

AN ACT concerning State government.

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

Section 5. The Department of Revenue Law of the Civil Administrative Code of Illinois is amended by adding Section 2505-306 as follows:

(20 ILCS 2505/2505-306 new)

Sec. 2505-306. Retiring investigators; purchase of service firearm and badge. The Director shall establish a program to allow a Department investigator who is honorably retiring in good standing to purchase either one or both of the following: (1) any badge previously issued to the investigator by the Department; or (2) if the investigator has a currently valid Firearm Owner's Identification Card, the service firearm issued or previously issued to the investigator by the Department. The cost of the firearm shall be the replacement value of the firearm and not the firearm's fair market value.

Section 10. The Illinois Pension Code is amended by changing Section 1-160 as follows:

(40 ILCS 5/1-160)

Sec. 1-160. Provisions applicable to new hires.

(a) The provisions of this Section apply to a person who, on or after January 1, 2011, first becomes a member or a participant under any reciprocal retirement system or pension fund established under this Code, other than a retirement system or pension fund established under Article 2, 3, 4, 5, 6, 7, 15, or 18 of this Code, notwithstanding any other provision of this Code to the contrary, but do not apply to any self-managed plan established under this Code or to any participant of the retirement plan established under Section 22-101; except that this Section applies to a person who elected to establish alternative credits by electing in writing after January 1, 2011, but before August 8, 2011, under Section 7-145.1 of this Code. Notwithstanding anything to the contrary in this Section, for purposes of this Section, a person who is a Tier 1 regular employee as defined in Section 7-109.4 of this Code or who participated in a retirement system under Article 15 prior to January 1, 2011 shall be deemed a person who first became a member or participant prior to January 1, 2011 under any retirement system or pension fund subject to this Section. The changes made to this Section by Public Act 98-596 are a clarification of existing law and are intended to be retroactive to January 1, 2011 (the effective date of Public Act 96-889), notwithstanding the provisions of Section 1-103.1 of this Code.

This Section does not apply to a person who first becomes a noncovered employee under Article 14 on or after the

implementation date of the plan created under Section 1-161 for that Article, unless that person elects under subsection (b) of Section 1-161 to instead receive the benefits provided under this Section and the applicable provisions of that Article.

This Section does not apply to a person who first becomes a member or participant under Article 16 on or after the implementation date of the plan created under Section 1-161 for that Article, unless that person elects under subsection (b) of Section 1-161 to instead receive the benefits provided under this Section and the applicable provisions of that Article.

This Section does not apply to a person who elects under subsection (c-5) of Section 1-161 to receive the benefits under Section 1-161.

This Section does not apply to a person who first becomes a member or participant of an affected pension fund on or after 6 months after the resolution or ordinance date, as defined in Section 1-162, unless that person elects under subsection (c) of Section 1-162 to receive the benefits provided under this Section and the applicable provisions of the Article under which he or she is a member or participant.

(b) "Final average salary" means, except as otherwise provided in this subsection, the average monthly (or annual) salary obtained by dividing the total salary or earnings calculated under the Article applicable to the member or

participant during the 96 consecutive months (or 8 consecutive years) of service within the last 120 months (or 10 years) of service in which the total salary or earnings calculated under the applicable Article was the highest by the number of months (or years) of service in that period. For the purposes of a person who first becomes a member or participant of any retirement system or pension fund to which this Section applies on or after January 1, 2011, in this Code, "final average salary" shall be substituted for the following:

(1) (Blank).

(2) In Articles 8, 9, 10, 11, and 12, "highest average annual salary for any 4 consecutive years within the last 10 years of service immediately preceding the date of withdrawal".

(3) In Article 13, "average final salary".

(4) In Article 14, "final average compensation".

(5) In Article 17, "average salary".

(6) In Section 22-207, "wages or salary received by him at the date of retirement or discharge".

