



SENATE JOURNAL

STATE OF ILLINOIS

NINETY-FOURTH GENERAL ASSEMBLY

52ND LEGISLATIVE DAY

SUNDAY, MAY 29, 2005

3:28 O'CLOCK P.M.

SENATE
Daily Journal Index
52nd Legislative Day

Action	Page(s)
Committee Meeting Announcement	40
Joint Action Motion Filed	46
Joint Action Motions Filed	39
Legislative Measure(s) Filed	39
Report from Rules Committee	39

Bill Number	Legislative Action	Page(s)
SB 0013	Concur in House Amendment(s)	47
SB 0027	Concur in House Amendment(s)	48
SB 0431	Concur in House Amendment(s)	5
SB 0506	Concur in House Amendment(s)	5
SB 0955	Recalled – Amendment(s)	3
SB 0955	Third Reading	4
SB 1233	Concur in House Amendment(s)	6
SB 1446	Concur in House Amendment(s)	6
SB 1832	Concur in House Amendment(s)	7
SB 1853	Concur in House Amendment(s)	7
SB 2012	Concur in House Amendment(s)	8
HB 0114	Other proceedings	39
HB 0350	Recedes from Senate Amendment No. 0006	8
HB 1316	Other proceedings	39
HB 2065	First Reading	47
HB 2531	Recedes from Senate Amendment No. 0002	9

The Senate met pursuant to adjournment.
 Senator Terry Link, Lake Bluff, Illinois, presiding.
 Prayer by Isaiah Lightford, Chicago, Illinois.
 Senator Maloney led the Senate in the Pledge of Allegiance.

Senator Hunter moved that reading and approval of the Journal of Saturday, May 28, 2005, be postponed, pending arrival of the printed Journal.
 The motion prevailed.

MESSAGE FROM THE HOUSE

A message from the House by
 Mr. Mahoney, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has refused to concur with the Senate in the adoption of their amendments to a bill of the following title, to-wit:

HOUSE BILL 369

A bill for AN ACT concerning transportation.
 Which amendments are as follows:
 Senate Amendment No. 1 to HOUSE BILL NO. 369
 Senate Amendment No. 2 to HOUSE BILL NO. 369
 Non-concurred in by the House, May 29, 2005.

MARK MAHONEY, Clerk of the House

Under the rules, the foregoing **House Bill No. 369**, with Senate Amendments numbered 1 and 2, was referred to the Secretary's Desk.

SENATE BILL RECALLED

On motion of Senator Raoul, **Senate Bill No. 955** was recalled from the order of third reading to the order of second reading.

Senator Raoul offered the following amendment and moved its adoption:

AMENDMENT NO. 1 TO SENATE BILL 955

AMENDMENT NO. 1. Amend Senate Bill 955 by replacing everything after the enacting clause with the following:

"Section 5. The Illinois Public Aid Code is amended by changing Section 10-4 as follows:
 (305 ILCS 5/10-4) (from Ch. 23, par. 10-4)

Sec. 10-4. Notification of Support Obligation. The administrative enforcement unit within the authorized area of its operation shall notify each responsible relative of an applicant or recipient, or responsible relatives of other persons given access to the child support enforcement services of this Article, of his legal obligation to support and shall request such information concerning his financial status as may be necessary to determine whether he is financially able to provide such support, in whole or in part. In cases involving a child born out of wedlock, the notification shall include a statement that the responsible relative has been named as the biological father of the child identified in the notification.

In the case of applicants, the notification shall be sent as soon as practical after the filing of the application. In the case of recipients, the notice shall be sent at such time as may be established by rule of the Illinois Department.

The notice shall be accompanied by the forms or questionnaires provided in Section 10-5. It shall inform the relative that he may be liable for reimbursement of any support furnished from public aid funds prior to determination of the relative's financial circumstances, as well as for future support. In the alternative, when support is sought on behalf of applicants for or recipients of financial aid under Article IV of this Code and other persons who are given access to the child support enforcement services of this Article as provided in Section 10-1, the notice shall inform the relative that the relative may be required

[May 29, 2005]

to pay support for a period before the date an administrative support order is entered, as well as future support.

Neither the mailing nor receipt of such notice shall be deemed a jurisdictional requirement for the subsequent exercise of the investigative procedures undertaken by an administrative enforcement unit or the entry of any order or determination of paternity or support or reimbursement by the administrative enforcement unit; except that notice shall be served by certified mail addressed to the responsible relative at his or her last known address, return receipt requested, or by a person who is licensed or registered as a private detective under the Private Detective, Private Alarm, Private Security, and Locksmith Act of 2004 or by a registered employee of a private detective agency certified under that Act, or in counties with a population of less than 2,000,000 by any method provided by law for service of summons, in cases where a determination of paternity or support by default is sought on behalf of applicants for or recipients of financial aid under Article IV of this Act and other persons who are given access to the child support enforcement services of this Article as provided in Section 10-1. (Source: P.A. 92-590, eff. 7-1-02.)

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

The motion prevailed.

And the amendment was adopted and ordered printed.

There being no further amendments, the foregoing Amendment No. 1 was ordered engrossed, and the bill, as amended was ordered to a third reading.

READING OF BILL OF THE SENATE A THIRD TIME

On motion of Senator Raoul, **Senate Bill No. 955**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

And the question being, "Shall this bill pass?" it was decided in the affirmative by the following vote:

Yeas 54; Nays None.

The following voted in the affirmative:

Althoff	Forby	Maloney	Sandoval
Bomke	Garrett	Martinez	Schoenberg
Brady	Geo-Karis	Meeks	Shadid
Burzynski	Haine	Munoz	Sieben
Clayborne	Halvorson	Pankau	Sullivan, J.
Collins	Harmon	Peterson	Syverson
Cronin	Hendon	Petka	Trotter
Crotty	Hunter	Radogno	Viverito
Cullerton	Jacobs	Raoul	Watson
Dahl	Jones, J.	Rauschenberger	Wilhelmi
del Valle	Jones, W.	Righter	Winkel
DeLeo	Lightford	Risinger	Mr. President
Demuzio	Link	Ronen	
Dillard	Luechtefeld	Rutherford	

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

[May 29, 2005]

**CONSIDERATION OF HOUSE AMENDMENTS TO SENATE BILLS ON SECRETARY'S
DESK**

On motion of Senator Halvorson, **Senate Bill No. 431**, with House Amendment No. 10 on the Secretary's Desk, was taken up for immediate consideration.

Senator Halvorson moved that the Senate concur with the House in the adoption of their amendment to said bill.

And on that motion, a call of the roll was had resulting as follows:

Yeas 54; Nays None.

The following voted in the affirmative:

Althoff	Forby	Luechtefeld	Sandoval
Bomke	Garrett	Maloney	Schoenberg
Brady	Geo-Karis	Martinez	Shadid
Burzynski	Haine	Munoz	Sieben
Clayborne	Halvorson	Pankau	Sullivan, J.
Collins	Harmon	Peterson	Syverson
Cronin	Hendon	Petka	Trotter
Crotty	Hunter	Radogno	Viverito
Cullerton	Jacobs	Raoul	Watson
Dahl	Jones, J.	Rauschenberger	Wilhelmi
del Valle	Jones, W.	Righter	Winkel
DeLeo	Lauzen	Risinger	Mr. President
Demuzio	Lightford	Ronen	
Dillard	Link	Rutherford	

The motion prevailed.

And the Senate concurred with the House in the adoption of their Amendment No. 10 to **Senate Bill No. 431**.

Ordered that the Secretary inform the House of Representatives thereof.

On motion of Senator Haine, **Senate Bill No. 506**, with House Amendments numbered 1, 2 and 3 on the Secretary's Desk, was taken up for immediate consideration.

Senator Haine moved that the Senate concur with the House in the adoption of their amendments to said bill.

And on that motion, a call of the roll was had resulting as follows:

Yeas 54; Nays None.

The following voted in the affirmative:

Althoff	Forby	Luechtefeld	Sandoval
Bomke	Garrett	Maloney	Schoenberg
Brady	Geo-Karis	Martinez	Shadid
Burzynski	Haine	Munoz	Sieben
Clayborne	Halvorson	Pankau	Sullivan, J.
Collins	Harmon	Peterson	Syverson
Cronin	Hendon	Petka	Trotter
Crotty	Hunter	Radogno	Viverito
Cullerton	Jacobs	Raoul	Watson
Dahl	Jones, J.	Rauschenberger	Wilhelmi
del Valle	Jones, W.	Righter	Winkel
DeLeo	Lauzen	Risinger	Mr. President
Demuzio	Lightford	Ronen	
Dillard	Link	Rutherford	

The motion prevailed.

And the Senate concurred with the House in the adoption of their Amendments numbered 1, 2 and 3 to **Senate Bill No. 506**.

Ordered that the Secretary inform the House of Representatives thereof.

On motion of Senator Dillard, **Senate Bill No. 1233**, with House Amendment No. 1 on the Secretary's Desk, was taken up for immediate consideration.

Senator Dillard moved that the Senate concur with the House in the adoption of their amendment to said bill.

And on that motion, a call of the roll was had resulting as follows:

Yeas 55; Nays None.

The following voted in the affirmative:

Althoff	Forby	Luechtefeld	Rutherford
Bomke	Garrett	Maloney	Sandoval
Brady	Geo-Karis	Martinez	Schoenberg
Burzynski	Haine	Meeks	Shadid
Clayborne	Halvorson	Munoz	Sieben
Collins	Harmon	Pankau	Sullivan, J.
Cronin	Hendon	Peterson	Syverson
Crotty	Hunter	Petka	Trotter
Cullerton	Jacobs	Radogno	Viverito
Dahl	Jones, J.	Raoul	Watson
del Valle	Jones, W.	Rauschenberger	Wilhelmi
DeLeo	Lauzen	Righter	Winkel
Demuzio	Lightford	Risinger	Mr. President
Dillard	Link	Ronen	

The motion prevailed.

And the Senate concurred with the House in the adoption of their Amendment No. 1 to **Senate Bill No. 1233**.

Ordered that the Secretary inform the House of Representatives thereof.

On motion of Senator Ronen, **Senate Bill No. 1446**, with House Amendments numbered 1 and 2 on the Secretary's Desk, was taken up for immediate consideration.

Senator Ronen moved that the Senate concur with the House in the adoption of their amendments to said bill.

And on that motion, a call of the roll was had resulting as follows:

Yeas 53; Nays None.

The following voted in the affirmative:

Althoff	Garrett	Maloney	Schoenberg
Bomke	Geo-Karis	Martinez	Shadid
Burzynski	Haine	Munoz	Sieben
Clayborne	Halvorson	Pankau	Sullivan, J.
Collins	Harmon	Peterson	Syverson
Cronin	Hendon	Petka	Trotter
Crotty	Hunter	Radogno	Viverito
Cullerton	Jacobs	Raoul	Watson
Dahl	Jones, J.	Rauschenberger	Wilhelmi
del Valle	Jones, W.	Righter	Winkel
DeLeo	Lauzen	Risinger	Mr. President
Demuzio	Lightford	Ronen	

[May 29, 2005]

Dillard	Link	Rutherford
Forby	Luechtefeld	Sandoval

The motion prevailed.

And the Senate concurred with the House in the adoption of their Amendments numbered 1 and 2 to **Senate Bill No. 1446**.

Ordered that the Secretary inform the House of Representatives thereof.

On motion of Senator Harmon, **Senate Bill No. 1832**, with House Amendment No. 1 on the Secretary's Desk, was taken up for immediate consideration.

Senator Harmon moved that the Senate concur with the House in the adoption of their amendment to said bill.

And on that motion, a call of the roll was had resulting as follows:

Yeas 47; Nays 6.

The following voted in the affirmative:

Althoff	Garrett	Maloney	Rutherford
Brady	Geo-Karis	Martinez	Sandoval
Burzynski	Haine	Munoz	Schoenberg
Clayborne	Halvorson	Pankau	Shadid
Collins	Harmon	Peterson	Sieben
Cronin	Hendon	Petka	Sullivan, J.
Crotty	Hunter	Radogno	Syverson
Cullerton	Jacobs	Raoul	Trotter
Dahl	Jones, W.	Rauschenberger	Viverito
del Valle	Lightford	Righter	Watson
DeLeo	Link	Risinger	Mr. President
Dillard	Luechtefeld	Ronen	

The following voted in the negative:

Bomke	Forby	Lauzen
Demuzio	Jones, J.	Wilhelmi

The motion prevailed.

And the Senate concurred with the House in the adoption of their Amendment No. 1 to **Senate Bill No. 1832**.

Ordered that the Secretary inform the House of Representatives thereof.

Senator Lauzen asked and obtained unanimous consent for the Journal to reflect his affirmative vote on **Senate Bill No. 1832**.

On motion of Senator Lightford, **Senate Bill No. 1853**, with House Amendments numbered 1 and 2 on the Secretary's Desk, was taken up for immediate consideration.

Senator Lightford moved that the Senate concur with the House in the adoption of their amendments to said bill.

And on that motion, a call of the roll was had resulting as follows:

Yeas 54; Nays None.

The following voted in the affirmative:

Althoff	Forby	Luechtefeld	Sandoval
Bomke	Garrett	Maloney	Schoenberg
Brady	Geo-Karis	Martinez	Shadid
Burzynski	Haine	Meeks	Sieben

[May 29, 2005]

Clayborne	Halvorson	Munoz	Sullivan, J.
Collins	Harmon	Pankau	Syverson
Cronin	Hendon	Peterson	Trotter
Crotty	Hunter	Petka	Viverito
Cullerton	Jacobs	Radogno	Watson
Dahl	Jones, J.	Raoul	Wilhelmi
del Valle	Jones, W.	Rauschenberger	Winkel
DeLeo	Lauzen	Righter	Mr. President
Demuzio	Lightford	Risinger	
Dillard	Link	Ronen	

The motion prevailed.

And the Senate concurred with the House in the adoption of their Amendments numbered 1 and 2 to **Senate Bill No. 1853**.

Ordered that the Secretary inform the House of Representatives thereof.

On motion of Senator Munoz, **Senate Bill No. 2012**, with House Amendments numbered 1 and 2 on the Secretary's Desk, was taken up for immediate consideration.

Senator Munoz moved that the Senate concur with the House in the adoption of their amendments to said bill.

And on that motion, a call of the roll was had resulting as follows:

Yeas 55; Nays None.

The following voted in the affirmative:

Althoff	Forby	Luechtefeld	Rutherford
Bomke	Garrett	Maloney	Sandoval
Brady	Geo-Karis	Martinez	Schoenberg
Burzynski	Haine	Meeks	Shadid
Clayborne	Halvorson	Munoz	Sieben
Collins	Harmon	Pankau	Sullivan, J.
Cronin	Hendon	Peterson	Syverson
Crotty	Hunter	Petka	Trotter
Cullerton	Jacobs	Radogno	Viverito
Dahl	Jones, J.	Raoul	Watson
del Valle	Jones, W.	Rauschenberger	Wilhelmi
DeLeo	Lauzen	Righter	Winkel
Demuzio	Lightford	Risinger	Mr. President
Dillard	Link	Ronen	

The motion prevailed.

And the Senate concurred with the House in the adoption of their Amendments numbered 1 and 2 to **Senate Bill No. 2012**.

Ordered that the Secretary inform the House of Representatives thereof.

CONSIDERATION OF SENATE AMENDMENTS TO HOUSE BILLS ON SECRETARY'S DESK

On motion of Senator Collins, **House Bill No. 350**, with Senate Amendment No. 6 on the Secretary's Desk, was taken up for immediate consideration.

Senator Collins moved that the Senate recede from its Amendment No. 6 to **House Bill No. 350**.

And on that motion, a call of the roll was had resulting as follows:

Yeas 53; Nays 1.

The following voted in the affirmative:

[May 29, 2005]

Althoff	Forby	Martinez	Schoenberg
Bomke	Garrett	Meeks	Shadid
Brady	Haine	Munoz	Sieben
Burzynski	Halvorson	Pankau	Sullivan, J.
Clayborne	Harmon	Peterson	Syverson
Collins	Hendon	Petka	Trotter
Cronin	Hunter	Radogno	Viverito
Crotty	Jacobs	Raoul	Watson
Cullerton	Jones, J.	Rauschenberger	Wilhelmi
Dahl	Lauzen	Righter	Winkel
del Valle	Lightford	Risinger	Mr. President
DeLeo	Link	Ronen	
Demuzio	Luechtefeld	Rutherford	
Dillard	Maloney	Sandoval	

The following voted in the negative:

Geo-Karis

The motion prevailed.

And the Senate receded from their Amendment No. 6 to **House Bill No. 350**.

Ordered that the Secretary inform the House of Representatives thereof.

On motion of Senator Maloney, **House Bill No. 2531**, with Senate Amendment No. 2 on the Secretary's Desk, was taken up for immediate consideration.

Senator Maloney moved that the Senate recede from its Amendment No. 2 to **House Bill No. 2531**.

And on that motion, a call of the roll was had resulting as follows:

Yeas 55; Nays None.

The following voted in the affirmative:

Althoff	Forby	Luechtefeld	Rutherford
Bomke	Garrett	Maloney	Sandoval
Brady	Geo-Karis	Martinez	Schoenberg
Burzynski	Haine	Meeks	Shadid
Clayborne	Halvorson	Munoz	Sieben
Collins	Harmon	Pankau	Sullivan, J.
Cronin	Hendon	Peterson	Syverson
Crotty	Hunter	Petka	Trotter
Cullerton	Jacobs	Radogno	Viverito
Dahl	Jones, J.	Raoul	Watson
del Valle	Jones, W.	Rauschenberger	Wilhelmi
DeLeo	Lauzen	Righter	Winkel
Demuzio	Lightford	Risinger	Mr. President
Dillard	Link	Ronen	

The motion prevailed.

