)

25 Sec. 7-210. Funds.

1 (a) All money received by the board shall immediately be  
2 deposited with the custodian ~~State Treasurer~~ for the account of  
3 the Fund ~~fund~~, or in the case of funds received under Section  
4 7-199.1, in a separate account maintained for that purpose. All  
5 payments from the accounts of the Fund shall be made by the  
6 custodian only, and only by a check or draft signed by the  
7 president of the board or the executive director, as the board  
8 may direct. Such checks and drafts ~~All disbursements of funds~~  
9 ~~held by the State Treasurer shall be made only upon warrants of~~  
10 ~~the State Comptroller drawn upon the Treasurer as custodian of~~  
11 ~~this fund upon vouchers signed by the person or persons~~  
12 ~~designated for such purpose by resolution of the board. The~~  
13 ~~Comptroller is authorized to draw such warrants upon vouchers~~  
14 ~~so signed, including warrants payable to the Fund for deposit~~  
15 ~~in a revolving account authorized by Section 7-195.1. The~~  
16 ~~Treasurer shall accept all warrants so signed and shall be~~  
17 ~~released from liability for all payments made thereon. Vouchers~~  
18 shall be drawn only upon proper authorization by the board as  
19 properly recorded in the official minute books of the meetings  
20 of the board.

21 (b) (Blank). ~~All securities of the fund when received shall~~  
22 ~~be deposited with the State Treasurer who shall provide~~  
23 ~~adequate safe deposit facilities for their preservation and~~  
24 ~~have custody of them.~~

25 (c) The assets of the Fund ~~fund~~ shall be invested as one  
26 fund, and no particular person, municipality, or



1 instrumentality thereof or participating instrumentality shall  
2 have any right in any specific security or in any item of cash  
3 other than an undivided interest in the whole.

4 (d) Except as provided in subsection (d-5), whenever any  
5 employees of a municipality or participating instrumentality  
6 have been or shall be excluded from participation in this Fund  
7 ~~fund~~ by virtue of the application of paragraph b of Section  
8 7-109 (2), the board shall issue a check or draft ~~voucher~~  
9 ~~authorizing the Comptroller to draw his warrant upon the~~  
10 ~~Treasurer as custodian of this fund~~ in an amount equal to the  
11 accumulated contributions of such employees. Such check or  
12 draft ~~warrant~~ shall be drawn in favor of ~~the appropriate fund~~  
13 ~~of~~ the pension or retirement fund in which such employees have  
14 or shall become participants. Such transfer shall terminate any  
15 further rights of such employees under this Fund ~~fund~~.

16 (d-5) Upon creation of a newly established Article 3 police  
17 pension fund by referendum under Section 3-145 or by census  
18 under Section 3-105, the following amounts shall be transferred  
19 from this Fund to the new police pension fund, within 30 days  
20 after an application therefor is received from the new pension  
21 fund:

22 (1) the amounts actually contributed to this Fund as  
23 employee contributions by or on behalf of the police  
24 officers transferring to the new pension fund for their  
25 service as police officers of the municipality that is  
26 establishing the new pension fund, plus interest on those

1 amounts at the rate of 6% per year, compounded annually,  
2 from the date of contribution to the date of transfer to  
3 the new pension fund, and

4 (2) an amount representing employer contributions,  
5 equal to the total amount determined under item (1).

6 This transfer terminates any further rights of such police  
7 officers in this Fund arising out of their service as police  
8 officers of the municipality that is establishing the new  
9 pension fund.