A member of the Teachers' Retirement System of the State of Illinois who retires on or after June 1, 2021 and for whom the 2020-2021 school year is used in the calculation of the member's final average salary shall use the higher of the following for the purpose of determining the member's final average salary:

(A) the amount otherwise calculated under the first

paragraph of this subsection; or

(B) an amount calculated by the Teachers' Retirement System of the State of Illinois using the average of the monthly (or annual) salary obtained by dividing the total salary or earnings calculated under Article 16 applicable to the member or participant during the 96 months (or 8 years) of service within the last 120 months (or 10 years) of service in which the total salary or earnings calculated under the Article was the highest by the number of months (or years) of service in that period.

(b-5) Beginning on January 1, 2011, for all purposes under this Code (including without limitation the calculation of benefits and employee contributions), the annual earnings, salary, or wages (based on the plan year) of a member or participant to whom this Section applies shall not exceed \$106,800; however, that amount shall annually thereafter be increased by the lesser of (i) 3% of that amount, including all previous adjustments, or (ii) one-half the annual unadjusted percentage increase (but not less than zero) in the consumer price index-u for the 12 months ending with the September preceding each November 1, including all previous adjustments.

For the purposes of this Section, "consumer price index-u" means the index published by the Bureau of Labor Statistics of the United States Department of Labor that measures the average change in prices of goods and services purchased by all urban consumers, United States city average, all items,

1982-84 = 100. The new amount resulting from each annual adjustment shall be determined by the Public Pension Division of the Department of Insurance and made available to the boards of the retirement systems and pension funds by November 1 of each year.

(c) A member or participant is entitled to a retirement annuity upon written application if he or she has attained age 67 (age 65, with respect to service under Article 12 that is subject to this Section, for a member or participant under Article 12 who first becomes a member or participant under Article 12 on or after January 1, 2022 or who makes the election under item (i) of subsection (d-15) of this Section) and has at least 10 years of service credit and is otherwise eligible under the requirements of the applicable Article.

A member or participant who has attained age 62 (age 60, with respect to service under Article 12 that is subject to this Section, for a member or participant under Article 12 who first becomes a member or participant under Article 12 on or after January 1, 2022 or who makes the election under item (i) of subsection (d-15) of this Section) and has at least 10 years of service credit and is otherwise eligible under the requirements of the applicable Article may elect to receive the lower retirement annuity provided in subsection (d) of this Section.

(c-5) A person who first becomes a member or a participant subject to this Section on or after July 6, 2017 (the effective

date of Public Act 100-23), notwithstanding any other provision of this Code to the contrary, is entitled to a retirement annuity under Article 8 or Article 11 upon written application if he or she has attained age 65 and has at least 10 years of service credit and is otherwise eligible under the requirements of Article 8 or Article 11 of this Code, whichever is applicable.

(d) The retirement annuity of a member or participant who is retiring after attaining age 62 (age 60, with respect to service under Article 12 that is subject to this Section, for a member or participant under Article 12 who first becomes a member or participant under Article 12 on or after January 1, 2022 or who makes the election under item (i) of subsection (d-15) of this Section) with at least 10 years of service credit shall be reduced by one-half of 1% for each full month that the member's age is under age 67 (age 65, with respect to service under Article 12 that is subject to this Section, for a member or participant under Article 12 who first becomes a member or participant under Article 12 on or after January 1, 2022 or who makes the election under item (i) of subsection (d-15) of this Section).

(d-5) The retirement annuity payable under Article 8 or Article 11 to an eligible person subject to subsection (c-5) of this Section who is retiring at age 60 with at least 10 years of service credit shall be reduced by one-half of 1% for each full month that the member's age is under age 65.