And the Senate receded from their Amendment No. 2 to **House Bill No. 2531**.

Ordered that the Secretary inform the House of Representatives thereof.

MESSAGE FROM THE HOUSE

A message from the House by
Mr. Mahoney, Clerk:

[May 29, 2005]

Mr. President -- I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the passage of a bill of the following title, to-wit:

SENATE BILL NO. 27

A bill for AN ACT concerning public employee benefits.

Together with the following amendment which is attached, in the adoption of which I am instructed to ask the concurrence of the Senate, to-wit:

House Amendment No. 2 to SENATE BILL NO. 27

Passed the House, as amended, May 29, 2005.

MARK MAHONEY, Clerk of the House

AMENDMENT NO. 2 TO SENATE BILL 27

AMENDMENT NO. 2. Amend Senate Bill 27 by replacing everything after the enacting clause with the following:

"Section 5. The Illinois Pension Code is amended by changing Sections 2-124, 2-134, 14-108.3, 14-110, 14-131, 14-135.08, 15-125, 15-136, 15-155, 15-165, 16-128, 16-133, 16-133.2, 16-133.3, 16-152, 16-158, 16-176, 17-116.1, 18-131, and 18-140 and by adding Sections 1A-201, 2-162, 14-152.1, 15-198, 16-203, and 18-169 as follows:

(40 ILCS 5/1A-201 new)

Sec. 1A-201. Advisory Commission on Pension Benefits.

(a) There is created an Advisory Commission on Pension Benefits. The Commission shall consist of 15 persons, of whom 8 shall be appointed by the Governor and one each shall be appointed by the President and Minority Leader of the Senate and the Speaker and Minority Leader of the House of Representatives. Four of the persons appointed by the Governor shall represent different statewide labor organizations, of which 2 shall be organizations that represent primarily teachers and 2 shall be organizations that represent primarily State employees other than teachers. The Directors of the retirement systems established under Articles 14, 15, and 16 of this Code shall be ex officio members of the Commission.

(b) The Commission shall consider and make its recommendations concerning changing the age and service requirements, automatic annual increase benefits, and employee contribution rates of the State-funded retirement systems and other pension-related issues as determined by the Commission. On or before November 1, 2005, the Commission shall report its findings and recommendations to the Governor and the General Assembly.

(c) The Commission may request actuarial data from any of the 5 State-funded retirement systems established under this Code. That data may include, but is not limited to, the dates of birth, years of service, salaries, and life expectancies of members. A retirement system shall provide the requested information as soon as practical after the request is received, but in no event later than any reasonable deadline imposed by the Commission.

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

Sec. 2-124. Contributions by State.

(a) The State shall make contributions to the System by appropriations of amounts which, together with the contributions of participants, interest earned on investments, and other income will meet the cost of maintaining and administering the System on a 90% funded basis in accordance with actuarial recommendations.

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

(c) For State fiscal years 2011 through 2045, the minimum contribution to the System to be made by the State for each fiscal year shall be an amount determined by the System to be sufficient to bring the total assets of the System up to 90% of the total actuarial liabilities of the System by the end of State fiscal year 2045. In making these determinations, the required State contribution shall be calculated each year as a level percentage of payroll over the years remaining to and including fiscal year 2045 and shall be determined under the projected unit credit actuarial cost method.

For State fiscal years 1996 through ~~2005~~ 2010, the State contribution to the System, as a percentage of the applicable employee payroll, shall be increased in equal annual increments so that by State fiscal year 2011, the State is contributing at the rate required under this Section.

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

[May 29, 2005]

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

For each of State fiscal years 2008 through 2010, the State contribution to the System, as a percentage of the applicable employee payroll, shall be increased in equal annual increments from the required State contribution for State fiscal year 2007, so that by State fiscal year 2011, the State is contributing at the rate otherwise required under this Section.

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

Notwithstanding any other provision of this Section, the required State contribution for State fiscal year 2005 and for fiscal year 2008 and each fiscal year thereafter, as calculated under this Section and certified under Section 2-134, shall not exceed an amount equal to (i) the amount of the required State contribution that would have been calculated under this Section for that fiscal year if the System had not received any payments under subsection (d) of Section 7.2 of the General Obligation Bond Act, minus (ii) the portion of the State's total debt service payments for that fiscal year on the bonds issued for the purposes of that Section 7.2, as determined and certified by the Comptroller, that is the same as the System's portion of the total moneys distributed under subsection (d) of Section 7.2 of the General Obligation Bond Act. In determining this maximum for State fiscal years 2008 through 2010, however, the amount referred to in item (i) shall be increased, as a percentage of the applicable employee payroll, in equal increments calculated from the sum of the required State contribution for State fiscal year 2007 plus the applicable portion of the State's total debt service payments for fiscal year 2007 on the bonds issued for the purposes of Section 7.2 of the General Obligation Bond Act, so that, by State fiscal year 2011, the State is contributing at the rate otherwise required under this Section.

(Source: P.A. 93-2, eff. 4-7-03.)

(40 ILCS 5/2-134) (from Ch. 108 1/2, par. 2-134)

Sec. 2-134. To certify required State contributions and submit vouchers.

(a) The Board shall certify to the Governor on or before November 15 of each year the amount of the required State contribution to the System for the next fiscal year. The certification shall include a copy of the actuarial recommendations upon which it is based.

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

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

(b) Beginning in State fiscal year 1996, on or as soon as possible after the 15th day of each month the Board shall submit vouchers for payment of State contributions to the System, in a total monthly amount of one-twelfth of the required annual State contribution certified under subsection (a). From the effective date of this amendatory Act of the 93rd General Assembly through June 30, 2004, the Board shall not submit vouchers for the remainder of fiscal year 2004 in excess of the fiscal year 2004 certified contribution amount determined under this Section after taking into consideration the transfer to the System under subsection (d) of Section 6z-61 of the State Finance Act. These vouchers shall be paid by the State Comptroller and Treasurer by warrants drawn on the funds appropriated to the System for that fiscal year. If in any month the amount remaining unexpended from all other appropriations to the System for the applicable fiscal year (including the appropriations to the System under Section 8.12 of the State Finance Act and Section 1 of the State Pension Funds Continuing Appropriation Act) is less than the amount lawfully vouchered under this Section, the difference shall be paid from the General Revenue Fund under the continuing appropriation authority provided in Section 1.1 of the State Pension Funds Continuing Appropriation Act.

(c) The full amount of any annual appropriation for the System for State fiscal year 1995 shall be transferred and made available to the System at the beginning of that fiscal year at the request of the Board. Any excess funds remaining at the end of any fiscal year from appropriations shall be retained by the System as a general reserve to meet the System's accrued liabilities.

(Source: P.A. 93-2, eff. 4-7-03; 93-665, eff. 3-5-04.)

(40 ILCS 5/2-162 new)

Sec. 2-162. Application and expiration of new benefit increases.

(a) As used in this Section, "new benefit increase" means an increase in the amount of any benefit provided under this Article, or an expansion of the conditions of eligibility for any benefit under this

Article, that results from an amendment to this Code that takes effect after the effective date of this amendatory Act of the 94th General Assembly.

(b) Notwithstanding any other provision of this Code or any subsequent amendment to this Code, every new benefit increase is subject to this Section and shall be deemed to be granted only in conformance with and contingent upon compliance with the provisions of this Section.

(c) The Public Act enacting a new benefit increase must identify and provide for payment to the System of additional funding at least sufficient to fund the resulting annual increase in cost to the System as it accrues.

Every new benefit increase is contingent upon the General Assembly providing the additional funding required under this subsection. The Commission on Government Forecasting and Accountability shall analyze whether adequate additional funding has been provided for the new benefit increase and shall report its analysis to the Public Pension Division of the Department of Financial and Professional Regulation. A new benefit increase created by a Public Act that does not include the additional funding required under this subsection is null and void. If the Public Pension Division determines that the additional funding provided for a new benefit increase under this subsection is or has become inadequate, it may so certify to the Governor and the State Comptroller and, in the absence of corrective action by the General Assembly, the new benefit increase shall expire at the end of the fiscal year in which the certification is made.

(d) Every new benefit increase shall expire 5 years after its effective date or on such earlier date as may be specified in the language enacting the new benefit increase or provided under subsection (c). This does not prevent the General Assembly from extending or re-creating a new benefit increase by law.

(e) Except as otherwise provided in the language creating the new benefit increase, a new benefit increase that expires under this Section continues to apply to persons who applied and qualified for the affected benefit while the new benefit increase was in effect and to the affected beneficiaries and alternate payees of such persons, but does not apply to any other person, including without limitation a person who continues in service after the expiration date and did not apply and qualify for the affected benefit while the new benefit increase was in effect.

(40 ILCS 5/14-108.3)

Sec. 14-108.3. Early retirement incentives.

(a) To be eligible for the benefits provided in this Section, a person must:

(1) be a member of this System who, on any day during June, 2002, is (i) in active payroll status in a position of employment with a department and an active contributor to this System with respect to that employment, and terminates that employment before the retirement annuity under this Article begins, or (ii) on layoff status from such a position with a right of re-employment or recall to service, or (iii) receiving benefits under Section 14-123, 14-123.1 or 14-124, but only if the member has not been receiving those benefits for a continuous period of more than 2 years as of the date of application;

(2) not have received any retirement annuity under this Article beginning earlier than August 1, 2002;

(3) file with the Board on or before December 31, 2002 a written application requesting the benefits provided in this Section;

(4) terminate employment under this Article no later than December 31, 2002 (or the date established under subsection (d), if applicable);

(5) by the date of termination of service, have at least 8 years of creditable service under this Article, without the use of any creditable service established under this Section;

(6) by the date of termination of service, have at least 5 years of membership service earned while an employee under this Article, which may include military service for which credit is established under Section 14-105(b), service during the qualifying period for which credit is established under Section 14-104(a), and service for which credit has been established by repaying a refund under Section 14-130, but shall not include service for which any other optional service credit has been established; and

(7) not receive any early retirement benefit under Section 16-133.3 of this Code.

(b) An eligible person may establish up to 5 years of creditable service under this Article, in increments of one month, by making the contributions specified in subsection (c). In addition, for each month of creditable service established under this Section, a person's age at retirement shall be deemed to be one month older than it actually is.

The creditable service established under this Section may be used for all purposes under this Article and the Retirement Systems Reciprocal Act, except for the computation of final average compensation

[May 29, 2005]

under Section 14-103.12 or the determination of compensation under this or any other Article of this Code.

The age enhancement established under this Section may not be used to enable any person to begin receiving a retirement annuity calculated under Section 14-110 before actually attaining age 50 (without any age enhancement under this Section). The age enhancement established under this Section may be used for all other purposes under this Article (including calculation of a proportionate annuity payable by this System under the Retirement Systems Reciprocal Act), except for purposes of the level income option in Section 14-112, the reversionary annuity under Section 14-113, and the required distributions under Section 14-121.1.

The age enhancement established under this Section may be used in determining benefits payable under Article 16 of this Code under the Retirement Systems Reciprocal Act, if the person has at least 5 years of service credit in the Article 16 system that was earned while participating in that system as a teacher (as defined in Section 16-106) employed by a department (as defined in Section 14-103.04). Age enhancement established under this Section shall not otherwise be used in determining benefits payable under other Articles of this Code under the Retirement Systems Reciprocal Act.

(c) For all creditable service established under this Section, a person must pay to the System an employee contribution to be determined by the System, based on the member's rate of compensation on June 1, 2002 (or the last date before June 1, 2002 for which a rate can be determined) and the retirement contribution rate in effect on June 1, 2002 for the member (or for members with the same social security and alternative formula status as the member).

If the member receives a lump sum payment for accumulated vacation, sick leave and personal leave upon withdrawal from service, and the net amount of that lump sum payment is at least as great as the amount of the contribution required under this Section, the entire contribution must be paid by the employee by payroll deduction. If there is no such lump sum payment, or if it is less than the contribution required under this Section, the member shall make an initial payment by payroll deduction, equal to the net amount of the lump sum payment for accumulated vacation, sick leave, and personal leave, and have the remaining amount due treated as a reduction from the retirement annuity in 24 equal monthly installments beginning in the month in which the retirement annuity takes effect. The required contribution may be paid as a pre-tax deduction from earnings. For federal and Illinois tax purposes, the monthly amount by which the annuitant's benefit is reduced shall not be treated as a contribution by the annuitant, but rather as a reduction of the annuitant's monthly benefit.

(c-5) The reduction in retirement annuity provided in subsection (c) of Section 14-108 does not apply to the annuity of a person who retires under this Section. A person who has received any age enhancement or creditable service under this Section may begin to receive an unreduced retirement annuity upon attainment of age 55 with at least 25 years of creditable service (including any age enhancement and creditable service established under this Section).

(d) In order to ensure that the efficient operation of State government is not jeopardized by the simultaneous retirement of large numbers of key personnel, the director or other head of a department may, for key employees of that department, extend the December 31, 2002 deadline for terminating employment under this Article established in subdivision (a)(4) of this Section to a date not later than April 30, 2003 by so notifying the System in writing by December 31, 2002.

(e) Notwithstanding Section 14-111, a person who has received any age enhancement or creditable service under this Section and who reenters service under this Article (or as an employee of a department under Article 16) other than as a temporary employee thereby forfeits that age enhancement and creditable service and is entitled to a refund of the contributions made pursuant to this Section.

(f) The System shall determine the amount of the increase in the present value of future benefits resulting from the granting of early retirement incentives under this Section and shall report that amount to the Governor and the Commission on Government Forecasting and Accountability on or after the effective date of this amendatory Act of the 93rd General Assembly and on or before November 15, 2004. Beginning with State fiscal year 2008, the ~~The~~ increase reported under this subsection (f) shall ~~not~~ be included in the calculation of the required State contribution under Section 14-131.

(g) In addition to the contributions otherwise required under this Article, the State shall appropriate and pay to the System ~~(+)~~ an amount equal to \$70,000,000 in State fiscal years 2004 and 2005 ~~and (2) in each of State fiscal years 2006 through 2015, a level dollar payment based upon the increase in the present value of future benefits provided by the early retirement incentives provided under this Section amortized at 8.5% interest.~~

(h) The Commission on Government Forecasting and Accountability (i) shall hold one or more hearings on or before the last session day during the fall veto session of 2004 to review recommendations relating to funding of early retirement incentives under this Section and (ii) shall file

[May 29, 2005]

its report with the General Assembly on or before December 31, 2004 making its recommendations relating to funding of early retirement incentives under this Section; the Commission's report may contain both majority recommendations and minority recommendations. The System shall recalculate and recertify to the Governor by January 31, 2005 the amount of the required State contribution to the System for State fiscal year 2005 with respect to those incentives. The Pension Laws Commission (or its successor, the Commission on Government Forecasting and Accountability) shall determine and report to the General Assembly, on or before January 1, 2004 and annually thereafter through the year 2013, its estimate of (1) the annual amount of payroll savings likely to be realized by the State as a result of the early retirement of persons receiving early retirement incentives under this Section and (2) the net annual savings or cost to the State from the program of early retirement incentives created under this Section.

The System, the Department of Central Management Services, the Governor's Office of Management and Budget (formerly Bureau of the Budget), and all other departments shall provide to the Commission any assistance that the Commission may request with respect to its reports under this Section. The Commission may require departments to provide it with any information that it deems necessary or useful with respect to its reports under this Section, including without limitation information about (1) the final earnings of former department employees who elected to receive benefits under this Section, (2) the earnings of current department employees holding the positions vacated by persons who elected to receive benefits under this Section, and (3) positions vacated by persons who elected to receive benefits under this Section that have not yet been refilled.

(i) The changes made to this Section by this amendatory Act of the 92nd General Assembly do not apply to persons who retired under this Section on or before May 1, 1992.

(Source: P.A. 92-566, eff. 6-25-02; 93-632, eff. 2-1-04; 93-839, eff. 7-30-04; 93-1067, eff. 1-15-05.)

(40 ILCS 5/14-110) (from Ch. 108 1/2, par. 14-110)

Sec. 14-110. Alternative retirement annuity.

(a) Any member who has withdrawn from service with not less than 20 years of eligible creditable service and has attained age 55, and any member who has withdrawn from service with not less than 25 years of eligible creditable service and has attained age 50, regardless of whether the attainment of either of the specified ages occurs while the member is still in service, shall be entitled to receive at the option of the member, in lieu of the regular or minimum retirement annuity, a retirement annuity computed as follows:

(i) for periods of service as a noncovered employee: if retirement occurs on or after

January 1, 2001, 3% of final average compensation for each year of creditable service; if retirement occurs before January 1, 2001, 2 1/4% of final average compensation for each of the first 10 years of creditable service, 2 1/2% for each year above 10 years to and including 20 years of creditable service, and 2 3/4% for each year of creditable service above 20 years; and

(ii) for periods of eligible creditable service as a covered employee: if retirement

occurs on or after January 1, 2001, 2.5% of final average compensation for each year of creditable service; if retirement occurs before January 1, 2001, 1.67% of final average compensation for each of the first 10 years of such service, 1.90% for each of the next 10 years of such service, 2.10% for each year of such service in excess of 20 but not exceeding 30, and 2.30% for each year in excess of 30.

Such annuity shall be subject to a maximum of 75% of final average compensation if retirement occurs before January 1, 2001 or to a maximum of 80% of final average compensation if retirement occurs on or after January 1, 2001.

These rates shall not be applicable to any service performed by a member as a covered employee which is not eligible creditable service. Service as a covered employee which is not eligible creditable service shall be subject to the rates and provisions of Section 14-108.

