



Sen. Donne E. Trotter

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09900SB1235sam001

LRB099 10249 EFG 34006 a

1 AMENDMENT TO SENATE BILL 1235

2 AMENDMENT NO. _____. Amend Senate Bill 1235 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Illinois Pension Code is amended by
5 changing Sections 17-129 and 17-142.1 as follows:

6 (40 ILCS 5/17-129) (from Ch. 108 1/2, par. 17-129)

7 Sec. 17-129. Employer contributions; deficiency in Fund.

8 (a) If in any fiscal year of the Board of Education ending
9 prior to 1997 the total amounts paid to the Fund from the Board
10 of Education (other than under this subsection, and other than
11 amounts used for making or "picking up" contributions on behalf
12 of teachers) and from the State do not equal the total
13 contributions made by or on behalf of the teachers for such
14 year, or if the total income of the Fund in any such fiscal
15 year of the Board of Education from all sources is less than
16 the total such expenditures by the Fund for such year, the

1 Board of Education shall, in the next succeeding year, in
2 addition to any other payment to the Fund set apart and
3 appropriate from moneys from its tax levy for educational
4 purposes, a sum sufficient to remove such deficiency or
5 deficiencies, and promptly pay such sum into the Fund in order
6 to restore any of the reserves of the Fund that may have been
7 so temporarily applied. Any amounts received by the Fund after
8 December 4, 1997 from State appropriations, including under
9 Section 17-127, shall be a credit against and shall fully
10 satisfy any obligation that may have arisen, or be claimed to
11 have arisen, under this subsection (a) as a result of any
12 deficiency or deficiencies in the fiscal year of the Board of
13 Education ending in calendar year 1997.

14 (b) (i) Notwithstanding any other provision of this
15 Section, and notwithstanding any prior certification by the
16 Board under subsection (c) for fiscal year 2011, the Board of
17 Education's total required contribution to the Fund for fiscal
18 year 2011 under this Section is \$187,000,000.

19 (ii) Notwithstanding any other provision of this Section,
20 the Board of Education's total required contribution to the
21 Fund for fiscal year 2012 under this Section is \$192,000,000.

22 (iii) Notwithstanding any other provision of this Section,
23 the Board of Education's total required contribution to the
24 Fund for fiscal year 2013 under this Section is \$196,000,000.

25 (iv) For fiscal years 2014 through 2059, the minimum
26 contribution to the Fund to be made by the Board of Education

1 in each fiscal year shall be an amount determined by the Fund
2 to be sufficient to bring the total assets of the Fund up to
3 90% of the total actuarial liabilities of the Fund by the end
4 of fiscal year 2059. In making these determinations, the
5 required Board of Education contribution shall be calculated
6 each year as a level percentage of the applicable employee
7 payrolls over the years remaining to and including fiscal year
8 2059 and shall be determined under the projected unit credit
9 actuarial cost method.

10 (v) Beginning in fiscal year 2060, the minimum Board of
11 Education contribution for each fiscal year shall be the amount
12 needed to maintain the total assets of the Fund at 90% of the
13 total actuarial liabilities of the Fund.

14 (vi) Notwithstanding any other provision of this
15 subsection (b), for any fiscal year, the contribution to the
16 Fund from the Board of Education shall not be required to be in
17 excess of the amount calculated as needed to maintain the
18 assets (or cause the assets to be) at the 90% level by the end
19 of the fiscal year.

20 (vii) Any contribution by the State to or for the benefit
21 of the Fund, including, without limitation, as referred to
22 under Section 17-127, shall be a credit against any
23 contribution required to be made by the Board of Education
24 under this subsection (b).

25 (c) The Board shall determine the amount of Board of
26 Education contributions required for each fiscal year on the

1 basis of the actuarial tables and other assumptions adopted by
2 the Board and the recommendations of the actuary, in order to
3 meet the minimum contribution requirements of subsections (a)
4 and (b). Annually, on or before February 28, the Board shall
5 certify to the Board of Education the amount of the required
6 Board of Education contribution for the coming fiscal year. The
7 certification shall include a copy of the actuarial
8 recommendations upon which it is based.

9 (d) For fiscal years 2016 through 2020, the Board shall
10 certify to the Board of Education an additional required Board
11 of Education contribution equal to the additional
12 reimbursement authorized pursuant to paragraph (4) of Section
13 17-142.1. The amount certified pursuant to this subsection is
14 an additional contribution and shall not be a credit against
15 any contribution required to be made by the Board of Education.
16 For fiscal year 2016, the Board shall certify the additional
17 reimbursement within 30 days of the effective date of this
18 amendatory Act of the 99th General Assembly. For fiscal year
19 2017 through 2020, the Board shall certify the additional
20 reimbursement on or before the February 28th for the coming
21 fiscal year.

22 (Source: P.A. 96-889, eff. 4-14-10.)

23 (40 ILCS 5/17-142.1) (from Ch. 108 1/2, par. 17-142.1)
24 Sec. 17-142.1. To defray health insurance costs. To provide
25 for the partial reimbursement of health insurance costs.

1 (1) On the first day of September of each year, beginning
2 in 1988, the Board may, by separate warrant, pay to each
3 recipient of a service retirement, disability retirement or
4 survivor's pension an amount to be determined by the Board,
5 which shall represent partial reimbursement for the cost of the
6 recipient's health insurance coverage.

7 (2) In lieu of the annual payment authorized in subdivision
8 (1), for pensioners enrolled in the Fund's regular health care
9 deduction plans, the Fund may pay the health insurance premium
10 reimbursement on a monthly rather than annual basis, at the
11 percentage rate established from time to time by the Board. If
12 the Board so directs, these monthly payments may be made in the
13 form of a direct payment of premium and a reduction in the
14 amount deducted from the annuity, rather than in the form of
15 reimbursement by separate warrant.

16 (3) Total payments under this Section in any year may not
17 exceed \$65,000,000 plus any amount that was authorized to be
18 paid under this Section in the preceding year but was not
19 actually paid by the Board, including any interest earned
20 thereon.

21 (4) For fiscal years 2016 through 2020, total payments
22 under this Section shall not exceed amounts authorized under
23 paragraph (3) plus an amount of additional reimbursement that
24 shall not exceed \$15,000,000. The additional reimbursement
25 authorized by this amendatory Act of the 99th General Assembly
26 shall not be considered a vested benefit or right. The Board

1 shall deduct from this additional reimbursement the Board's
2 good-faith estimate of the direct payroll cost for Fund
3 employees to administer the health insurance reimbursement and
4 the cost of any external consultant retained for the health
5 insurance program.

6 (5) ~~(4)~~ The total amount of payments under this Section in
7 any year may not exceed 75% of the total cost of health
8 insurance coverage in that year for all the recipients who
9 receive payments authorized by this Section in that year.

10 (Source: P.A. 93-677, eff. 6-28-04.)

11 Section 99. Effective date. This Act takes effect upon
12 becoming law."