(d-10) Each person who first became a member or participant under Article 8 or Article 11 of this Code on or after January 1, 2011 and prior to July 6, 2017 (the effective date of Public Act 100-23) ~~this amendatory Act of the 100th General Assembly~~ shall make an irrevocable election either:

(i) to be eligible for the reduced retirement age provided in subsections (c-5) and (d-5) of this Section, the eligibility for which is conditioned upon the member or participant agreeing to the increases in employee contributions for age and service annuities provided in subsection (a-5) of Section 8-174 of this Code (for service under Article 8) or subsection (a-5) of Section 11-170 of this Code (for service under Article 11); or

(ii) to not agree to item (i) of this subsection (d-10), in which case the member or participant shall continue to be subject to the retirement age provisions in subsections (c) and (d) of this Section and the employee contributions for age and service annuity as provided in subsection (a) of Section 8-174 of this Code (for service under Article 8) or subsection (a) of Section 11-170 of this Code (for service under Article 11).

The election provided for in this subsection shall be made between October 1, 2017 and November 15, 2017. A person subject to this subsection who makes the required election shall remain bound by that election. A person subject to this subsection who fails for any reason to make the required

election within the time specified in this subsection shall be deemed to have made the election under item (ii).

(d-15) Each person who first becomes a member or participant under Article 12 on or after January 1, 2011 and prior to January 1, 2022 shall make an irrevocable election either:

(i) to be eligible for the reduced retirement age specified in subsections (c) and (d) of this Section, the eligibility for which is conditioned upon the member or participant agreeing to the increase in employee contributions for service annuities specified in subsection (b) of Section 12-150; or

(ii) to not agree to item (i) of this subsection (d-15), in which case the member or participant shall not be eligible for the reduced retirement age specified in subsections (c) and (d) of this Section and shall not be subject to the increase in employee contributions for service annuities specified in subsection (b) of Section 12-150.

The election provided for in this subsection shall be made between January 1, 2022 and April 1, 2022. A person subject to this subsection who makes the required election shall remain bound by that election. A person subject to this subsection who fails for any reason to make the required election within the time specified in this subsection shall be deemed to have made the election under item (ii).

(e) Any retirement annuity or supplemental annuity shall be subject to annual increases on the January 1 occurring either on or after the attainment of age 67 (age 65, with respect to service under Article 12 that is subject to this Section, for a member or participant under Article 12 who first becomes a member or participant under Article 12 on or after January 1, 2022 or who makes the election under item (i) of subsection (d-15); and beginning on July 6, 2017 (the effective date of Public Act 100-23) ~~this amendatory Act of the 100th General Assembly~~, age 65 with respect to service under Article 8 or Article 11 for eligible persons who: (i) are subject to subsection (c-5) of this Section; or (ii) made the election under item (i) of subsection (d-10) of this Section) or the first anniversary of the annuity start date, whichever is later. Each annual increase shall be calculated at 3% or one-half the annual unadjusted percentage increase (but not less than zero) in the consumer price index-u for the 12 months ending with the September preceding each November 1, whichever is less, of the originally granted retirement annuity. If the annual unadjusted percentage change in the consumer price index-u for the 12 months ending with the September preceding each November 1 is zero or there is a decrease, then the annuity shall not be increased.

For the purposes of Section 1-103.1 of this Code, the changes made to this Section by Public Act 102-263 ~~this amendatory Act of the 102nd General Assembly~~ are applicable

without regard to whether the employee was in active service on or after August 6, 2021 (the effective date of Public Act 102-263) ~~this amendatory Act of the 102nd General Assembly.~~

For the purposes of Section 1-103.1 of this Code, the changes made to this Section by Public Act 100-23 ~~this amendatory Act of the 100th General Assembly~~ are applicable without regard to whether the employee was in active service on or after July 6, 2017 (the effective date of Public Act 100-23) ~~this amendatory Act of the 100th General Assembly.~~