10 (e) If a participating instrumentality terminates  
11 participation because it fails to meet the requirements of  
12 Section 7-108, it shall pay to the Fund ~~fund~~ the amount equal  
13 to any net debit balance in its municipality reserve account  
14 and account receivable. Its successors, and assigns and  
15 transferees of its assets shall be obligated to make this  
16 payment to the extent of the value of assets transferred to  
17 them. The Fund ~~fund~~ shall pay an amount equal to any net credit  
18 balance to the participating instrumentality, its successors  
19 or assigns. Any remaining net debit or credit balance not  
20 collectible or payable shall be transferred to the terminated  
21 municipality reserve account. The Fund ~~fund~~ shall pay to each  
22 employee of the participating instrumentality an amount equal  
23 to his credits in the employee reserves. The employees shall  
24 have no further rights to any benefits from the Fund ~~fund~~,  
25 except that annuities awarded prior to the date of termination  
26 shall continue to be paid.

1 (Source: P.A. 98-729, eff. 7-26-14.)

2 (40 ILCS 5/7-214) (from Ch. 108 1/2, par. 7-214)

3 Sec. 7-214. Custodian State treasurer. The Board shall  
4 appoint one or more custodians to receive and hold the assets  
5 of the Fund on such terms as the Board may agree. The State  
6 Treasurer shall be the treasurer of the fund and shall be  
7 responsible for the proper handling of all the assets of the  
8 fund in accordance with this Article. He shall furnish a  
9 corporate surety bond of such amount as the board designates,  
10 which bond shall indemnify the board against any loss which may  
11 result from any action or failure to act by the treasurer or  
12 any of his agents. All charges incidental to the procuring and  
13 giving of such bond shall be paid by the board.

14 (Source: Laws 1963, p. 161.)

15 (40 ILCS 5/9-184.5 new)

16 Sec. 9-184.5. Delinquent contributions; deduction from  
17 payments of State funds to the county. If the county fails to  
18 transmit to the Fund contributions required of it under this  
19 Article by December 31st of the year in which such  
20 contributions are due, the Fund may, after giving notice to the  
21 county, certify to the State Comptroller the amounts of the  
22 delinquent payments in accordance with any applicable rules of  
23 the Comptroller, and the Comptroller must, beginning in payment  
24 year 2016, deduct and remit to the Fund the certified amounts

1 from payments of State funds to the county.

2 The State Comptroller may not deduct from any payments of  
3 State funds to the county more than the amount of delinquent  
4 payments certified to the State Comptroller by the Fund.

5 (40 ILCS 5/10-107.5 new)

6 Sec. 10-107.5. Delinquent contributions; deduction from  
7 payments of State funds to the district. If the district fails  
8 to transmit to the Fund contributions required of it under this  
9 Article by December 31st of the year in which such  
10 contributions are due, the Fund may, after giving notice to the  
11 district, certify to the State Comptroller the amounts of the  
12 delinquent payments in accordance with any applicable rules of  
13 the Comptroller, and the Comptroller must, beginning in payment  
14 year 2016, deduct and remit to the Fund the certified amounts  
15 from payments of State funds to the district.

16 The State Comptroller may not deduct from any payments of  
17 State funds to the district more than the amount of delinquent  
18 payments certified to the State Comptroller by the Fund.

19 (40 ILCS 5/12-149.5 new)

20 Sec. 12-149.5. Delinquent contributions; deduction from  
21 payments of State funds to the employer. If the employer fails  
22 to transmit to the Fund contributions required of it under this  
23 Article by December 31st of the year in which such  
24 contributions are due, the Fund may, after giving notice to the

1 employer, certify to the State Comptroller the amounts of the  
2 delinquent payments in accordance with any applicable rules of  
3 the Comptroller, and the Comptroller must, beginning in payment  
4 year 2016, deduct and remit to the Fund the certified amounts  
5 from payments of State funds to the employer.

6 The State Comptroller may not deduct from any payments of  
7 State funds to the employer more than the amount of delinquent  
8 payments certified to the State Comptroller by the Fund.