(b) For the purpose of this Section, "eligible creditable service" means creditable service resulting from service in one or more of the following positions:

- (1) State policeman;
- (2) fire fighter in the fire protection service of a department;
- (3) air pilot;
- (4) special agent;
- (5) investigator for the Secretary of State;
- (6) conservation police officer;
- (7) investigator for the Department of Revenue;
- (8) security employee of the Department of Human Services;
- (9) Central Management Services security police officer;
- (10) security employee of the Department of Corrections;
- (11) dangerous drugs investigator;

[May 29, 2005]

- (12) investigator for the Department of State Police;
- (13) investigator for the Office of the Attorney General;
- (14) controlled substance inspector;
- (15) investigator for the Office of the State's Attorneys Appellate Prosecutor;
- (16) Commerce Commission police officer;
- (17) arson investigator;
- (18) State highway maintenance worker.

A person employed in one of the positions specified in this subsection is entitled to eligible creditable service for service credit earned under this Article while undergoing the basic police training course approved by the Illinois Law Enforcement Training Standards Board, if completion of that training is required of persons serving in that position. For the purposes of this Code, service during the required basic police training course shall be deemed performance of the duties of the specified position, even though the person is not a sworn peace officer at the time of the training.

(c) For the purposes of this Section:

(1) The term "state policeman" includes any title or position in the Department of State Police that is held by an individual employed under the State Police Act.

(2) The term "fire fighter in the fire protection service of a department" includes all officers in such fire protection service including fire chiefs and assistant fire chiefs.

(3) The term "air pilot" includes any employee whose official job description on file in the Department of Central Management Services, or in the department by which he is employed if that department is not covered by the Personnel Code, states that his principal duty is the operation of aircraft, and who possesses a pilot's license; however, the change in this definition made by this amendatory Act of 1983 shall not operate to exclude any noncovered employee who was an "air pilot" for the purposes of this Section on January 1, 1984.

(4) The term "special agent" means any person who by reason of employment by the Division of Narcotic Control, the Bureau of Investigation or, after July 1, 1977, the Division of Criminal Investigation, the Division of Internal Investigation, the Division of Operations, or any other Division or organizational entity in the Department of State Police is vested by law with duties to maintain public order, investigate violations of the criminal law of this State, enforce the laws of this State, make arrests and recover property. The term "special agent" includes any title or position in the Department of State Police that is held by an individual employed under the State Police Act.

(5) The term "investigator for the Secretary of State" means any person employed by the Office of the Secretary of State and vested with such investigative duties as render him ineligible for coverage under the Social Security Act by reason of Sections 218(d)(5)(A), 218(d)(8)(D) and 218(l)(1) of that Act.

A person who became employed as an investigator for the Secretary of State between January 1, 1967 and December 31, 1975, and who has served as such until attainment of age 60, either continuously or with a single break in service of not more than 3 years duration, which break terminated before January 1, 1976, shall be entitled to have his retirement annuity calculated in accordance with subsection (a), notwithstanding that he has less than 20 years of credit for such service.

(6) The term "Conservation Police Officer" means any person employed by the Division of Law Enforcement of the Department of Natural Resources and vested with such law enforcement duties as render him ineligible for coverage under the Social Security Act by reason of Sections 218(d)(5)(A), 218(d)(8)(D), and 218(l)(1) of that Act. The term "Conservation Police Officer" includes the positions of Chief Conservation Police Administrator and Assistant Conservation Police Administrator.

(7) The term "investigator for the Department of Revenue" means any person employed by the Department of Revenue and vested with such investigative duties as render him ineligible for coverage under the Social Security Act by reason of Sections 218(d)(5)(A), 218(d)(8)(D) and 218(l)(1) of that Act.

(8) The term "security employee of the Department of Human Services" means any person employed by the Department of Human Services who (i) is employed at the Chester Mental Health Center and has daily contact with the residents thereof, (ii) is employed within a security unit at a facility operated by the Department and has daily contact with the residents of the security unit, (iii) is employed at a facility operated by the Department that includes a security unit and is regularly scheduled to work at least 50% of his or her working hours within that security unit, or (iv) is a mental health police officer. "Mental health police officer" means any person employed by the Department of Human Services in a position pertaining to the Department's mental health and developmental

disabilities functions who is vested with such law enforcement duties as render the person ineligible for coverage under the Social Security Act by reason of Sections 218(d)(5)(A), 218(d)(8)(D) and 218(l)(1) of that Act. "Security unit" means that portion of a facility that is devoted to the care, containment, and treatment of persons committed to the Department of Human Services as sexually violent persons, persons unfit to stand trial, or persons not guilty by reason of insanity. With respect to past employment, references to the Department of Human Services include its predecessor, the Department of Mental Health and Developmental Disabilities.

The changes made to this subdivision (c)(8) by Public Act 92-14 apply to persons who retire on or after January 1, 2001, notwithstanding Section 1-103.1.

(9) "Central Management Services security police officer" means any person employed by the Department of Central Management Services who is vested with such law enforcement duties as render him ineligible for coverage under the Social Security Act by reason of Sections 218(d)(5)(A), 218(d)(8)(D) and 218(l)(1) of that Act.

(10) For a member who first became an employee under this Article before July 1, 2005, the term "security employee of the Department of Corrections" means any employee of the Department of Corrections or the former Department of Personnel, and any member or employee of the Prisoner Review Board, who has daily contact with inmates by working within a correctional facility or who is a parole officer or an employee who has direct contact with committed persons in the performance of his or her job duties. For a member who first becomes an employee under this Article on or after July 1, 2005, the term means an employee of the Department of Corrections who is any of the following: (i) officially headquartered at a correctional facility, (ii) a parole officer, (iii) a member of the apprehension unit, (iv) a member of the intelligence unit, (v) a member of the sort team, or (vi) an investigator.

(11) The term "dangerous drugs investigator" means any person who is employed as such by the Department of Human Services.

(12) The term "investigator for the Department of State Police" means a person employed by the Department of State Police who is vested under Section 4 of the Narcotic Control Division Abolition Act with such law enforcement powers as render him ineligible for coverage under the Social Security Act by reason of Sections 218(d)(5)(A), 218(d)(8)(D) and 218(l)(1) of that Act.

(13) "Investigator for the Office of the Attorney General" means any person who is employed as such by the Office of the Attorney General and is vested with such investigative duties as render him ineligible for coverage under the Social Security Act by reason of Sections 218(d)(5)(A), 218(d)(8)(D) and 218(l)(1) of that Act. For the period before January 1, 1989, the term includes all persons who were employed as investigators by the Office of the Attorney General, without regard to social security status.

(14) "Controlled substance inspector" means any person who is employed as such by the Department of Professional Regulation and is vested with such law enforcement duties as render him ineligible for coverage under the Social Security Act by reason of Sections 218(d)(5)(A), 218(d)(8)(D) and 218(l)(1) of that Act. The term "controlled substance inspector" includes the Program Executive of Enforcement and the Assistant Program Executive of Enforcement.

(15) The term "investigator for the Office of the State's Attorneys Appellate Prosecutor" means a person employed in that capacity on a full time basis under the authority of Section 7.06 of the State's Attorneys Appellate Prosecutor's Act.

(16) "Commerce Commission police officer" means any person employed by the Illinois Commerce Commission who is vested with such law enforcement duties as render him ineligible for coverage under the Social Security Act by reason of Sections 218(d)(5)(A), 218(d)(8)(D), and 218(l)(1) of that Act.

(17) "Arson investigator" means any person who is employed as such by the Office of the State Fire Marshal and is vested with such law enforcement duties as render the person ineligible for coverage under the Social Security Act by reason of Sections 218(d)(5)(A), 218(d)(8)(D), and 218(l)(1) of that Act. A person who was employed as an arson investigator on January 1, 1995 and is no longer in service but not yet receiving a retirement annuity may convert his or her creditable service for employment as an arson investigator into eligible creditable service by paying to the System the difference between the employee contributions actually paid for that service and the amounts that would have been contributed if the applicant were contributing at the rate applicable to persons with the same social security status earning eligible creditable service on the date of application.

(18) The term "State highway maintenance worker" means a person who is either of the following:

(i) A person employed on a full-time basis by the Illinois Department of Transportation in the position of highway maintainer, highway maintenance lead worker, highway maintenance lead/lead worker, heavy construction equipment operator, power shovel operator, or bridge mechanic; and whose principal responsibility is to perform, on the roadway, the actual maintenance necessary to keep the highways that form a part of the State highway system in serviceable condition for vehicular traffic.

(ii) A person employed on a full-time basis by the Illinois State Toll Highway Authority in the position of equipment operator/laborer H-4, equipment operator/laborer H-6, welder H-4, welder H-6, mechanical/electrical H-4, mechanical/electrical H-6, water/sewer H-4, water/sewer H-6, sign maker/hanger H-4, sign maker/hanger H-6, roadway lighting H-4, roadway lighting H-6, structural H-4, structural H-6, painter H-4, or painter H-6; and whose principal responsibility is to perform, on the roadway, the actual maintenance necessary to keep the Authority's tollways in serviceable condition for vehicular traffic.

(d) A security employee of the Department of Corrections, and a security employee of the Department of Human Services who is not a mental health police officer, shall not be eligible for the alternative retirement annuity provided by this Section unless he or she meets the following minimum age and service requirements at the time of retirement:

- (i) 25 years of eligible creditable service and age 55; or
- (ii) beginning January 1, 1987, 25 years of eligible creditable service and age 54, or 24 years of eligible creditable service and age 55; or
- (iii) beginning January 1, 1988, 25 years of eligible creditable service and age 53, or 23 years of eligible creditable service and age 55; or
- (iv) beginning January 1, 1989, 25 years of eligible creditable service and age 52, or 22 years of eligible creditable service and age 55; or
- (v) beginning January 1, 1990, 25 years of eligible creditable service and age 51, or 21 years of eligible creditable service and age 55; or
- (vi) beginning January 1, 1991, 25 years of eligible creditable service and age 50, or 20 years of eligible creditable service and age 55.

Persons who have service credit under Article 16 of this Code for service as a security employee of the Department of Corrections or the Department of Human Services in a position requiring certification as a teacher may count such service toward establishing their eligibility under the service requirements of this Section; but such service may be used only for establishing such eligibility, and not for the purpose of increasing or calculating any benefit.

(e) If a member enters military service while working in a position in which eligible creditable service may be earned, and returns to State service in the same or another such position, and fulfills in all other respects the conditions prescribed in this Article for credit for military service, such military service shall be credited as eligible creditable service for the purposes of the retirement annuity prescribed in this Section.

(f) For purposes of calculating retirement annuities under this Section, periods of service rendered after December 31, 1968 and before October 1, 1975 as a covered employee in the position of special agent, conservation police officer, mental health police officer, or investigator for the Secretary of State, shall be deemed to have been service as a noncovered employee, provided that the employee pays to the System prior to retirement an amount equal to (1) the difference between the employee contributions that would have been required for such service as a noncovered employee, and the amount of employee contributions actually paid, plus (2) if payment is made after July 31, 1987, regular interest on the amount specified in item (1) from the date of service to the date of payment.

For purposes of calculating retirement annuities under this Section, periods of service rendered after December 31, 1968 and before January 1, 1982 as a covered employee in the position of investigator for the Department of Revenue shall be deemed to have been service as a noncovered employee, provided that the employee pays to the System prior to retirement an amount equal to (1) the difference between the employee contributions that would have been required for such service as a noncovered employee, and the amount of employee contributions actually paid, plus (2) if payment is made after January 1, 1990, regular interest on the amount specified in item (1) from the date of service to the date of payment.

(g) A State policeman may elect, not later than January 1, 1990, to establish eligible creditable service for up to 10 years of his service as a policeman under Article 3, by filing a written election with the Board, accompanied by payment of an amount to be determined by the Board, equal to (i) the difference between the amount of employee and employer contributions transferred to the System under Section 3-110.5, and the amounts that would have been contributed had such contributions been made at the rates applicable to State policemen, plus (ii) interest thereon at the effective rate for each year,

compounded annually, from the date of service to the date of payment.

Subject to the limitation in subsection (i), a State policeman may elect, not later than July 1, 1993, to establish eligible creditable service for up to 10 years of his service as a member of the County Police Department under Article 9, by filing a written election with the Board, accompanied by payment of an amount to be determined by the Board, equal to (i) the difference between the amount of employee and employer contributions transferred to the System under Section 9-121.10 and the amounts that would have been contributed had those contributions been made at the rates applicable to State policemen, plus (ii) interest thereon at the effective rate for each year, compounded annually, from the date of service to the date of payment.

(h) Subject to the limitation in subsection (i), a State policeman or investigator for the Secretary of State may elect to establish eligible creditable service for up to 12 years of his service as a policeman under Article 5, by filing a written election with the Board on or before January 31, 1992, and paying to the System by January 31, 1994 an amount to be determined by the Board, equal to (i) the difference between the amount of employee and employer contributions transferred to the System under Section 5-236, and the amounts that would have been contributed had such contributions been made at the rates applicable to State policemen, plus (ii) interest thereon at the effective rate for each year, compounded annually, from the date of service to the date of payment.

Subject to the limitation in subsection (i), a State policeman, conservation police officer, or investigator for the Secretary of State may elect to establish eligible creditable service for up to 10 years of service as a sheriff's law enforcement employee under Article 7, by filing a written election with the Board on or before January 31, 1993, and paying to the System by January 31, 1994 an amount to be determined by the Board, equal to (i) the difference between the amount of employee and employer contributions transferred to the System under Section 7-139.7, and the amounts that would have been contributed had such contributions been made at the rates applicable to State policemen, plus (ii) interest thereon at the effective rate for each year, compounded annually, from the date of service to the date of payment.

(i) The total amount of eligible creditable service established by any person under subsections (g), (h), (j), (k), and (l) of this Section shall not exceed 12 years.

(j) Subject to the limitation in subsection (i), an investigator for the Office of the State's Attorneys Appellate Prosecutor or a controlled substance inspector may elect to establish eligible creditable service for up to 10 years of his service as a policeman under Article 3 or a sheriff's law enforcement employee under Article 7, by filing a written election with the Board, accompanied by payment of an amount to be determined by the Board, equal to (1) the difference between the amount of employee and employer contributions transferred to the System under Section 3-110.6 or 7-139.8, and the amounts that would have been contributed had such contributions been made at the rates applicable to State policemen, plus (2) interest thereon at the effective rate for each year, compounded annually, from the date of service to the date of payment.

(k) Subject to the limitation in subsection (i) of this Section, an alternative formula employee may elect to establish eligible creditable service for periods spent as a full-time law enforcement officer or full-time corrections officer employed by the federal government or by a state or local government located outside of Illinois, for which credit is not held in any other public employee pension fund or retirement system. To obtain this credit, the applicant must file a written application with the Board by March 31, 1998, accompanied by evidence of eligibility acceptable to the Board and payment of an amount to be determined by the Board, equal to (1) employee contributions for the credit being established, based upon the applicant's salary on the first day as an alternative formula employee after the employment for which credit is being established and the rates then applicable to alternative formula employees, plus (2) an amount determined by the Board to be the employer's normal cost of the benefits accrued for the credit being established, plus (3) regular interest on the amounts in items (1) and (2) from the first day as an alternative formula employee after the employment for which credit is being established to the date of payment.

(l) Subject to the limitation in subsection (i), a security employee of the Department of Corrections may elect, not later than July 1, 1998, to establish eligible creditable service for up to 10 years of his or her service as a policeman under Article 3, by filing a written election with the Board, accompanied by payment of an amount to be determined by the Board, equal to (i) the difference between the amount of employee and employer contributions transferred to the System under Section 3-110.5, and the amounts that would have been contributed had such contributions been made at the rates applicable to security employees of the Department of Corrections, plus (ii) interest thereon at the effective rate for each year, compounded annually, from the date of service to the date of payment.

(Source: P.A. 91-357, eff. 7-29-99; 91-760, eff. 1-1-01; 92-14, eff. 6-28-01; 92-257, eff. 8-6-01; 92-651,

eff. 7-11-02.)

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

Sec. 14-131. Contributions by State.

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

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

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

The Board shall also determine a State contribution rate for each fiscal year, expressed as a percentage of payroll, based on the total required State contribution for that fiscal year (less the amount received by the System from appropriations under Section 8.12 of the State Finance Act and Section 1 of the State Pension Funds Continuing Appropriation Act, if any, for the fiscal year ending on the June 30 immediately preceding the applicable November 15 certification deadline), the estimated payroll (including all forms of compensation) for personal services rendered by eligible employees, and the recommendations of the actuary.

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

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

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

(e) For State fiscal years 2011 through 2045, the minimum contribution to the System to be made by the State for each fiscal year shall be an amount determined by the System to be sufficient to bring the total assets of the System up to 90% of the total actuarial liabilities of the System by the end of State fiscal year 2045. In making these determinations, the required State contribution shall be calculated each year as a level percentage of payroll over the years remaining to and including fiscal year 2045 and shall be determined under the projected unit credit actuarial cost method.

For State fiscal years 1996 through ~~2005~~ 2010, the State contribution to the System, as a percentage of the applicable employee payroll, shall be increased in equal annual increments so that by State fiscal year 2011, the State is contributing at the rate required under this Section; except that (i) for State fiscal year 1998, for all purposes of this Code and any other law of this State, the certified percentage of the applicable employee payroll shall be 5.052% for employees earning eligible creditable service under Section 14-110 and 6.500% for all other employees, notwithstanding any contrary certification made under Section 14-135.08 before the effective date of this amendatory Act of 1997, and (ii) in the following specified State fiscal years, the State contribution to the System shall not be less than the following indicated percentages of the applicable employee payroll, even if the indicated percentage will produce a State contribution in excess of the amount otherwise required under this subsection and subsection (a): 9.8% in FY 1999; 10.0% in FY 2000; 10.2% in FY 2001; 10.4% in FY 2002; 10.6% in

FY 2003; and 10.8% in FY 2004.