(f) The initial survivor's or widow's annuity of an otherwise eligible survivor or widow of a retired member or participant who first became a member or participant on or after January 1, 2011 shall be in the amount of 66 2/3% of the retired member's or participant's retirement annuity at the date of death. In the case of the death of a member or participant who has not retired and who first became a member or participant on or after January 1, 2011, eligibility for a survivor's or widow's annuity shall be determined by the applicable Article of this Code. The initial benefit shall be 66 2/3% of the earned annuity without a reduction due to age. A child's annuity of an otherwise eligible child shall be in the amount prescribed under each Article if applicable. Any survivor's or widow's annuity shall be increased (1) on each January 1 occurring on or after the commencement of the annuity if the deceased member died while receiving a retirement annuity or (2) in other cases, on each January 1

occurring after the first anniversary of the commencement of the annuity. Each annual increase shall be calculated at 3% or one-half the annual unadjusted percentage increase (but not less than zero) in the consumer price index-u for the 12 months ending with the September preceding each November 1, whichever is less, of the originally granted survivor's annuity. If the annual unadjusted percentage change in the consumer price index-u for the 12 months ending with the September preceding each November 1 is zero or there is a decrease, then the annuity shall not be increased.

(g) The benefits in Section 14-110 apply ~~only~~ if the person is ~~a State policeman,~~ a fire fighter in the fire protection service of a department, ~~a conservation police officer,~~ ~~an investigator for the Secretary of State,~~ ~~an arson investigator,~~ ~~a Commerce Commission police officer,~~ ~~investigator for the Department of Revenue or the Illinois Gaming Board,~~ a security employee of the Department of Corrections or the Department of Juvenile Justice, or a security employee of the Department of Innovation and Technology, as those terms are defined in subsection (b) and subsection (c) of Section 14-110. A person who meets the requirements of this Section is entitled to an annuity calculated under the provisions of Section 14-110, in lieu of the regular or minimum retirement annuity, only if the person has withdrawn from service with not less than 20 years of eligible creditable service and has attained age 60,

regardless of whether the attainment of age 60 occurs while the person is still in service.

(g-5) The benefits in Section 14-110 apply if the person is a State policeman, investigator for the Secretary of State, conservation police officer, investigator for the Department of Revenue or the Illinois Gaming Board, investigator for the Office of the Attorney General, Commerce Commission police officer, or arson investigator, as those terms are defined in subsection (b) and subsection (c) of Section 14-110. A person who meets the requirements of this Section is entitled to an annuity calculated under the provisions of Section 14-110, in lieu of the regular or minimum retirement annuity, only if the person has withdrawn from service with not less than 20 years of eligible creditable service and has attained age 55, regardless of whether the attainment of age 55 occurs while the person is still in service.

(h) If a person who first becomes a member or a participant of a retirement system or pension fund subject to this Section on or after January 1, 2011 is receiving a retirement annuity or retirement pension under that system or fund and becomes a member or participant under any other system or fund created by this Code and is employed on a full-time basis, except for those members or participants exempted from the provisions of this Section under subsection (a) of this Section, then the person's retirement annuity or retirement pension under that system or fund shall be suspended during that employment. Upon

termination of that employment, the person's retirement annuity or retirement pension payments shall resume and be recalculated if recalculation is provided for under the applicable Article of this Code.

If a person who first becomes a member of a retirement system or pension fund subject to this Section on or after January 1, 2012 and is receiving a retirement annuity or retirement pension under that system or fund and accepts on a contractual basis a position to provide services to a governmental entity from which he or she has retired, then that person's annuity or retirement pension earned as an active employee of the employer shall be suspended during that contractual service. A person receiving an annuity or retirement pension under this Code shall notify the pension fund or retirement system from which he or she is receiving an annuity or retirement pension, as well as his or her contractual employer, of his or her retirement status before accepting contractual employment. A person who fails to submit such notification shall be guilty of a Class A misdemeanor and required to pay a fine of \$1,000. Upon termination of that contractual employment, the person's retirement annuity or retirement pension payments shall resume and, if appropriate, be recalculated under the applicable provisions of this Code.

(i) (Blank).

(j) In the case of a conflict between the provisions of this Section and any other provision of this Code, the

provisions of this Section shall control.