9 (40 ILCS 5/13-503.5 new)

10 Sec. 13-503.5. Delinquent contributions; deduction from  
11 payments of State funds to the employer. If the employer fails  
12 to transmit to the Fund contributions required of it under this  
13 Article by December 31st of the year in which such  
14 contributions are due, the Fund may, after giving notice to the  
15 employer, certify to the State Comptroller the amounts of the  
16 delinquent payments in accordance with any applicable rules of  
17 the Comptroller, and the Comptroller must, beginning in payment  
18 year 2016, deduct and remit to the Fund the certified amounts  
19 from payments of State funds to the employer.

20 The State Comptroller may not deduct from any payments of  
21 State funds to the employer more than the amount of delinquent  
22 payments certified to the State Comptroller by the Fund.

23 (40 ILCS 5/14-131)

24 (Text of Section WITHOUT the changes made by P.A. 98-599,

1 which has been held unconstitutional)

2 Sec. 14-131. Contributions by State.

3 (a) The State shall make contributions to the System by  
4 appropriations of amounts which, together with other employer  
5 contributions from trust, federal, and other funds, employee  
6 contributions, investment income, and other income, will be  
7 sufficient to meet the cost of maintaining and administering  
8 the System on a 90% funded basis in accordance with actuarial  
9 recommendations.

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

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

19 The Board shall also determine a State contribution rate  
20 for each fiscal year, expressed as a percentage of payroll,  
21 based on the total required State contribution for that fiscal  
22 year (less the amount received by the System from  
23 appropriations under Section 8.12 of the State Finance Act and  
24 Section 1 of the State Pension Funds Continuing Appropriation  
25 Act, if any, for the fiscal year ending on the June 30  
26 immediately preceding the applicable November 15 certification

1 deadline), the estimated payroll (including all forms of  
2 compensation) for personal services rendered by eligible  
3 employees, and the recommendations of the actuary.

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

11 (c) Contributions shall be made by the several departments  
12 for each pay period by warrants drawn by the State Comptroller  
13 against their respective funds or appropriations based upon  
14 vouchers stating the amount to be so contributed. These amounts  
15 shall be based on the full rate certified by the Board under  
16 Section 14-135.08 for that fiscal year. From the effective date  
17 of this amendatory Act of the 93rd General Assembly through the  
18 payment of the final payroll from fiscal year 2004  
19 appropriations, the several departments shall not make  
20 contributions for the remainder of fiscal year 2004 but shall  
21 instead make payments as required under subsection (a-1) of  
22 Section 14.1 of the State Finance Act. The several departments  
23 shall resume those contributions at the commencement of fiscal  
24 year 2005.

25 (c-1) Notwithstanding subsection (c) of this Section, for  
26 fiscal years 2010, 2012, 2013, 2014, ~~and~~ 2015, and 2016 only,

1 contributions by the several departments are not required to be  
2 made for General Revenue Funds payrolls processed by the  
3 Comptroller. Payrolls paid by the several departments from all  
4 other State funds must continue to be processed pursuant to  
5 subsection (c) of this Section.

6 (c-2) For State fiscal years 2010, 2012, 2013, 2014, ~~and~~  
7 2015, and 2016 only, on or as soon as possible after the 15th  
8 day of each month, the Board shall submit vouchers for payment  
9 of State contributions to the System, in a total monthly amount  
10 of one-twelfth of the fiscal year General Revenue Fund  
11 contribution as certified by the System pursuant to Section  
12 14-135.08 of the Illinois Pension Code.

13 (d) If an employee is paid from trust funds or federal  
14 funds, the department or other employer shall pay employer  
15 contributions from those funds to the System at the certified  
16 rate, unless the terms of the trust or the federal-State  
17 agreement preclude the use of the funds for that purpose, in  
18 which case the required employer contributions shall be paid by  
19 the State. From the effective date of this amendatory Act of  
20 the 93rd General Assembly through the payment of the final  
21 payroll from fiscal year 2004 appropriations, the department or  
22 other employer shall not pay contributions for the remainder of  
23 fiscal year 2004 but shall instead make payments as required  
24 under subsection (a-1) of Section 14.1 of the State Finance  
25 Act. The department or other employer shall resume payment of  
26 contributions at the commencement of fiscal year 2005.