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

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

For each of State fiscal years 2008 through 2010, the State contribution to the System, as a percentage of the applicable employee payroll, shall be increased in equal annual increments from the required State contribution for State fiscal year 2007, so that by State fiscal year 2011, the State is contributing at the rate otherwise required under this Section.

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

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

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

(Source: P.A. 93-2, eff. 4-7-03; 93-665, eff. 3-5-04.)

(40 ILCS 5/14-135.08) (from Ch. 108 1/2, par. 14-135.08)

Sec. 14-135.08. To certify required State contributions.

(a) To certify to the Governor and to each department, on or before November 15 of each year, the required rate for State contributions to the System for the next State fiscal year, as determined under subsection (b) of Section 14-131. The certification to the Governor shall include a copy of the actuarial recommendations upon which the rate is based.

(b) The certification shall include an additional amount necessary to pay all principal of and interest on those general obligation bonds due the next fiscal year authorized by Section 7.2(a) of the General Obligation Bond Act and issued to provide the proceeds deposited by the State with the System in July 2003, representing deposits other than amounts reserved under Section 7.2(c) of the General Obligation Bond Act. For State fiscal year 2005, the Board shall make a supplemental certification of the additional amount necessary to pay all principal of and interest on those general obligation bonds due in State fiscal years 2004 and 2005 authorized by Section 7.2(a) of the General Obligation Bond Act and issued to provide the proceeds deposited by the State with the System in July 2003, representing deposits other than amounts reserved under Section 7.2(c) of the General Obligation Bond Act, as soon as practical after the effective date of this amendatory Act of the 93rd General Assembly.

On or before May 1, 2004, the Board shall recalculate and recertify to the Governor and to each

[May 29, 2005]

department the amount of the required State contribution to the System and the required rates for State contributions to the System for State fiscal year 2005, taking into account the amounts appropriated to and received by the System under subsection (d) of Section 7.2 of the General Obligation Bond Act.

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

(Source: P.A. 93-2, eff. 4-7-03; 93-839, eff. 7-30-04.)

(40 ILCS 5/14-152.1 new)

Sec. 14-152.1. Application and expiration of new benefit increases.

(a) As used in this Section, "new benefit increase" means an increase in the amount of any benefit provided under this Article, or an expansion of the conditions of eligibility for any benefit under this Article, that results from an amendment to this Code that takes effect after the effective date of this amendatory Act of the 94th General Assembly.

(b) Notwithstanding any other provision of this Code or any subsequent amendment to this Code, every new benefit increase is subject to this Section and shall be deemed to be granted only in conformance with and contingent upon compliance with the provisions of this Section.

(c) The Public Act enacting a new benefit increase must identify and provide for payment to the System of additional funding at least sufficient to fund the resulting annual increase in cost to the System as it accrues.

Every new benefit increase is contingent upon the General Assembly providing the additional funding required under this subsection. The Commission on Government Forecasting and Accountability shall analyze whether adequate additional funding has been provided for the new benefit increase and shall report its analysis to the Public Pension Division of the Department of Financial and Professional Regulation. A new benefit increase created by a Public Act that does not include the additional funding required under this subsection is null and void. If the Public Pension Division determines that the additional funding provided for a new benefit increase under this subsection is or has become inadequate, it may so certify to the Governor and the State Comptroller and, in the absence of corrective action by the General Assembly, the new benefit increase shall expire at the end of the fiscal year in which the certification is made.

(d) Every new benefit increase shall expire 5 years after its effective date or on such earlier date as may be specified in the language enacting the new benefit increase or provided under subsection (c). This does not prevent the General Assembly from extending or re-creating a new benefit increase by law.

(e) Except as otherwise provided in the language creating the new benefit increase, a new benefit increase that expires under this Section continues to apply to persons who applied and qualified for the affected benefit while the new benefit increase was in effect and to the affected beneficiaries and alternate payees of such persons, but does not apply to any other person, including without limitation a person who continues in service after the expiration date and did not apply and qualify for the affected benefit while the new benefit increase was in effect.

(40 ILCS 5/15-125) (from Ch. 108 1/2, par. 15-125)

Sec. 15-125. "Prescribed Rate of Interest; Effective Rate of Interest":

(1) "Prescribed rate of interest": The rate of interest to be used in actuarial valuations and in development of actuarial tables as determined by the board on the basis of the probable average effective rate of interest on a long term basis.

(2) "Effective rate of interest": The interest rate for all or any part of a fiscal year that is determined by the board based on factors including the system's past and expected investment experience; historical and expected fluctuations in the market value of investments; the desirability of minimizing volatility in the effective rate of interest from year to year; and the provision of reserves for anticipated losses upon sales, redemptions, or other disposition of investments and for variations in interest experience; except that for the purpose of determining the accumulated normal contributions used in calculating retirement annuities under Rule 2 of Section 15-136, the effective rate of interest shall be determined by the State Comptroller rather than the board. The State Comptroller shall determine the effective rate of interest to be used for this purpose using the factors listed above, and shall certify to the board and the Commission on Government Forecasting and Accountability the rate to be used for this purpose for fiscal year 2006 as soon as possible after the effective date of this amendatory Act of the 94th General Assembly, and for each fiscal year thereafter no later than the September 1 immediately preceding the start of that fiscal year.

(3) The change made to this Section by Public Acts 90-65 and 90-511 ~~This amendatory Act of 1997 is~~

[May 29, 2005]

a clarification of existing law.

(Source: P.A. 90-65, eff. 7-7-97; 90-511, eff. 8-22-97.)

(40 ILCS 5/15-136) (from Ch. 108 1/2, par. 15-136)

Sec. 15-136. Retirement annuities - Amount. The provisions of this Section 15-136 apply only to those participants who are participating in the traditional benefit package or the portable benefit package and do not apply to participants who are participating in the self-managed plan.

(a) The amount of a participant's retirement annuity, expressed in the form of a single-life annuity, shall be determined by whichever of the following rules is applicable and provides the largest annuity:

Rule 1: The retirement annuity shall be 1.67% of final rate of earnings for each of the first 10 years of service, 1.90% for each of the next 10 years of service, 2.10% for each year of service in excess of 20 but not exceeding 30, and 2.30% for each year in excess of 30; or for persons who retire on or after January 1, 1998, 2.2% of the final rate of earnings for each year of service.

Rule 2: The retirement annuity shall be the sum of the following, determined from amounts credited to the participant in accordance with the actuarial tables and the prescribed rate of interest in effect at the time the retirement annuity begins:

(i) the normal annuity which can be provided on an actuarially equivalent basis, by the accumulated normal contributions as of the date the annuity begins;

(ii) an annuity from employer contributions of an amount equal to that which can be provided on an actuarially equivalent basis from the accumulated normal contributions made by the participant under Section 15-113.6 and Section 15-113.7 plus 1.4 times all other accumulated normal contributions made by the participant; and

(iii) the annuity that can be provided on an actuarially equivalent basis from the entire contribution made by the participant under Section 15-113.3.

With respect to a police officer or firefighter who retires on or after August 14, 1998, the accumulated normal contributions taken into account under clauses (i) and (ii) of this Rule 2 shall include the additional normal contributions made by the police officer or firefighter under Section 15-157(a).

The amount of a retirement annuity calculated under this Rule 2 shall be computed solely on the basis of the participant's accumulated normal contributions, as specified in this Rule and defined in Section 15-116. Neither an employee or employer contribution for early retirement under Section 15-136.2 nor any other employer contribution shall be used in the calculation of the amount of a retirement annuity under this Rule 2.

This amendatory Act of the 91st General Assembly is a clarification of existing law and applies to every participant and annuitant without regard to whether status as an employee terminates before the effective date of this amendatory Act.

This Rule 2 does not apply to a person who first becomes an employee under this Article on or after July 1, 2005.

Rule 3: The retirement annuity of a participant who is employed at least one-half time during the period on which his or her final rate of earnings is based, shall be equal to the participant's years of service not to exceed 30, multiplied by (1) \$96 if the participant's final rate of earnings is less than \$3,500, (2) \$108 if the final rate of earnings is at least \$3,500 but less than \$4,500, (3) \$120 if the final rate of earnings is at least \$4,500 but less than \$5,500, (4) \$132 if the final rate of earnings is at least \$5,500 but less than \$6,500, (5) \$144 if the final rate of earnings is at least \$6,500 but less than \$7,500, (6) \$156 if the final rate of earnings is at least \$7,500 but less than \$8,500, (7) \$168 if the final rate of earnings is at least \$8,500 but less than \$9,500, and (8) \$180 if the final rate of earnings is \$9,500 or more, except that the annuity for those persons having made an election under Section 15-154(a-1) shall be calculated and payable under the portable retirement benefit program pursuant to the provisions of Section 15-136.4.

Rule 4: A participant who is at least age 50 and has 25 or more years of service as a police officer or firefighter, and a participant who is age 55 or over and has at least 20 but less than 25 years of service as a police officer or firefighter, shall be entitled to a retirement annuity of 2 1/4% of the final rate of earnings for each of the first 10 years of service as a police officer or firefighter, 2 1/2% for each of the next 10 years of service as a police officer or firefighter, and 2 3/4% for each year of service as a police officer or firefighter in excess of 20. The retirement annuity for all other service shall be computed under Rule 1.

For purposes of this Rule 4, a participant's service as a firefighter shall also include the following:

(i) service that is performed while the person is an employee under subsection (h) of Section 15-107; and

(ii) in the case of an individual who was a participating employee employed in the fire department of the University of Illinois's Champaign-Urbana campus immediately prior to the

elimination of that fire department and who immediately after the elimination of that fire department transferred to another job with the University of Illinois, service performed as an employee of the University of Illinois in a position other than police officer or firefighter, from the date of that transfer until the employee's next termination of service with the University of Illinois.

Rule 5: The retirement annuity of a participant who elected early retirement under the provisions of Section 15-136.2 and who, on or before February 16, 1995, brought administrative proceedings pursuant to the administrative rules adopted by the System to challenge the calculation of his or her retirement annuity shall be the sum of the following, determined from amounts credited to the participant in accordance with the actuarial tables and the prescribed rate of interest in effect at the time the retirement annuity begins:

(i) the normal annuity which can be provided on an actuarially equivalent basis, by the accumulated normal contributions as of the date the annuity begins; and

(ii) an annuity from employer contributions of an amount equal to that which can be provided on an actuarially equivalent basis from the accumulated normal contributions made by the participant under Section 15-113.6 and Section 15-113.7 plus 1.4 times all other accumulated normal contributions made by the participant; and

(iii) an annuity which can be provided on an actuarially equivalent basis from the employee contribution for early retirement under Section 15-136.2, and an annuity from employer contributions of an amount equal to that which can be provided on an actuarially equivalent basis from the employee contribution for early retirement under Section 15-136.2.

In no event shall a retirement annuity under this Rule 5 be lower than the amount obtained by adding (1) the monthly amount obtained by dividing the combined employee and employer contributions made under Section 15-136.2 by the System's annuity factor for the age of the participant at the beginning of the annuity payment period and (2) the amount equal to the participant's annuity if calculated under Rule 1, reduced under Section 15-136(b) as if no contributions had been made under Section 15-136.2.

With respect to a participant who is qualified for a retirement annuity under this Rule 5 whose retirement annuity began before the effective date of this amendatory Act of the 91st General Assembly, and for whom an employee contribution was made under Section 15-136.2, the System shall recalculate the retirement annuity under this Rule 5 and shall pay any additional amounts due in the manner provided in Section 15-186.1 for benefits mistakenly set too low.

The amount of a retirement annuity calculated under this Rule 5 shall be computed solely on the basis of those contributions specifically set forth in this Rule 5. Except as provided in clause (iii) of this Rule 5, neither an employee nor employer contribution for early retirement under Section 15-136.2, nor any other employer contribution, shall be used in the calculation of the amount of a retirement annuity under this Rule 5.

The General Assembly has adopted the changes set forth in Section 25 of this amendatory Act of the 91st General Assembly in recognition that the decision of the Appellate Court for the Fourth District in *Mattis v. State Universities Retirement System et al.* might be deemed to give some right to the plaintiff in that case. The changes made by Section 25 of this amendatory Act of the 91st General Assembly are a legislative implementation of the decision of the Appellate Court for the Fourth District in *Mattis v. State Universities Retirement System et al.* with respect to that plaintiff.

The changes made by Section 25 of this amendatory Act of the 91st General Assembly apply without regard to whether the person is in service as an employee on or after its effective date.

(b) The retirement annuity provided under Rules 1 and 3 above shall be reduced by 1/2 of 1% for each month the participant is under age 60 at the time of retirement. However, this reduction shall not apply in the following cases:

(1) For a disabled participant whose disability benefits have been discontinued because he or she has exhausted eligibility for disability benefits under clause (6) of Section 15-152;

(2) For a participant who has at least the number of years of service required to retire at any age under subsection (a) of Section 15-135; or

(3) For that portion of a retirement annuity which has been provided on account of service of the participant during periods when he or she performed the duties of a police officer or firefighter, if these duties were performed for at least 5 years immediately preceding the date the retirement annuity is to begin.

(c) The maximum retirement annuity provided under Rules 1, 2, 4, and 5 shall be the lesser of (1) the annual limit of benefits as specified in Section 415 of the Internal Revenue Code of 1986, as such Section may be amended from time to time and as such benefit limits shall be adjusted by the Commissioner of Internal Revenue, and (2) 80% of final rate of earnings.

(d) An annuitant whose status as an employee terminates after August 14, 1969 shall receive

[May 29, 2005]

automatic increases in his or her retirement annuity as follows:

Effective January 1 immediately following the date the retirement annuity begins, the annuitant shall receive an increase in his or her monthly retirement annuity of 0.125% of the monthly retirement annuity provided under Rule 1, Rule 2, Rule 3, Rule 4, or Rule 5, contained in this Section, multiplied by the number of full months which elapsed from the date the retirement annuity payments began to January 1, 1972, plus 0.1667% of such annuity, multiplied by the number of full months which elapsed from January 1, 1972, or the date the retirement annuity payments began, whichever is later, to January 1, 1978, plus 0.25% of such annuity multiplied by the number of full months which elapsed from January 1, 1978, or the date the retirement annuity payments began, whichever is later, to the effective date of the increase.

The annuitant shall receive an increase in his or her monthly retirement annuity on each January 1 thereafter during the annuitant's life of 3% of the monthly annuity provided under Rule 1, Rule 2, Rule 3, Rule 4, or Rule 5 contained in this Section. The change made under this subsection by P.A. 81-970 is effective January 1, 1980 and applies to each annuitant whose status as an employee terminates before or after that date.

Beginning January 1, 1990, all automatic annual increases payable under this Section shall be calculated as a percentage of the total annuity payable at the time of the increase, including all increases previously granted under this Article.

The change made in this subsection by P.A. 85-1008 is effective January 26, 1988, and is applicable without regard to whether status as an employee terminated before that date.

(e) If, on January 1, 1987, or the date the retirement annuity payment period begins, whichever is later, the sum of the retirement annuity provided under Rule 1 or Rule 2 of this Section and the automatic annual increases provided under the preceding subsection or Section 15-136.1, amounts to less than the retirement annuity which would be provided by Rule 3, the retirement annuity shall be increased as of January 1, 1987, or the date the retirement annuity payment period begins, whichever is later, to the amount which would be provided by Rule 3 of this Section. Such increased amount shall be considered as the retirement annuity in determining benefits provided under other Sections of this Article. This paragraph applies without regard to whether status as an employee terminated before the effective date of this amendatory Act of 1987, provided that the annuitant was employed at least one-half time during the period on which the final rate of earnings was based.

(f) A participant is entitled to such additional annuity as may be provided on an actuarially equivalent basis, by any accumulated additional contributions to his or her credit. However, the additional contributions made by the participant toward the automatic increases in annuity provided under this Section shall not be taken into account in determining the amount of such additional annuity.

(g) If, (1) by law, a function of a governmental unit, as defined by Section 20-107 of this Code, is transferred in whole or in part to an employer, and (2) a participant transfers employment from such governmental unit to such employer within 6 months after the transfer of the function, and (3) the sum of (A) the annuity payable to the participant under Rule 1, 2, or 3 of this Section (B) all proportional annuities payable to the participant by all other retirement systems covered by Article 20, and (C) the initial primary insurance amount to which the participant is entitled under the Social Security Act, is less than the retirement annuity which would have been payable if all of the participant's pension credits validated under Section 20-109 had been validated under this system, a supplemental annuity equal to the difference in such amounts shall be payable to the participant.

(h) On January 1, 1981, an annuitant who was receiving a retirement annuity on or before January 1, 1971 shall have his or her retirement annuity then being paid increased \$1 per month for each year of creditable service. On January 1, 1982, an annuitant whose retirement annuity began on or before January 1, 1977, shall have his or her retirement annuity then being paid increased \$1 per month for each year of creditable service.

(i) On January 1, 1987, any annuitant whose retirement annuity began on or before January 1, 1977, shall have the monthly retirement annuity increased by an amount equal to 8¢ per year of creditable service times the number of years that have elapsed since the annuity began.

(Source: P.A. 92-16, eff. 6-28-01; 93-347, eff. 7-24-03.)

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

Sec. 15-155. Employer contributions.

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

The Board shall determine the amount of State contributions required for each fiscal year on the basis

of the actuarial tables and other assumptions adopted by the Board and the recommendations of the actuary, using the formula in subsection (a-1).