(Source: P.A. 101-610, eff. 1-1-20; 102-16, eff. 6-17-21; 102-210, eff. 1-1-22; 102-263, eff. 8-6-21; revised 9-28-21.)

Section 15. The Law Enforcement Intern Training Act is amended by adding Section 24 as follows:

(50 ILCS 708/24 new)

Sec. 24. Transfer credits from public institutions of higher education.

(a) As used in this Section, "public institutions of higher education" has the meaning ascribed to that term in the Board of Higher Education Act.

(b) The Board shall collaborate with the Illinois Community College Board and the Board of Higher Education to create a report with recommendations to the General Assembly for establishing minimum requirements for credits that may transfer from public institutions of higher education to satisfy the requirements of law enforcement and correctional intern courses under this Act.

(c) The report shall be submitted to the General Assembly no later than July 1, 2023.

Section 20. The Counties Code is amended by adding Section 3-6042 as follows:

(55 ILCS 5/3-6042 new)

Sec. 3-6042. Retiring employee; purchase of service firearm and badge. Each Sheriff shall establish a program to allow an employee of the Sheriff's Department who is honorably retiring in good standing to purchase either one or both of the following: (1) any badge previously issued to the employee by the Sheriff's Department; or (2) if the employee has a currently valid Firearm Owner's Identification Card, the service firearm issued or previously issued to the employee by the Sheriff's Department. The badge must be permanently and conspicuously marked in such a manner that the individual who possesses the badge is not mistaken for an actively serving law enforcement officer. The cost of the firearm shall be the replacement value of the firearm and not the firearm's fair market value.

Section 25. The Illinois Gambling Act is amended by adding Section 5.4 as follows:

(230 ILCS 10/5.4 new)

Sec. 5.4. Retiring investigators; purchase of service firearm and badge. The Board shall establish a program to allow an investigator appointed under paragraph (20.6) of subsection (c) of Section 4 who is honorably retiring in good standing to purchase either one or both of the following: (1) any badge previously issued to the investigator by the Board;

or (2) if the investigator has a currently valid Firearm Owner's Identification Card, the service firearm issued or previously issued to the investigator by the Board. The badge must be permanently and conspicuously marked in such a manner that the individual who possesses the badge is not mistaken for an actively serving law enforcement officer. The cost of the firearm shall be the replacement value of the firearm and not the firearm's fair market value.

Section 30. The Unified Code of Corrections is amended by adding Section 3-2-10.5 as follows:

(730 ILCS 5/3-2-10.5 new)

Sec. 3-2-10.5. Retiring security employees and parole agents; purchase of service firearm and badge. The Director shall establish a program to allow a security employee or parole agent of the Department who is honorably retiring in good standing to purchase either one or both of the following: (1) any badge previously issued to the security employee or parole agent by the Department; or (2) if the security employee or parole agent has a currently valid Firearm Owner's Identification Card, the service firearm issued or previously issued to the security employee or parole agent by the Department. The badge must be permanently and conspicuously marked in such a manner that the individual who possesses the badge is not mistaken for an actively serving law enforcement

officer. The cost of the firearm shall be the replacement value of the firearm and not the firearm's fair market value.

Section 35. The Probation and Probation Officers Act is amended by adding Section 15.2 as follows:

(730 ILCS 110/15.2 new)

Sec. 15.2. Retiring probation officer; purchase of service firearm and badge. Each department shall establish a program to allow a probation officer of the department who is honorably retiring in good standing to purchase either one or both of the following: (1) any badge previously issued to the probation officer by the department; or (2) if the probation officer has a currently valid Firearm Owner's Identification Card, the service firearm issued or previously issued to the probation officer by the department. The badge must be permanently and conspicuously marked in such a manner that the individual who possesses the badge is not mistaken for an actively serving law enforcement officer. The cost of the firearm shall be the replacement value of the firearm and not the firearm's fair market value.

Section 99. Effective date. This Act takes effect upon becoming law, except that Section 15 takes effect January 1, 2023.