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

11           For State fiscal years 1996 through 2005, the State  
12 contribution to the System, as a percentage of the applicable  
13 employee payroll, shall be increased in equal annual increments  
14 so that by State fiscal year 2011, the State is contributing at  
15 the rate required under this Section; except that (i) for State  
16 fiscal year 1998, for all purposes of this Code and any other  
17 law of this State, the certified percentage of the applicable  
18 employee payroll shall be 5.052% for employees earning eligible  
19 creditable service under Section 14-110 and 6.500% for all  
20 other employees, notwithstanding any contrary certification  
21 made under Section 14-135.08 before the effective date of this  
22 amendatory Act of 1997, and (ii) in the following specified  
23 State fiscal years, the State contribution to the System shall  
24 not be less than the following indicated percentages of the  
25 applicable employee payroll, even if the indicated percentage  
26 will produce a State contribution in excess of the amount

1 otherwise required under this subsection and subsection (a):  
2 9.8% in FY 1999; 10.0% in FY 2000; 10.2% in FY 2001; 10.4% in FY  
3 2002; 10.6% in FY 2003; and 10.8% in FY 2004.

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

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

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

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

26 Notwithstanding any other provision of this Article, the

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

11 Beginning in State fiscal year 2046, the minimum State  
12 contribution for each fiscal year shall be the amount needed to  
13 maintain the total assets of the System at 90% of the total  
14 actuarial liabilities of the System.

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

1           Notwithstanding any other provision of this Section, the  
2           required State contribution for State fiscal year 2005 and for  
3           fiscal year 2008 and each fiscal year thereafter, as calculated  
4           under this Section and certified under Section 14-135.08, shall  
5           not exceed an amount equal to (i) the amount of the required  
6           State contribution that would have been calculated under this  
7           Section for that fiscal year if the System had not received any  
8           payments under subsection (d) of Section 7.2 of the General  
9           Obligation Bond Act, minus (ii) the portion of the State's  
10          total debt service payments for that fiscal year on the bonds  
11          issued in fiscal year 2003 for the purposes of that Section  
12          7.2, as determined and certified by the Comptroller, that is  
13          the same as the System's portion of the total moneys  
14          distributed under subsection (d) of Section 7.2 of the General  
15          Obligation Bond Act. In determining this maximum for State  
16          fiscal years 2008 through 2010, however, the amount referred to  
17          in item (i) shall be increased, as a percentage of the  
18          applicable employee payroll, in equal increments calculated  
19          from the sum of the required State contribution for State  
20          fiscal year 2007 plus the applicable portion of the State's  
21          total debt service payments for fiscal year 2007 on the bonds  
22          issued in fiscal year 2003 for the purposes of Section 7.2 of  
23          the General Obligation Bond Act, so that, by State fiscal year  
24          2011, the State is contributing at the rate otherwise required  
25          under this Section.

26           (f) After the submission of all payments for eligible

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

24 (g) For purposes of determining the required State  
25 contribution to the System, the value of the System's assets  
26 shall be equal to the actuarial value of the System's assets,

1 which shall be calculated as follows:

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

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

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

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

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

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

7 (k) For fiscal years 2012 through 2016 ~~2015~~ only, after the  
8 submission of all payments for eligible employees from personal  
9 services line items paid from the General Revenue Fund in the  
10 fiscal year have been made, the Comptroller shall provide to  
11 the System a certification of the sum of all expenditures in  
12 the fiscal year for personal services. Upon receipt of the  
13 certification, the System shall determine the amount due to the  
14 System based on the full rate certified by the Board under  
15 Section 14-135.08 for the fiscal year in order to meet the  
16 State's obligation under this Section. The System shall compare  
17 this amount due to the amount received by the System for the  
18 fiscal year. If the amount due is more than the amount  
19 received, the difference shall be termed the "Prior Fiscal Year  
20 Shortfall" for purposes of this Section, and the Prior Fiscal  
21 Year Shortfall shall be satisfied under Section 1.2 of the  
22 State Pension Funds Continuing Appropriation Act. If the amount  
23 due is less than the amount received, the difference shall be  
24 termed the "Prior Fiscal Year Overpayment" for purposes of this  
25 Section, and the Prior Fiscal Year Overpayment shall be repaid  
26 by the System to the General Revenue Fund as soon as



1 practicable after the certification.