(a-1) For State fiscal years 2011 through 2045, the minimum contribution to the System to be made by the State for each fiscal year shall be an amount determined by the System to be sufficient to bring the total assets of the System up to 90% of the total actuarial liabilities of the System by the end of State fiscal year 2045. In making these determinations, the required State contribution shall be calculated each year as a level percentage of payroll over the years remaining to and including fiscal year 2045 and shall be determined under the projected unit credit actuarial cost method.

For State fiscal years 1996 through ~~2005~~ 2040, the State contribution to the System, as a percentage of the applicable employee payroll, shall be increased in equal annual increments so that by State fiscal year 2011, the State is contributing at the rate required under this Section.

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

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

For each of State fiscal years 2008 through 2010, the State contribution to the System, as a percentage of the applicable employee payroll, shall be increased in equal annual increments from the required State contribution for State fiscal year 2007, so that by State fiscal year 2011, the State is contributing at the rate otherwise required under this Section.

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

Notwithstanding any other provision of this Section, the required State contribution for State fiscal year 2005 and ~~for fiscal year 2008~~ and each fiscal year thereafter, as calculated under this Section and certified under Section 15-165, shall not exceed an amount equal to (i) the amount of the required State contribution that would have been calculated under this Section for that fiscal year if the System had not received any payments under subsection (d) of Section 7.2 of the General Obligation Bond Act, minus (ii) the portion of the State's total debt service payments for that fiscal year on the bonds issued for the purposes of that Section 7.2, as determined and certified by the Comptroller, that is the same as the System's portion of the total moneys distributed under subsection (d) of Section 7.2 of the General Obligation Bond Act. In determining this maximum for State fiscal years 2008 through 2010, however, the amount referred to in item (i) shall be increased, as a percentage of the applicable employee payroll, in equal increments calculated from the sum of the required State contribution for State fiscal year 2007 plus the applicable portion of the State's total debt service payments for fiscal year 2007 on the bonds issued for the purposes of Section 7.2 of the General Obligation Bond Act, so that, by State fiscal year 2011, the State is contributing at the rate otherwise required under this Section.

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

(b-1) The City of Urbana and the City of Champaign shall each make employer contributions to this System for their respective firefighter employees who participate in this System pursuant to subsection (h) of Section 15-107. The rate of contributions to be made by those municipalities shall be determined annually by the Board on the basis of the actuarial assumptions adopted by the Board and the recommendations of the actuary, and shall be expressed as a percentage of salary for each such employee. The Board shall certify the rate to the affected municipalities as soon as may be practical. The employer contributions required under this subsection shall be remitted by the municipality to the System at the same time and in the same manner as employee contributions.

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

College Board or the System for employer contributions.

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

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

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

(g) If the amount of a participant's earnings for any academic year used to determine the final rate of earnings exceeds the amount of his or her earnings with the same employer for the previous academic year by more than 6%, the participant's employer shall pay to the System, in addition to all other payments required under this Section and in accordance with guidelines established by the System, the present value of the increase in benefits resulting from the portion of the increase in earnings that is in excess of 6%. This present value shall be computed by the System on the basis of the actuarial assumptions and tables used in the most recent actuarial valuation of the System that is available at the time of the computation. The employer contributions required under this subsection (g) shall be paid in the form of a lump sum within 30 days after receipt of the bill after the participant begins receiving benefits under this Article.

The provisions of this subsection (g) do not apply to earnings increases paid to participants under contracts or collective bargaining agreements entered into, amended, or renewed before the effective date of this amendatory Act of the 94th General Assembly.

(Source: P.A. 93-2, eff. 4-7-03.)

(40 ILCS 5/15-165) (from Ch. 108 1/2, par. 15-165)

Sec. 15-165. To certify amounts and submit vouchers.

(a) The Board shall certify to the Governor on or before November 15 of each year the appropriation required from State funds for the purposes of this System for the following fiscal year. The certification shall include a copy of the actuarial recommendations upon which it is based.

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

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

(b) The Board shall certify to the State Comptroller or employer, as the case may be, from time to time, by its president and secretary, with its seal attached, the amounts payable to the System from the various funds.

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

If in any month the amount remaining unexpended from all other appropriations to the System for the applicable fiscal year (including the appropriations to the System under Section 8.12 of the State Finance Act and Section 1 of the State Pension Funds Continuing Appropriation Act) is less than the amount lawfully vouchered under this Section, the difference shall be paid from the General Revenue Fund under the continuing appropriation authority provided in Section 1.1 of the State Pension Funds Continuing Appropriation Act.

(d) So long as the payments received are the full amount lawfully vouchered under this Section, payments received by the System under this Section shall be applied first toward the employer contribution to the self-managed plan established under Section 15-158.2. Payments shall be applied second toward the employer's portion of the normal costs of the System, as defined in subsection (f) of

Section 15-155. The balance shall be applied toward the unfunded actuarial liabilities of the System.

(e) In the event that the System does not receive, as a result of legislative enactment or otherwise, payments sufficient to fully fund the employer contribution to the self-managed plan established under Section 15-158.2 and to fully fund that portion of the employer's portion of the normal costs of the System, as calculated in accordance with Section 15-155(a-1), then any payments received shall be applied proportionately to the optional retirement program established under Section 15-158.2 and to the employer's portion of the normal costs of the System, as calculated in accordance with Section 15-155(a-1).

(Source: P.A. 93-2, eff. 4-7-03; 93-665, eff. 3-5-04.)

(40 ILCS 5/15-198 new)

Sec. 15-198. Application and expiration of new benefit increases.

(a) As used in this Section, "new benefit increase" means an increase in the amount of any benefit provided under this Article, or an expansion of the conditions of eligibility for any benefit under this Article, that results from an amendment to this Code that takes effect after the effective date of this amendatory Act of the 94th General Assembly.

(b) Notwithstanding any other provision of this Code or any subsequent amendment to this Code, every new benefit increase is subject to this Section and shall be deemed to be granted only in conformance with and contingent upon compliance with the provisions of this Section.

(c) The Public Act enacting a new benefit increase must identify and provide for payment to the System of additional funding at least sufficient to fund the resulting annual increase in cost to the System as it accrues.

Every new benefit increase is contingent upon the General Assembly providing the additional funding required under this subsection. The Commission on Government Forecasting and Accountability shall analyze whether adequate additional funding has been provided for the new benefit increase and shall report its analysis to the Public Pension Division of the Department of Financial and Professional Regulation. A new benefit increase created by a Public Act that does not include the additional funding required under this subsection is null and void. If the Public Pension Division determines that the additional funding provided for a new benefit increase under this subsection is or has become inadequate, it may so certify to the Governor and the State Comptroller and, in the absence of corrective action by the General Assembly, the new benefit increase shall expire at the end of the fiscal year in which the certification is made.

(d) Every new benefit increase shall expire 5 years after its effective date or on such earlier date as may be specified in the language enacting the new benefit increase or provided under subsection (c). This does not prevent the General Assembly from extending or re-creating a new benefit increase by law.

(e) Except as otherwise provided in the language creating the new benefit increase, a new benefit increase that expires under this Section continues to apply to persons who applied and qualified for the affected benefit while the new benefit increase was in effect and to the affected beneficiaries and alternate payees of such persons, but does not apply to any other person, including without limitation a person who continues in service after the expiration date and did not apply and qualify for the affected benefit while the new benefit increase was in effect.

(40 ILCS 5/16-128) (from Ch. 108 1/2, par. 16-128)

Sec. 16-128. Creditable service - required contributions.

(a) In order to receive the creditable service specified under subsection (b) of Section 16-127, a member is required to make the following contributions: (i) an amount equal to the contributions which would have been required had such service been rendered as a member under this System; (ii) for military service not immediately following employment and for service established under subdivision (b)(10) of Section 16-127, an amount determined by the Board to be equal to the employer's normal cost of the benefits accrued for such service; and (iii) interest from the date the contributions would have been due (or, in the case of a person establishing credit for military service under subdivision (b)(3) of Section 16-127, the date of first membership in the System, if that date is later) to the date of payment, at the following rate of interest, compounded annually: for periods prior to July 1, 1965, regular interest; from July 1, 1965 to June 30, 1977, 4% per year; on and after July 1, 1977, regular interest.

(b) In order to receive creditable service under paragraph (2) of subsection (b) of Section 16-127 for those who were not members on June 30, 1963, the minimum required contribution shall be \$420 per year of service together with interest at 4% per year compounded annually from July 1, preceding the date of membership until June 30, 1977 and at regular interest compounded annually thereafter to the date of payment.

(c) In determining the contribution required in order to receive creditable service under paragraph (3)

of subsection (b) of Section 16-127, the salary rate for the remainder of the school term in which a member enters military service shall be assumed to be equal to the member's salary rate at the time of entering military service. However, for military service not immediately following employment, the salary rate on the last date as a participating teacher prior to such military service, or on the first date as a participating teacher after such military service, whichever is greater, shall be assumed to be equal to the member's salary rate at the time of entering military service. For each school term thereafter, the member's salary rate shall be assumed to be 5% higher than the salary rate in the previous school term.

(d) In determining the contribution required in order to receive creditable service under paragraph (5) of subsection (b) of Section 16-127, a member's salary rate during the period for which credit is being established shall be assumed to be equal to the member's last salary rate immediately preceding that period.

(d-5) For each year of service credit to be established under subsection (b-1) of Section 16-127, a member is required to contribute to the System (i) 16.5% of the annual salary rate during the first year of full-time employment as a teacher under this Article following the private school service, plus (ii) interest thereon from the date of first full-time employment as a teacher under this Article following the private school service to the date of payment, compounded annually, at the rate of 8.5% per year for periods before the effective date of this amendatory Act of the 92nd General Assembly, and for subsequent periods at a rate equal to the System's actuarially assumed rate of return on investments.

(d-10) For service credit established under paragraph (6) of subsection (b) of Section 16-127 for days granted by an employer in excess of the member's normal annual sick leave allotment, the employer is required to pay the normal cost of benefits based upon such service credit. This subsection (d-10) does not apply to sick leave granted to teachers under contracts or collective bargaining agreements entered into, amended, or renewed before the effective date of this amendatory Act of the 94th General Assembly.

(e) The contributions required under this Section may be made from the date the statement for such creditable service is issued until retirement date. All such required contributions must be made before any retirement annuity is granted.

(Source: P.A. 92-867, eff. 1-3-03.)

(40 ILCS 5/16-133) (from Ch. 108 1/2, par. 16-133)

Sec. 16-133. Retirement annuity; amount.

(a) The amount of the retirement annuity shall be (i) in the case of a person who first became a teacher under this Article before July 1, 2005, the larger of the amounts determined under paragraphs (A) and (B) below, or (ii) in the case of a person who first becomes a teacher under this Article on or after July 1, 2005, the amount determined under the applicable provisions of paragraph (B):

(A) An amount consisting of the sum of the following:

(1) An amount that can be provided on an actuarially equivalent basis by the member's accumulated contributions at the time of retirement; and

(2) The sum of (i) the amount that can be provided on an actuarially equivalent basis by the member's accumulated contributions representing service prior to July 1, 1947, and (ii) the amount that can be provided on an actuarially equivalent basis by the amount obtained by multiplying 1.4 times the member's accumulated contributions covering service subsequent to June 30, 1947; and

(3) If there is prior service, 2 times the amount that would have been determined under subparagraph (2) of paragraph (A) above on account of contributions which would have been made during the period of prior service creditable to the member had the System been in operation and had the member made contributions at the contribution rate in effect prior to July 1, 1947.

This paragraph (A) does not apply to a person who first becomes a teacher under this Article on or after July 1, 2005.

(B) An amount consisting of the greater of the following:

(1) For creditable service earned before July 1, 1998 that has not been augmented under Section 16-129.1: 1.67% of final average salary for each of the first 10 years of creditable service, 1.90% of final average salary for each year in excess of 10 but not exceeding 20, 2.10% of final average salary for each year in excess of 20 but not exceeding 30, and 2.30% of final average salary for each year in excess of 30; and

For creditable service earned on or after July 1, 1998 by a member who has at least 24 years of creditable service on July 1, 1998 and who does not elect to augment service under Section 16-129.1: 2.2% of final average salary for each year of creditable service earned on or after July 1, 1998 but before the member reaches a total of 30 years of creditable service and 2.3% of final average salary for each year of creditable service earned on or after July 1, 1998 and after the

member reaches a total of 30 years of creditable service; and

For all other creditable service: 2.2% of final average salary for each year of creditable service; or

(2) 1.5% of final average salary for each year of creditable service plus the sum \$7.50 for each of the first 20 years of creditable service.

The amount of the retirement annuity determined under this paragraph (B) shall be reduced by 1/2 of 1% for each month that the member is less than age 60 at the time the retirement annuity begins. However, this reduction shall not apply (i) if the member has at least 35 years of creditable service, or (ii) if the member retires on account of disability under Section 16-149.2 of this Article with at least 20 years of creditable service, or (iii) if the member (1) has earned during the period immediately preceding the last day of service at least one year of contributing creditable service as an employee of a department as defined in Section 14-103.04, (2) has earned at least 5 years of contributing creditable service as an employee of a department as defined in Section 14-103.04, (3) retires on or after January 1, 2001, and (4) retires having attained an age which, when added to the number of years of his or her total creditable service, equals at least 85. Portions of years shall be counted as decimal equivalents.

(b) For purposes of this Section, final average salary shall be the average salary for the highest 4 consecutive years within the last 10 years of creditable service as determined under rules of the board. The minimum final average salary shall be considered to be \$2,400 per year.

In the determination of final average salary for members other than elected officials and their appointees when such appointees are allowed by statute, that part of a member's salary for any year beginning after June 30, 1979 which exceeds the member's annual full-time salary rate with the same employer for the preceding year by more than 20% shall be excluded. The exclusion shall not apply in any year in which the member's creditable earnings are less than 50% of the preceding year's mean salary for downstate teachers as determined by the survey of school district salaries provided in Section 2-3.103 of the School Code.

(c) In determining the amount of the retirement annuity under paragraph (B) of this Section, a fractional year shall be granted proportional credit.

(d) The retirement annuity determined under paragraph (B) of this Section shall be available only to members who render teaching service after July 1, 1947 for which member contributions are required, and to annuitants who re-enter under the provisions of Section 16-150.

(e) The maximum retirement annuity provided under paragraph (B) of this Section shall be 75% of final average salary.

(f) A member retiring after the effective date of this amendatory Act of 1998 shall receive a pension equal to 75% of final average salary if the member is qualified to receive a retirement annuity equal to at least 74.6% of final average salary under this Article or as proportional annuities under Article 20 of this Code.

(Source: P.A. 90-582, eff. 5-27-98; 91-17, eff. 6-4-99; 91-887, eff. 7-6-00; 91-927, eff. 12-14-00.)

(40 ILCS 5/16-133.2) (from Ch. 108 1/2, par. 16-133.2)

Sec. 16-133.2. Early retirement without discount.

(a) A member retiring after June 1, 1980 and on or before June 30, 2005 (or as provided in subsection (b) of this Section), and applying for a retirement annuity within 6 months of the last day of teaching for which retirement contributions were required, may elect at the time of application for a retirement annuity, to make a one time member contribution to the System and thereby avoid the reduction in the retirement annuity for retirement before age 60 specified in paragraph (B) of Section 16-133. The exercise of the election shall also obligate the last employer to make a one time non-refundable contribution to the System. Substitute teachers wishing to exercise this election must teach 85 or more days in one school term with one employer, who shall be deemed the last employer for purposes of this Section. The last day of teaching with that employer must be within 6 months of the date of application for retirement. All substitute teaching credit applied toward the required 85 days must be earned after June 30, 1990.

The one time member and employer contributions shall be a percentage of the retiring member's highest annual salary rate used in the determination of the average salary for retirement annuity purposes. However, when determining the one-time member and employer contributions, that part of a member's salary with the same employer which exceeds the annual salary rate for the preceding year by more than 20% shall be excluded. The member contribution shall be at the rate of 7% for the lesser of the following 2 periods: (1) for each year that the member is less than age 60; or (2) for each year that the member's creditable service is less than 35 years. If a member is at least age 55 and has at least 34 years of creditable service, no member or employer contribution for the early retirement option shall be

required. The employer contribution shall be at the rate of 20% for each year the member is under age 60.

Upon receipt of the application and election, the System shall determine the one time employee and employer contributions required. The member contribution shall be credited to the individual account of the member and the employer contribution shall be credited to the Benefit Trust Reserve. The provisions of this subsection (a) providing for the avoidance of the reduction in retirement annuity ~~Section~~ shall not be applicable until the member's contribution, if any, has been received by the System; however, the date such contributions are received shall not be considered in determining the effective date of retirement.

The number of members working for a single employer who may retire under this subsection or subsection (b) ~~Section~~ in any year may be limited at the option of the employer to a specified percentage of those eligible, not less than 30%, with the right to participate to be allocated among those applying on the basis of seniority in the service of the employer.

(b) The provisions of subsection (a) of this Section shall remain in effect for a member retiring after June 30, 2005 and on or before July 1, 2007, provided that the member satisfies both of the following requirements:

(1) the member notified his or her employer of intent to retire under this Article on or before the effective date of this amendatory Act of the 94th General Assembly under the terms of a contract or collective bargaining agreement entered into, amended, or renewed with the employer on or before the effective date of this amendatory Act of the 94th General Assembly; and

(2) the effective date of the member's retirement is on or before July 1, 2007.

The member's employer must give evidence of the member's notification by providing to the System:

- (i) a copy of the member's notification to the employer or the record of that notification;
- (ii) an affidavit signed by the member and the employer, verifying the notification; and
- (iii) any additional documentation that the System may require.

(c) Except as otherwise provided in subsection (b), and subject to the provisions of Section 16-176, a member retiring on or after July 1, 2005, and applying for a retirement annuity within 6 months of the last day of teaching for which retirement contributions were required, may elect at the time of application for a retirement annuity, to make a one-time member contribution to the System and thereby avoid the reduction in the retirement annuity for retirement before age 60 specified in paragraph (B) of Section 16-133. The exercise of the election shall also obligate the last employer to make a one-time nonrefundable contribution to the System. Substitute teachers wishing to exercise this election must teach 85 or more days in one school term with one employer, who shall be deemed the last employer for purposes of this Section. The last day of teaching with that employer must be within 6 months of the date of application for retirement. All substitute teaching credit applied toward the required 85 days must be earned after June 30, 1990.

The one-time member and employer contributions shall be a percentage of the retiring member's highest annual salary rate used in the determination of the average salary for retirement annuity purposes. However, when determining the one-time member and employer contributions, that part of a member's salary with the same employer which exceeds the annual salary rate for the preceding year by more than 20% shall be excluded. The member contribution shall be at the rate of 11.5% for the lesser of the following 2 periods: (1) for each year that the member is less than age 60; or (2) for each year that the member's creditable service is less than 35 years. The employer contribution shall be at the rate of 23.5% for each year the member is under age 60.

Upon receipt of the application and election, the System shall determine the one-time employee and employer contributions required. The member contribution shall be credited to the individual account of the member and the employer contribution shall be credited to the Benefit Trust Reserve. The avoidance of the reduction in retirement annuity provided under this subsection (c) is not applicable until the member's contribution, if any, has been received by the System; however, the date that contribution is received shall not be considered in determining the effective date of retirement.

The number of members working for a single employer who may retire under this subsection (c) in any year may be limited at the option of the employer to a specified percentage of those eligible, not less than 10%, with the right to participate to be allocated among those applying on the basis of seniority in the service of the employer.

(Source: P.A. 93-469, eff. 8-8-03.)

(40 ILCS 5/16-133.3) (from Ch. 108 1/2, par. 16-133.3)

Sec. 16-133.3. Early retirement incentives for State employees.

(a) To be eligible for the benefits provided in this Section, a person must:

(1) be a member of this System who, on any day during June, 2002, is (i) in active payroll status as a full-time teacher employed by a department and an active contributor to this System

with respect to that employment, or (ii) on layoff status from such a position with a right of re-employment or recall to service, or (iii) receiving a disability benefit under Section 16-149 or 16-149.1, but only if the member has not been receiving that benefit for a continuous period of more than 2 years as of the date of application;

(2) not have received any retirement annuity under this Article beginning earlier than August 1, 2002;

(3) file with the Board on or before December 31, 2002 a written application requesting the benefits provided in this Section;

(4) terminate employment under this Article no later than December 31, 2002 (or the date established under subsection (d), if applicable);

(5) by the date of termination of service, have at least 8 years of creditable service under this Article, without the use of any creditable service established under this Section;

(6) by the date of termination of service, have at least 5 years of service credit earned while participating in the System as a teacher employed by a department; and

(7) not receive any early retirement benefit under Section 14-108.3 of this Code.

For the purposes of this Section, "department" means a department as defined in Section 14-103.04 that employs a teacher as defined in this Article.

(b) An eligible person may establish up to 5 years of creditable service under this Article by making the contributions specified in subsection (c). In addition, for each period of creditable service established under this Section, a person's age at retirement shall be deemed to be enhanced by an equivalent period.

The creditable service established under this Section may be used for all purposes under this Article and the Retirement Systems Reciprocal Act, except for the computation of final average salary, the determination of salary or compensation under this Article or any other Article of this Code, or the determination of eligibility for or the computation of benefits under Section 16-133.2.

The age enhancement established under this Section may be used for all purposes under this Article (including calculation of a proportionate annuity payable by this System under the Retirement Systems Reciprocal Act), except for purposes of a retirement annuity under Section 16-133(a)(A), a reversionary annuity under Section 16-136, the required distributions under Section 16-142.3, and the determination of eligibility for or the computation of benefits under Section 16-133.2. Age enhancement established under this Section may be used in determining benefits payable under Article 14 of this Code under the Retirement Systems Reciprocal Act (subject to the limitations on the use of age enhancement provided in Section 14-108.3); age enhancement established under this Section shall not be used in determining benefits payable under other Articles of this Code under the Retirement Systems Reciprocal Act.

(c) For all creditable service established under this Section, a person must pay to the System an employee contribution to be determined by the System, equal to 9.0% of the member's highest annual salary rate that would be used in the determination of the average salary for retirement annuity purposes if the member retired immediately after withdrawal, for each year of creditable service established under this Section.

If the member receives a lump sum payment for accumulated vacation, sick leave, and personal leave upon withdrawal from service, and the net amount of that lump sum payment is at least as great as the amount of the contribution required under this Section, the entire contribution must be paid by the employee by payroll deduction. If there is no such lump sum payment, or if it is less than the contribution required under this Section, the member shall make an initial payment by payroll deduction, equal to the net amount of the lump sum payment for accumulated vacation, sick leave, and personal leave, and have the remaining amount due treated as a reduction from the retirement annuity in 24 equal monthly installments beginning in the month in which the retirement annuity takes effect. The required contribution may be paid as a pre-tax deduction from earnings.

(d) In order to ensure that the efficient operation of State government is not jeopardized by the simultaneous retirement of large numbers of key personnel, the director or other head of a department may, for key employees of that department, extend the December 31, 2002 deadline for terminating employment under this Article established in subdivision (a)(4) of this Section to a date not later than April 30, 2003 by so notifying the System in writing by December 31, 2002.

(e) A person who has received any age enhancement or creditable service under this Section and who reenters contributing service under this Article or Article 14 shall thereby forfeit that age enhancement and creditable service, and become entitled to a refund of the contributions made pursuant to this Section.

(f) The System shall determine the amount of the increase in the present value of future benefits resulting from the granting of early retirement incentives under this Section and shall report that amount to the Governor and the Commission on Government Forecasting and Accountability on or after the

effective date of this amendatory Act of the 93rd General Assembly and on or before November 15, 2004. Beginning with State fiscal year 2008, the ~~The~~ increase in liability reported under this subsection (f) shall ~~not~~ be included in the calculation of the required State contribution under Section 16-158.

(g) In addition to the contributions otherwise required under this Article, the State shall appropriate and pay to the System ~~(+)~~ an amount equal to \$1,000,000 in State fiscal year 2004 ~~and (2) in each of State fiscal years 2006 through 2015, a level dollar payment based upon the increase in the present value of future benefits provided by the early retirement incentives provided under this Section amortized at 8.5% interest.~~

(h) The Pension Laws Commission (or its successor, the Commission on Government Forecasting and Accountability) shall determine and report to the General Assembly, on or before January 1, 2004 and annually thereafter through the year 2013, its estimate of (1) the annual amount of payroll savings likely to be realized by the State as a result of the early retirement of persons receiving early retirement incentives under this Section and (2) the net annual savings or cost to the State from the program of early retirement incentives created under this Section.

The System, the Department of Central Management Services, the Governor's Office of Management and Budget (formerly Bureau of the Budget), and all other departments shall provide to the Commission any assistance that the Commission may request with respect to its reports under this Section. The Commission may require departments to provide it with any information that it deems necessary or useful with respect to its reports under this Section, including without limitation information about (1) the final earnings of former department employees who elected to receive benefits under this Section, (2) the earnings of current department employees holding the positions vacated by persons who elected to receive benefits under this Section, and (3) positions vacated by persons who elected to receive benefits under this Section that have not yet been refilled.

(i) The changes made to this Section by this amendatory Act of the 92nd General Assembly do not apply to persons who retired under this Section on or before May 1, 1992.

(Source: P.A. 92-566, eff. 6-25-02; 93-632, eff. 2-1-04; 93-839, eff. 7-30-04; 93-1067, eff. 1-15-05.)

(40 ILCS 5/16-152) (from Ch. 108 1/2, par. 16-152)

Sec. 16-152. Contributions by members.

(a) Each member shall make contributions for membership service to this System as follows:

(1) Effective July 1, 1998, contributions of 7.50% of salary towards the cost of the retirement annuity. Such contributions shall be deemed "normal contributions".

(2) Effective July 1, 1969, contributions of 1/2 of 1% of salary toward the cost of the automatic annual increase in retirement annuity provided under Section 16-133.1.

(3) Effective July 24, 1959, contributions of 1% of salary towards the cost of survivor benefits. Such contributions shall not be credited to the individual account of the member and shall not be subject to refund except as provided under Section 16-143.2.

(4) Effective July 1, 2005, contributions of 0.40% of salary toward the cost of the early retirement without discount option provided under Section 16-133.2. This contribution shall cease upon termination of the early retirement without discount option as provided in Section 16-176.

(b) The minimum required contribution for any year of full-time teaching service shall be \$192.

(c) Contributions shall not be required of any annuitant receiving a retirement annuity who is given employment as permitted under Section 16-118 or 16-150.1.

(d) A person who (i) was a member before July 1, 1998, (ii) retires with more than 34 years of creditable service, and (iii) does not elect to qualify for the augmented rate under Section 16-129.1 shall be entitled, at the time of retirement, to receive a partial refund of contributions made under this Section for service occurring after the later of June 30, 1998 or attainment of 34 years of creditable service, in an amount equal to 1.00% of the salary upon which those contributions were based.

(e) A member's contributions toward the cost of early retirement without discount made under item (a)(4) of this Section shall not be refunded if the member has elected early retirement without discount under Section 16-133.2 and has begun to receive a retirement annuity under this Article calculated in accordance with that election. Otherwise, a member's contributions toward the cost of early retirement without discount made under item (a)(4) of this Section shall be refunded according to whichever one of the following circumstances occurs first:

(1) The contributions shall be refunded to the member, without interest, within 120 days after the member's retirement annuity commences, if the member does not elect early retirement without discount under Section 16-133.2.

(2) The contributions shall be included, without interest, in any refund claimed by the member under Section 16-151.

(3) The contributions shall be refunded to the member's designated beneficiary (or if there is no

beneficiary, to the member's estate), without interest, if the member dies without having begun to receive a retirement annuity under this Article.

(4) The contributions shall be refunded to the member, without interest, within 120 days after the early retirement without discount option provided under Section 16-133.2 is terminated under Section 16-176.

(Source: P.A. 93-320, eff. 7-23-03.)

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

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

The State shall make contributions to the System by means of appropriations from the Common School Fund and other State funds of amounts which, together with other employer contributions, employee contributions, investment income, and other income, will be sufficient to meet the cost of maintaining and administering the System on a 90% funded basis in accordance with actuarial recommendations.

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

(a-1) Annually, on or before November 15, the Board shall certify to the Governor the amount of the required State contribution for the coming fiscal year. The certification shall include a copy of the actuarial recommendations upon which it is based.

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

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

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

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

If in any month the amount remaining unexpended from all other appropriations to the System for the applicable fiscal year (including the appropriations to the System under Section 8.12 of the State Finance Act and Section 1 of the State Pension Funds Continuing Appropriation Act) is less than the amount lawfully vouchered under this subsection, the difference shall be paid from the Common School Fund under the continuing appropriation authority provided in Section 1.1 of the State Pension Funds Continuing Appropriation Act.

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

(b-3) For State fiscal years 2011 through 2045, the minimum contribution to the System to be made by the State for each fiscal year shall be an amount determined by the System to be sufficient to bring the total assets of the System up to 90% of the total actuarial liabilities of the System by the end of State fiscal year 2045. In making these determinations, the required State contribution shall be calculated each year as a level percentage of payroll over the years remaining to and including fiscal year 2045 and shall be determined under the projected unit credit actuarial cost method.

For State fiscal years 1996 through ~~2005~~ ~~2040~~, the State contribution to the System, as a percentage of the applicable employee payroll, shall be increased in equal annual increments so that by State fiscal year 2011, the State is contributing at the rate required under this Section; except that in the following specified State fiscal years, the State contribution to the System shall not be less than the following indicated percentages of the applicable employee payroll, even if the indicated percentage will produce a State contribution in excess of the amount otherwise required under this subsection and subsection (a), and notwithstanding any contrary certification made under subsection (a-1) before the effective date of this amendatory Act of 1998: 10.02% in FY 1999; 10.77% in FY 2000; 11.47% in FY 2001; 12.16% in

[May 29, 2005]

FY 2002; 12.86% in FY 2003; and 13.56% in FY 2004.

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

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

For each of State fiscal years 2008 through 2010, the State contribution to the System, as a percentage of the applicable employee payroll, shall be increased in equal annual increments from the required State contribution for State fiscal year 2007, so that by State fiscal year 2011, the State is contributing at the rate otherwise required under this Section.

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

Notwithstanding any other provision of this Section, the required State contribution for State fiscal year 2005 and for fiscal year 2008 and each fiscal year thereafter, as calculated under this Section and certified under subsection (a-1), shall not exceed an amount equal to (i) the amount of the required State contribution that would have been calculated under this Section for that fiscal year if the System had not received any payments under subsection (d) of Section 7.2 of the General Obligation Bond Act, minus (ii) the portion of the State's total debt service payments for that fiscal year on the bonds issued for the purposes of that Section 7.2, as determined and certified by the Comptroller, that is the same as the System's portion of the total moneys distributed under subsection (d) of Section 7.2 of the General Obligation Bond Act. In determining this maximum for State fiscal years 2008 through 2010, however, the amount referred to in item (i) shall be increased, as a percentage of the applicable employee payroll, in equal increments calculated from the sum of the required State contribution for State fiscal year 2007 plus the applicable portion of the State's total debt service payments for fiscal year 2007 on the bonds issued for the purposes of Section 7.2 of the General Obligation Bond Act, so that, by State fiscal year 2011, the State is contributing at the rate otherwise required under this Section.

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

If members are paid from special trust or federal funds which are administered by the employing unit, whether school district or other unit, the employing unit shall pay to the System from such funds the full accruing retirement costs based upon that service, as determined by the System. Employer contributions, based on salary paid to members from federal funds, may be forwarded by the distributing agency of the State of Illinois to the System prior to allocation, in an amount determined in accordance with guidelines established by such agency and the System.

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

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

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

- (1) Beginning July 1, 1998 through June 30, 1999, the employer contribution shall be equal to 0.3% of each teacher's salary.
- (2) Beginning July 1, 1999 and thereafter, the employer contribution shall be equal to 0.58% of each teacher's salary.

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

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

Each employer of teachers is entitled to a credit against the contributions required under this subsection (e) with respect to salaries paid to teachers for the period January 1, 2002 through June 30,

[May 29, 2005]

2003, equal to the amount paid by that employer under subsection (a-5) of Section 6.6 of the State Employees Group Insurance Act of 1971 with respect to salaries paid to teachers for that period.

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

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

(f) If the amount of a teacher's salary for any school year used to determine final average salary exceeds the amount of his or her salary with the same employer for the previous school year by more than 6%, the teacher's employer shall pay to the System, in addition to all other payments required under this Section and in accordance with guidelines established by the System, the present value of the increase in benefits resulting from the portion of the increase in salary that is in excess of 6%. This present value shall be computed by the System on the basis of the actuarial assumptions and tables used in the most recent actuarial valuation of the System that is available at the time of the computation. The employer contributions required under this subsection (f) shall be paid in the form of a lump sum within 30 days after receipt of the bill after the teacher begins receiving benefits under this Article.

The provisions of this subsection (f) do not apply to salary increases paid to teachers under contracts or collective bargaining agreements entered into, amended, or renewed before the effective date of this amendatory Act of the 94th General Assembly.

(Source: P.A. 92-505, eff. 12-20-01; 93-2, eff. 4-7-03; 93-665, eff. 3-5-04.)

(40 ILCS 5/16-176) (from Ch. 108 1/2, par. 16-176)

Sec. 16-176. To adopt actuarial assumptions. For the 5-year period ending June 30, 1997 and every 5 years thereafter, the actuary, as technical advisor, shall make an actuarial investigation into the mortality, service and compensation experience of the members, annuitants, and beneficiaries of the retirement system. Based upon the result of that investigation, the board shall adopt such actuarial assumptions as it deems appropriate.

Beginning with the 5-year period ending June 30, 2012 and every 5 years thereafter, the actuarial investigation required under this Section shall include the System's experience under the early retirement without discount option established in Section 16-133.2, including consideration of the sufficiency of the member and employer contributions under Section 16-133.2 and the active member contribution under Section 16-152 to adequately fund the early retirement without discount option. The Board shall promptly communicate the results of the actuarial investigation to the Commission on Government Forecasting and Accountability. Based on the actuarial investigation, the Commission on Government Forecasting and Accountability shall, no later than February 1 of the next year, recommend to the General Assembly any proportional adjustment in the amounts of the member and employer contributions under Section 16-133.2 that it deems necessary. If the General Assembly fails to adjust the member and employer contributions under Section 16-133.2 in response to the Commission's recommendations, then the early retirement without discount option under Section 16-133.2 is terminated and shall cease to be available at the end of the fiscal year in which the Commission made its recommendation to the General Assembly.

(Source: P.A. 89-136, eff. 7-14-95.)

(40 ILCS 5/16-203 new)

Sec. 16-203. Application and expiration of new benefit increases.

(a) As used in this Section, "new benefit increase" means an increase in the amount of any benefit provided under this Article, or an expansion of the conditions of eligibility for any benefit under this Article, that results from an amendment to this Code that takes effect after the effective date of this amendatory Act of the 94th General Assembly.

(b) Notwithstanding any other provision of this Code or any subsequent amendment to this Code, every new benefit increase is subject to this Section and shall be deemed to be granted only in conformance with and contingent upon compliance with the provisions of this Section.