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

4 (40 ILCS 5/22-104 new)

5 Sec. 22-104. Delinquent contributions; deduction from  
6 payments of State funds to the employer. If an employer of  
7 participants in a pension fund or retirement plan subject to  
8 this Division fails to transmit contributions required of it by  
9 that pension fund or retirement plan by December 31st of the  
10 year in which such contributions are due, the pension fund or  
11 retirement plan may, after giving notice to the employer,  
12 certify to the State Comptroller the amounts of the delinquent  
13 payments in accordance with any applicable rules of the  
14 Comptroller, and the Comptroller must, beginning in payment  
15 year 2016, deduct and remit to that pension fund or retirement  
16 plan the certified amounts from payments of State funds to the  
17 employer.

18 The State Comptroller may not deduct from any payments of  
19 State funds to the employer more than the amount of delinquent  
20 payments certified to the State Comptroller by the employer.

21 Section 5-15. The Uniform Disposition of Unclaimed  
22 Property Act is amended by changing Section 18 as follows:

23 (765 ILCS 1025/18) (from Ch. 141, par. 118)

1           Sec. 18. Deposit of funds received under the Act.

2           (a) The State Treasurer shall retain all funds received  
3 under this Act, including the proceeds from the sale of  
4 abandoned property under Section 17, in a trust fund. The State  
5 Treasurer may deposit any amount in the Trust Fund into the  
6 State Pensions Fund during the fiscal year at his or her  
7 discretion; however, he or she shall, on April 15 and October  
8 15 of each year, deposit any amount in the trust fund exceeding  
9 \$2,500,000 into the State Pensions Fund. If on either April 15  
10 or October 15, the State Treasurer determines that a balance of  
11 \$2,500,000 is insufficient for the prompt payment of unclaimed  
12 property claims authorized under this Act, the Treasurer may  
13 retain more than \$2,500,000 in the Unclaimed Property Trust  
14 Fund in order to ensure the prompt payment of claims. Beginning  
15 in State fiscal year 2017 ~~2016~~, all amounts that are deposited  
16 into the State Pensions Fund from the Unclaimed Property Trust  
17 Fund shall be apportioned to the designated retirement systems  
18 as provided in subsection (c-6) of Section 8.12 of the State  
19 Finance Act to reduce their actuarial reserve deficiencies. He  
20 or she shall make prompt payment of claims he or she duly  
21 allows as provided for in this Act for the trust fund. Before  
22 making the deposit the State Treasurer shall record the name  
23 and last known address of each person appearing from the  
24 holders' reports to be entitled to the abandoned property. The  
25 record shall be available for public inspection during  
26 reasonable business hours.

1 (b) Before making any deposit to the credit of the State  
2 Pensions Fund, the State Treasurer may deduct: (1) any costs in  
3 connection with sale of abandoned property, (2) any costs of  
4 mailing and publication in connection with any abandoned  
5 property, and (3) any costs in connection with the maintenance  
6 of records or disposition of claims made pursuant to this Act.  
7 The State Treasurer shall semiannually file an itemized report  
8 of all such expenses with the Legislative Audit Commission.

9 (Source: P.A. 97-732, eff. 6-30-12; 98-19, eff. 6-10-13; 98-24,  
10 eff. 6-19-13; 98-674, eff. 6-30-14; 98-756, eff. 7-16-14.)

11 ARTICLE 99. EFFECTIVE DATE

12 Section 99-99. Effective date. This Act takes effect July  
13 1, 2015.