(c) The Public Act enacting a new benefit increase must identify and provide for payment to the System of additional funding at least sufficient to fund the resulting annual increase in cost to the System as it accrues.

Every new benefit increase is contingent upon the General Assembly providing the additional funding

required under this subsection. The Commission on Government Forecasting and Accountability shall analyze whether adequate additional funding has been provided for the new benefit increase and shall report its analysis to the Public Pension Division of the Department of Financial and Professional Regulation. A new benefit increase created by a Public Act that does not include the additional funding required under this subsection is null and void. If the Public Pension Division determines that the additional funding provided for a new benefit increase under this subsection is or has become inadequate, it may so certify to the Governor and the State Comptroller and, in the absence of corrective action by the General Assembly, the new benefit increase shall expire at the end of the fiscal year in which the certification is made.

(d) Every new benefit increase shall expire 5 years after its effective date or on such earlier date as may be specified in the language enacting the new benefit increase or provided under subsection (c). This does not prevent the General Assembly from extending or re-creating a new benefit increase by law.

(e) Except as otherwise provided in the language creating the new benefit increase, a new benefit increase that expires under this Section continues to apply to persons who applied and qualified for the affected benefit while the new benefit increase was in effect and to the affected beneficiaries and alternate payees of such persons, but does not apply to any other person, including without limitation a person who continues in service after the expiration date and did not apply and qualify for the affected benefit while the new benefit increase was in effect.

(40 ILCS 5/17-116.1) (from Ch. 108 1/2, par. 17-116.1)

Sec. 17-116.1. Early retirement without discount.

(a) A member retiring after June 1, 1980 and before June 30, 1995 and within 6 months of the last day of teaching for which retirement contributions were required, may elect at the time of application to make a one time employee contribution to the system and thereby avoid the early retirement reduction in allowance specified in paragraph (4) of Section 17-116 of this Article. The exercise of the election shall obligate the last Employer to also make a one time non-refundable contribution to the Fund.

(b) Subject to authorization by the Employer as provided in subsection (c), a member retiring on or after June 30, 1995 and on or before June 30, ~~2005~~ 2010 and within 6 months of the last day of teaching for which retirement contributions were required may elect at the time of application to make a one-time employee contribution to the Fund and thereby avoid the early retirement reduction in allowance specified in paragraph (4) of Section 17-116. The exercise of the election shall obligate the last Employer to also make a one-time nonrefundable contribution to the Fund.

(c) The benefits provided in subsection (b) are available only to members who retire, during a specified period, from employment with an Employer that has adopted and filed with the Board a resolution expressly providing for the creation of an early retirement without discount program under this Section for that period.

The Employer has the full discretion and authority to determine whether an early retirement without discount program is in its best interest and to provide such a program to its eligible employees in accordance with this Section. The Employer may decide to authorize such a program for one or more of the following periods: for the period beginning July 1, 1997 and ending June 30, 1998, in which case the resolution must be adopted by January 1, 1998; for the period beginning July 1, 1998 and ending June 30, 1999, in which case the resolution must be adopted by March 31, 1998; for the period beginning July 1, 1999 and ending June 30, 2000, in which case the resolution must be adopted by March 31, 1999; for the period beginning July 1, 2000 and ending June 30, 2001, in which case the resolution must be adopted by March 31, 2000; for the period beginning July 1, 2001 and ending June 30, 2002, in which case the resolution must be adopted by March 31, 2001; for the period beginning July 1, 2002 and ending June 30, 2003, in which case the resolution must be adopted by March 31, 2002; for the period beginning July 1, 2003 and ending June 30, 2004, in which case the resolution must be adopted by March 31, 2003; ~~and~~ for the period beginning July 1, 2004 and ending June 30, 2005, in which case the resolution must be adopted by March 31, 2004 ; for the period beginning July 1, 2005 and ending June 30, 2006, in which case the resolution must be adopted by August 31, 2005; for the period beginning July 1, 2006 and ending June 30, 2007, in which case the resolution must be adopted by June 30, 2006; for the period beginning July 1, 2007 and ending June 30, 2008, in which case the resolution must be adopted by June 30, 2007; for the period beginning July 1, 2008 and ending June 30, 2009, in which case the resolution must be adopted by June 30, 2008; and for the period beginning July 1, 2009 and ending June 30, 2010, in which case the resolution must be adopted by June 30, 2009. The resolution must be filed with the Board within 10 days after it is adopted. A single resolution may authorize an early retirement without discount program as provided in this Section for more than one period.

Notwithstanding Section 17-157, the Employer shall also have full discretion and authority to

[May 29, 2005]

determine whether to allow its employees who withdrew from service on or after June 30, 1995 and before June 27, 1997 to participate in an early retirement without discount program under subsection (b). An early retirement without discount program for those who withdrew from service on or after June 30, 1995 and before June 27, 1997 may be authorized only by a resolution of the Employer that is adopted by January 1, 1998 and filed with the Board within 10 days after its adoption. If such a resolution is duly adopted and filed, a person who (i) withdrew from service with the Employer on or after June 30, 1995 and before June 27, 1997, (ii) qualifies for early retirement without discount under subsection (b), (iii) applies to the Fund within 90 days after the authorizing resolution is adopted, and (iv) pays the required employee contribution shall have his or her retirement pension recalculated in accordance with subsection (b). The resulting increase shall be effective retroactively to the starting date of the retirement pension.

(d) The one-time employee contribution shall be equal to 7% of the retiring member's highest full-time annual salary rate used in the determination of the average salary rate for retirement pension, or if not full-time then the full-time equivalent, multiplied by (1) the number of years the teacher is under age 60, or (2) the number of years the employee's creditable service is less than 34 years, whichever is less.

The Employer contribution shall be 20% of such salary multiplied by such number of years.

(e) Upon receipt of the application and election, the Board shall determine the one-time employee and Employer contributions. The provisions of this Section shall not be applicable until the employee contribution, if any, has been received by the Fund; however, the date that contribution is received shall not be considered in determining the effective date of retirement.

(f) The number of employees who may retire under this Section in any year may be limited at the option of the Employer to a specified ~~number percentage~~ of those eligible, not lower than 200, ~~but the Employer and the collective bargaining agent for teachers may agree upon a greater limitation to the specified number of employees who may retire under this Section in any year. The 30%, with the right to participate in the early retirement without discount authorized under this Section shall to be allocated among those applying on the basis of seniority in the service of the Employer or on such other basis for allocation as the Employer and the collective bargaining agent for teachers agree, in which case, such other basis may be employed among other eligible employees as well.~~

(Source: P.A. 90-32, eff. 6-27-97; 90-448, eff. 8-16-97; 90-566, eff. 1-2-98; 91-17, eff. 6-4-99.)

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

Sec. 18-131. Financing; employer contributions.

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

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

(c) For State fiscal years 2011 through 2045, the minimum contribution to the System to be made by the State for each fiscal year shall be an amount determined by the System to be sufficient to bring the total assets of the System up to 90% of the total actuarial liabilities of the System by the end of State fiscal year 2045. In making these determinations, the required State contribution shall be calculated each year as a level percentage of payroll over the years remaining to and including fiscal year 2045 and shall be determined under the projected unit credit actuarial cost method.

For State fiscal years 1996 through ~~2005~~ 2010, the State contribution to the System, as a percentage of the applicable employee payroll, shall be increased in equal annual increments so that by State fiscal year 2011, the State is contributing at the rate required under this Section.

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

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

For each of State fiscal years 2008 through 2010, the State contribution to the System, as a percentage of the applicable employee payroll, shall be increased in equal annual increments from the required State contribution for State fiscal year 2007, so that by State fiscal year 2011, the State is contributing at the rate otherwise required under this Section.

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

Notwithstanding any other provision of this Section, the required State contribution for State fiscal year 2005 and for fiscal year 2008 and each fiscal year thereafter, as calculated under this Section and certified under Section 18-140, shall not exceed an amount equal to (i) the amount of the required State contribution that would have been calculated under this Section for that fiscal year if the System had not received any payments under subsection (d) of Section 7.2 of the General Obligation Bond Act, minus (ii) the portion of the State's total debt service payments for that fiscal year on the bonds issued for the purposes of that Section 7.2, as determined and certified by the Comptroller, that is the same as the System's portion of the total moneys distributed under subsection (d) of Section 7.2 of the General Obligation Bond Act. In determining this maximum for State fiscal years 2008 through 2010, however, the amount referred to in item (i) shall be increased, as a percentage of the applicable employee payroll, in equal increments calculated from the sum of the required State contribution for State fiscal year 2007 plus the applicable portion of the State's total debt service payments for fiscal year 2007 on the bonds issued for the purposes of Section 7.2 of the General Obligation Bond Act, so that, by State fiscal year 2011, the State is contributing at the rate otherwise required under this Section.

(Source: P.A. 93-2, eff. 4-7-03.)

(40 ILCS 5/18-140) (from Ch. 108 1/2, par. 18-140)

Sec. 18-140. To certify required State contributions and submit vouchers.

(a) The Board shall certify to the Governor, on or before November 15 of each year, the amount of the required State contribution to the System for the following fiscal year. The certification shall include a copy of the actuarial recommendations upon which it is based.

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

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

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

If in any month the amount remaining unexpended from all other appropriations to the System for the applicable fiscal year (including the appropriations to the System under Section 8.12 of the State Finance Act and Section 1 of the State Pension Funds Continuing Appropriation Act) is less than the amount lawfully vouchered under this Section, the difference shall be paid from the General Revenue Fund under the continuing appropriation authority provided in Section 1.1 of the State Pension Funds Continuing Appropriation Act.

(Source: P.A. 93-2, eff. 4-7-03; 93-665, eff. 3-5-04.)

(40 ILCS 5/18-169 new)

Sec. 18-169. Application and expiration of new benefit increases.

(a) As used in this Section, "new benefit increase" means an increase in the amount of any benefit provided under this Article, or an expansion of the conditions of eligibility for any benefit under this Article, that results from an amendment to this Code that takes effect after the effective date of this amendatory Act of the 94th General Assembly.

(b) Notwithstanding any other provision of this Code or any subsequent amendment to this Code, every new benefit increase is subject to this Section and shall be deemed to be granted only in conformance with and contingent upon compliance with the provisions of this Section.

(c) The Public Act enacting a new benefit increase must identify and provide for payment to the System of additional funding at least sufficient to fund the resulting annual increase in cost to the System as it accrues.

Every new benefit increase is contingent upon the General Assembly providing the additional funding required under this subsection. The Commission on Government Forecasting and Accountability shall analyze whether adequate additional funding has been provided for the new benefit increase and shall report its analysis to the Public Pension Division of the Department of Financial and Professional

[May 29, 2005]

Regulation. A new benefit increase created by a Public Act that does not include the additional funding required under this subsection is null and void. If the Public Pension Division determines that the additional funding provided for a new benefit increase under this subsection is or has become inadequate, it may so certify to the Governor and the State Comptroller and, in the absence of corrective action by the General Assembly, the new benefit increase shall expire at the end of the fiscal year in which the certification is made.

(d) Every new benefit increase shall expire 5 years after its effective date or on such earlier date as may be specified in the language enacting the new benefit increase or provided under subsection (c). This does not prevent the General Assembly from extending or re-creating a new benefit increase by law.

(e) Except as otherwise provided in the language creating the new benefit increase, a new benefit increase that expires under this Section continues to apply to persons who applied and qualified for the affected benefit while the new benefit increase was in effect and to the affected beneficiaries and alternate payees of such persons, but does not apply to any other person, including without limitation a person who continues in service after the expiration date and did not apply and qualify for the affected benefit while the new benefit increase was in effect.

Section 90. The State Mandates Act is amended by adding Section 8.29 as follows:
(30 ILCS 805/8.29 new)

Sec. 8.29. Exempt mandate. Notwithstanding Sections 6 and 8 of this Act, no reimbursement by the State is required for the implementation of any mandate created by this amendatory Act of the 94th General Assembly.

Section 97. Severability. The provisions of this Act are severable under Section 1.31 of the Statute on Statutes.

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

Under the rules, the foregoing **Senate Bill No. 27**, with House Amendment No. 2, was referred to the Secretary's Desk.

JOINT ACTION MOTIONS FILED

The following Joint Action Motions to the Senate Bills listed below have been filed with the Secretary and referred to the Committee on Rules:

Motion to Concur in House Amendments 1 and 2 to Senate Bill 13
Motion to Concur in House Amendment 2 to Senate Bill 27
Motion to Concur in House Amendment 1 to Senate Bill 251
Motion to Concur in House Amendment 3 to Senate Bill 501

The following Joint Action Motions to the House Bills listed below have been filed with the Secretary and referred to the Committee on Rules:

Motion to Recede from Senate Amendment 1 to House Bill 114
Motion to Recede from Senate Amendment 1 to House Bill 1316

LEGISLATIVE MEASURE FILED

The following Floor amendment to the House Bill listed below has been filed with the Secretary and referred to the Committee on Rules:

Senate Amendment No. 1 to House Bill 4050

REPORT FROM RULES COMMITTEE

Senator Viverito, Chairperson of the Committee on Rules, during its May 29, 2005 meeting, reported the following Joint Action Motions have been assigned to the indicated Standing Committees of the Senate:

Education: **Motion to Recede from Senate Amendments 2 and 3 to House Bill 3480**

Executive: **Motion to Concur in House Amendment 2 to Senate Bill 27**

Judiciary: **Motion to Concur in House Amendment 1 to Senate Bill 251**

Local Government: **Motion to Recede from Senate Amendment 1 to House Bill 114; Motion to Recede from Senate Amendments 1 and 3 to House Bill 2500**

State Government: **Motion to Concur in House Amendments 1 and 2 to Senate Bill 13**

Transportation: **Motion to Concur in House Amendment 3 to Senate Bill 501; Motion to Recede from Senate Amendment 1 to House Bill 1316**

Senator Viverito, Chairperson of the Committee on Rules, during its May 29, 2005 meeting, reported the following Legislative Measures have been assigned to the indicated Standing Committee of the Senate:

Executive: **Floor Amendment No. 1 to House Bill 4050; Floor Amendment No. 2 to House Bill 4053.**

COMMITTEE MEETING ANNOUNCEMENTS

Senator Crotty, Chairperson of the Committee on Local Government, announced that the Local Government Committee will meet today in Room A-1 Stratton Building, at 6:00 o'clock p.m.

Senator Munoz, Chairperson of the Committee on Transportation, announced that the Transportation Committee will meet today in Room 400 Capitol Building, at 6:15 o'clock p.m.

Senator Lightford, Chairperson of the Committee on Education, announced that the Education Committee will meet today in Room 212 Capitol Building, at 6:00 o'clock p.m.

Senator Garrett, Chairperson of the Committee on State Government, announced that the State Government Committee will meet today in Room A-1 Stratton Building, at 6:30 o'clock p.m.

Senator Cullerton, Co-Chairperson of the Committee on Judiciary, announced that the Judiciary Committee will meet today in Room 212 Capitol Building, at 6:15 o'clock p.m.

Senator Cullerton, Vice-Chairperson of the Committee on Executive, announced that the Executive Committee will meet today in Room 212 Capitol Building, at 6:30 o'clock p.m.

At the hour of 4:51 o'clock p.m., the Chair announced that the Senate stand at recess subject to the call of the Chair.

AFTER RECESS

At the hour of 7:45 o'clock p.m., the Senate resumed consideration of business.
Senator Link, presiding.

[May 29, 2005]

MESSAGES FROM THE HOUSE

A message from the House by

Mr. Mahoney, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the passage of a bill of the following title, to-wit:

SENATE BILL NO. 1842

A bill for AN ACT concerning nursing.

Together with the following amendment which is attached, in the adoption of which I am instructed to ask the concurrence of the Senate, to-wit:

House Amendment No. 1 to SENATE BILL NO. 1842

Passed the House, as amended, May 29, 2005.

MARK MAHONEY, Clerk of the House

AMENDMENT NO. 1 TO SENATE BILL 1842

AMENDMENT NO. 1. Amend Senate Bill 1842 by replacing everything after the enacting clause with the following:

"Section 5. The Nursing and Advanced Practice Nursing Act is amended by adding Section 10-37 as follows:

(225 ILCS 65/10-37 new)

(Section scheduled to be repealed on January 1, 2008)

Sec. 10-37. Nurse externship permit.

(a) The Department shall establish a 2-year program under which the Department may issue a nurse externship permit to a registered nurse who is licensed under the laws of another state or territory of the United States and who has not taken the National Council Licensure Examination (NCLEX). A nurse who is issued a permit shall be allowed to practice as a nurse extern under the direct, on-site supervision of a registered professional nurse licensed under this Act. There shall be one supervising registered professional nurse for every one nurse extern.

(b) An applicant shall be qualified to receive a nurse externship permit if that applicant:

(1) Has submitted a completed written application to the Department, on forms provided by the Department, and paid any fees established by the Department.

(2) Has graduated from a professional nursing education program approved by the Department.

(3) Is licensed as a professional nurse in another state or territory of the United States and has submitted a verification of active and unencumbered licensure in all of the states and territories in which the applicant is licensed.

(4) Has submitted verification of an offer of employment in Illinois as a nurse extern. The Department may prescribe the information necessary to determine if this employment meets the requirements of the permit program. This information shall include a copy of the written employment offer.

(5) Has submitted a written statement from the applicant's prospective employer stating that the prospective employer agrees to pay the full tuition for the Bilingual Nurse Consortium course or other course approved by rule.

(6) Has submitted proof of taking the Test of English as a Foreign Language (TOEFL) with a minimum score as set by rule. Applicants with the highest TOEFL scores shall be given first consideration to entrance into an extern program.

(7) Has submitted written verification that the applicant has been enrolled in the Bilingual Nurse Consortium course or other course approved by rule. This verification must state that the applicant shall be able to complete the course within the year for which the permit is issued.

(8) Has agreed to submit to the Department a mid-year exam as determined by rule that demonstrates proficiency towards passing the NCLEX.

(9) Has not violated the provisions of Section 10-45 of this Act. The Department may take into consideration any felony conviction of the applicant, but such a conviction shall not operate as an absolute bar to licensure.

(10) Has met all other requirements established by rule.

(c) A nurse extern shall be issued no more than one permit in a lifetime. The permit shall expire one calendar year after it is issued. Before being issued a license under this Act, the nurse extern must submit proof of the successful completion of the Bilingual Nurse Consortium course or other course approved

[May 29, 2005]

by rule and successful passage of the NCLEX. The nurse extern shall not practice autonomous, professional nursing until he or she is licensed under this Act. The nurse extern shall carry out progressive nursing skills under the direct supervision of a registered nurse licensed under this Act and shall not be employed in a supervisory capacity. The nurse extern shall work only in the sponsoring facility. A nurse extern may work for a period not to exceed one calendar year from the date of issuance of the permit or until he or she fails the NCLEX. While working as a nurse extern, the nurse extern is subject to the provisions of this Act and all rules adopted by the Department for the administration of this Act.

(d) The Secretary shall convene a task force within 2 months after the effective date of this amendatory Act of the 94th General Assembly to establish clinical guidelines that allow for the gradual progression of nursing skills in culturally diverse practice settings. The Nursing Act Coordinator or his or her designee shall serve as chairperson of the task force. The task force shall include, but not be limited to, 2 representatives of the Illinois Nurses Association, 2 representatives of the Illinois Hispanic Nurses Association, a nurse engaged in nursing education who possesses a master's degree or higher, one representative from the Humboldt Park Vocational Educational Center, 2 registered nurses from United States territories who each hold a current State nursing license, one representative from the Chicago Bilingual Nurse Consortium, and one member of the Illinois Hospital Association. The task force shall complete this work no longer than 4 months after convening. After the nurse externship permit program has been in effect for 2 years, the task force shall evaluate the effectiveness of the program and make appropriate recommendations to the Secretary.

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

Under the rules, the foregoing **Senate Bill No. 1842**, with House Amendment No. 1, was referred to the Secretary's Desk.

A message from the House by

Mr. Mahoney, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has refused to concur with the Senate in the adoption of their amendments to a bill of the following title, to-wit:

HOUSE BILL 655

A bill for AN ACT concerning local government.

Which amendments are as follows:

Senate Amendment No. 1 to HOUSE BILL NO. 655

Senate Amendment No. 2 to HOUSE BILL NO. 655

Non-concurred in by the House, May 29, 2005.

MARK MAHONEY, Clerk of the House

Under the rules, the foregoing **House Bill No. 655**, with Senate Amendments numbered 1 and 2, was referred to the Secretary's Desk.

A message from the House by

Mr. Mahoney, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has passed a bill of the following title, in the passage of which I am instructed to ask the concurrence of the Senate, to-wit:

HOUSE BILL NO. 2065

A bill for AN ACT concerning criminal law.

Passed the House, May 29, 2005.

MARK MAHONEY, Clerk of the House

The foregoing **House Bill No. 2065** was taken up, ordered printed and placed on first reading.

[May 29, 2005]

A message from the House by

Mr. Mahoney, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has adopted the following joint resolution, in the adoption of which I am instructed to ask the concurrence of the Senate, to-wit:

HOUSE JOINT RESOLUTION NO. 29

WHEREAS, The Department of Children and Family Services is charged with acting in the best interest of every child it serves, helping families by increasing their ability to provide a safe environment for their children, and strengthening families who are at risk of abuse or neglect; and

WHEREAS, A significant function of government is to promote the health, safety, and welfare of its citizens; and

WHEREAS, The General Assembly has taken notice of many issues surrounding the operations, funding, and execution of the foster care system that must be addressed to ensure continued action as well as establish a higher standard for serving the needs of both foster children and parents; therefore, be it

RESOLVED, BY THE HOUSE OF REPRESENTATIVES OF THE NINETY-FOURTH GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, THE SENATE CONCURRING HEREIN, that the Joint Task Force on Foster Care is created and shall be comprised of 8 members of the Illinois General Assembly appointed as follows: 2 members of the Senate appointed by the President of the Senate; 2 members of the Senate appointed by the Minority Leader of the Senate; 2 members of the House of Representatives appointed by the Speaker of the House of Representatives; and 2 members of the House of Representatives appointed by the Minority Leader of the House of Representatives; all Joint Task Force members shall serve without compensation; and be it further

RESOLVED, That the chairperson of the Joint Task Force shall be selected by the members from among its membership and the Joint Task Force shall meet at the call of the chairperson; and be it further

RESOLVED, That it is the duty of the Joint Task Force to undertake a comprehensive and thorough review of the operations of the Illinois Department of Children and Family Services in relation to substitute care and related laws and rules impacting the Illinois foster care system, with the intent of making recommendations that would improve the system of Department and private agency accountability, improve Department functioning within the constraints of limited budgets, guarantee necessary medical and psychiatric care to wards within the Department, and increase foster parent support; and be it further

RESOLVED, That the Department of Children and Family Services is urged to provide assistance to and cooperate with the Joint Task Force, and the Joint Task Force shall request assistance from any other entity as necessary or useful for the performance of its duties; and be it further

RESOLVED, That the Joint Task Force shall present a report to the General Assembly no later than December 15, 2005; a copy of the report shall be provided to the Director of the Department of Children and Family Services and the Governor within 2 weeks of the presentation of the report to the General Assembly.

Adopted by the House, May 29, 2005.

MARK MAHONEY, Clerk of the House

The foregoing message from the House of Representatives reporting House Joint Resolution No. 29 was referred to the Committee on Rules.

[May 29, 2005]

A message from the House by
Mr. Mahoney, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has adopted the following joint resolution, in the adoption of which I am instructed to ask the concurrence of the Senate, to-wit:

HOUSE JOINT RESOLUTION NO. 34

WHEREAS, The city of Rock Island has developed a plan to establish, identify, promote, and improve the corridor of the city known as the Rock Island Parkway, running from the border with Moline on the east to U.S. Route 67 in the southwest portion of Rock Island; and

WHEREAS, The city of Rock Island is seeking official designation of the Illinois Route 92 segment of that corridor, now known as the Centennial Expressway, as the Rock Island Parkway; therefore, be it

RESOLVED, BY THE HOUSE OF REPRESENTATIVES OF THE NINETY-FOURTH GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, THE SENATE CONCURRING HEREIN, that the portion of Illinois Route 92, in the city of Rock Island, extending from 46th Street to Andalusia Road be designated the Rock Island Parkway; and be it further

RESOLVED, That the Secretary of State is directed to indicate, on maps of the State of Illinois, that the portion of Illinois Route 92, in the city of Rock Island, extending from 46th Street to Andalusia Road is designated the Rock Island Parkway; and be it further

RESOLVED, That the Illinois Department of Transportation is directed to erect, at suitable locations consistent with State and federal regulations, appropriate plaques or signs giving notice of the name; and be it further

RESOLVED, That suitable copies of this resolution be delivered to the Mayor of Rock Island, the Illinois Secretary of State, and the Illinois Secretary of Transportation.

Adopted by the House, May 29, 2005.

MARK MAHONEY, Clerk of the House

The foregoing message from the House of Representatives reporting House Joint Resolution No. 34 was referred to the Committee on Rules.

A message from the House by
Mr. Mahoney, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has adopted the following joint resolution, in the adoption of which I am instructed to ask the concurrence of the Senate, to-wit:

HOUSE JOINT RESOLUTION NO. 54

WHEREAS, According to a recent study by the Center for Labor Market Studies at Northeastern University, there are 174,168 Illinois youth ages 16 to 24 years old and 98,908 youth ages 16 to 21 years old who are high school dropouts; and

WHEREAS, This study outlines that in Illinois, of the 174,168 youth who are high school dropouts, 50,877 are White, 74,645 are Hispanic, 42,294 are Black, and 6,352 are listed as other; and

WHEREAS, The vast majority of Chicago area and downstate Illinois high school dropouts come from lower income areas; and

WHEREAS, Illinois employers are experiencing a shortage of skilled workers, and high school dropouts could provide the needed addition to the workforce needs of the Illinois economy and Illinois

[May 29, 2005]

businesses; and

WHEREAS, Eighty percent of prison inmates are high school dropouts and, as such, can pose a problem in terms of crime and public safety to the general public in their communities and neighborhoods; and

WHEREAS, High school dropouts earn \$516,000 less over their lifetimes than people who have a high school diploma and some college education; and

WHEREAS, The benefit to Illinois taxpayers is \$340,000 over the lifetime of a high school dropout who returns to school and earns a high school diploma in terms of that person paying more taxes on his or her increased earnings, as well as the reduced social costs in terms of his or her utilizing welfare services, mental health services, and other dependency services and being less likely to enter prison or incur other related costs to crime; and

WHEREAS, There is significant research and program experience to draw on and use to develop successful programs to re-enroll, teach, and graduate dropouts from high schools; therefore, be it

RESOLVED, BY THE HOUSE OF REPRESENTATIVES OF THE NINETY-FOURTH GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, THE SENATE CONCURRING HEREIN, that there is created the Task Force on Dropouts to examine and develop ways to address the issue of youth who have dropped out of school; and be it further

RESOLVED, That the purpose of the Task Force is to examine policies, programs, and other issues related to developing a variety of successful approaches using best program practices to re-enroll, teach, and graduate high school dropouts and, in doing so, improve community safety and the Illinois economy; and be it further

RESOLVED, That the Task Force shall be composed of the following members: 4 legislators, one of whom shall be appointed by the President of the Senate, one of whom shall be appointed by the Speaker of the House, one of whom shall be appointed by the House Minority Leader, and one of whom shall be appointed by the Senate Minority Leader; one representative of the State Board of Education appointed by the State Superintendent of Education; one representative of the Department of Human Services appointed by the Secretary of Human Services; one representative of the Department of Children and Family Services appointed by the Director of Children and Family Services; one representative of the Department of Commerce and Economic Opportunity appointed by the Director of Commerce and Economic Opportunity; one representative of the Illinois Community College Board appointed by the Chairperson of the Illinois Community College Board; 2 representatives from the public appointed by the Governor, with one of these public representatives serving as chairperson of the Task Force; and 2 additional representatives from the public, one of whom shall be appointed by State Democratic Party leadership and one of whom shall be appointed by State Republican Party leadership; and be it further

RESOLVED, That the duties of the Task Force shall include conducting a series of public hearings throughout the State to discuss the impact of high school dropouts on various regions of the State, completing a review of dropout data that allows for a comparison of Illinois rates both nationally and with other states in the region, and producing a final report with recommendations to the Governor and the General Assembly on ways and means to address the challenge of re-enrolling students who have dropped out of school; and be it further

RESOLVED, That the Task Force shall report its findings to the Governor and the General Assembly no later than January 10, 2006; and be it further

RESOLVED, That upon filing this report, the Task Force is dissolved.

Adopted by the House, May 29, 2005.

MARK MAHONEY, Clerk of the House

[May 29, 2005]

The foregoing message from the House of Representatives reporting House Joint Resolution No. 54 was referred to the Committee on Rules.

JOINT ACTION MOTION FILED

The following Joint Action Motion to the Senate Bill listed below has been filed with the Secretary and referred to the Committee on Rules:

Motion to Concur in House Amendment 1 to Senate Bill 1842

REPORTS FROM STANDING COMMITTEES

Senator Crotty, Chairperson of the Committee on Local Government, to which was referred the Motions to Recede from Senate Amendments to the following House Bills, reported that the Committee recommends do adopt:

Motion to Recede from Senate Amendment 1 to House Bill 114
Motion to Recede from Senate Amendments 1 and 3 to House Bill 2500

Under the rules, the foregoing motions are eligible for consideration by the Senate.

Senator Lightford, Chairperson of the Committee on Education, to which was referred the Motion to Recede from Senate Amendment to the following House Bill, reported that the Committee recommends do adopt:

Motion to Recede from Senate Amendments 2 and 3 to House Bill 3480

Under the rules, the foregoing motion is eligible for consideration by the Senate.

Senator Munoz, Chairperson of the Committee on Transportation, to which was referred the Motion to Concur with House Amendment to the following Senate Bill, reported that the Committee recommends that it be adopted:

Motion to Concur in House Amendment 3 to Senate Bill 501

Under the rules, the foregoing Motion is eligible for consideration by the Senate.

Senator Munoz, Chairperson of the Committee on Transportation, to which was referred the Motion to Recede from Senate Amendment to the following House Bill, reported that the Committee recommends that it be adopted:

Motion to Recede from Senate Amendment 1 to House Bill 1316

Under the rules, the foregoing motion is eligible for consideration by the Senate.

Senator Munoz, Chairperson of the Committee on Transportation to which was referred the following Senate floor amendment, reported that the Committee recommends do adopt:

Senate Amendment No. 1 to Senate Bill 1127

Under the rules, the foregoing floor amendment is eligible for consideration on second reading.

Senator Cullerton and Senator Dillard, Co-Chairpersons of the Committee on Judiciary, to which was referred the Motion to Concur with House Amendment to the following Senate Bill, reported that the Committee recommends do adopt:

Motion to Concur in House Amendment 1 to Senate Bill 251

[May 29, 2005]

Under the rules, the foregoing Motion is eligible for consideration by the Senate.

Senator Garrett, Chairperson of the Committee on State Government, to which was referred the Motion to Concur with House Amendment to the following Senate Bill, reported that the Committee recommends do adopt:

Motion to Concur in House Amendments 1 and 2 to Senate Bill 13

Under the rules, the foregoing Motion is eligible for consideration by the Senate.

Senator Silverstein, Chairperson of the Committee on Executive, to which was referred the Motion to Concur with House Amendment to the following Senate Bill, reported that the Committee recommends do adopt:

Motion to Concur in House Amendment 2 to Senate Bill 27

Under the rules, the foregoing Motion is eligible for consideration by the Senate.

Senator Silverstein, Chairperson of the Committee on Executive, to which was referred the following Senate floor amendments, reported that the Committee recommends do adopt:

Senate Amendment No. 1 to House Bill 4050

Senate Amendment No. 2 to House Bill 4053

Under the rules, the foregoing floor amendments are eligible for consideration on second reading.

READING BILL FROM THE HOUSE OF REPRESENTATIVES A FIRST TIME

House Bill No. 2065, sponsored by Senator Forby, was taken up, read by title a first time and referred to the Committee on Rules.

Senator Burzynski asked and obtained unanimous consent to recess for the purpose of a Republican caucus.

At the hour of 7:48 o'clock p.m., the Chair announced that the Senate stand at recess subject to the call of the Chair.

AFTER RECESS

At the hour of 8:29 o'clock p.m., the Senate resumed consideration of business.

Senator DeLeo, presiding.

CONSIDERATION OF HOUSE AMENDMENTS TO SENATE BILLS ON SECRETARY'S DESK

On motion of Senator Collins, **Senate Bill No. 13**, with House Amendments numbered 1 and 2 on the Secretary's Desk, was taken up for immediate consideration.

Senator Collins moved that the Senate concur with the House in the adoption of their amendments to said bill.

And on that motion, a call of the roll was had resulting as follows:

Yeas 37; Nays 21.

The following voted in the affirmative:

Bomke	Geo-Karis	Meeks	Shadid
Clayborne	Haine	Munoz	Silverstein
Collins	Halvorson	Pankau	Sullivan, J.
Crotty	Harmon	Peterson	Trotter
Cullerton	Hendon	Petka	Viverito
del Valle	Hunter	Radogno	Wilhelmi
DeLeo	Lightford	Raoul	Mr. President
Demuzio	Link	Ronen	
Forby	Maloney	Sandoval	
Garrett	Martinez	Schoenberg	

The following voted in the negative:

Althoff	Jacobs	Righter	Watson
Brady	Jones, J.	Risinger	Winkel
Burzynski	Jones, W.	Rutherford	Wojcik
Cronin	Lauzen	Sieben	
Dahl	Luechtefeld	Sullivan, D.	
Dillard	Rauschenberger	Syverson	

The motion prevailed.

And the Senate concurred with the House in the adoption of their Amendments numbered 1 and 2 to **Senate Bill No. 13**.

Ordered that the Secretary inform the House of Representatives thereof.

On motion of Senator Schoenberg, **Senate Bill No. 27**, with House Amendment No. 2 on the Secretary's Desk, was taken up for immediate consideration.

Senator Schoenberg moved that the Senate concur with the House in the adoption of their amendment to said bill.

Senator Rauschenberger requested a ruling from the Chair as to whether Senate Bill No. 27 would incur more state debt and therefore require thirty-six votes for passage.

The Chair ruled that Senate Bill No. 27 does not include general obligation bonds and that it requires thirty votes for passage.

And on that motion, a call of the roll was had resulting as follows:

Yeas 32; Nays 26.

The following voted in the affirmative:

Clayborne	Haine	Martinez	Sullivan, J.
Collins	Halvorson	Meeks	Trotter
Crotty	Harmon	Munoz	Viverito
Cullerton	Hendon	Raoul	Wilhelmi
del Valle	Hunter	Ronen	Mr. President
DeLeo	Jacobs	Sandoval	
Demuzio	Lightford	Schoenberg	
Forby	Link	Shadid	
Garrett	Maloney	Silverstein	

The following voted in the negative:

Althoff	Geo-Karis	Petka	Sullivan, D.
Bomke	Jones, J.	Radogno	Syverson
Brady	Jones, W.	Rauschenberger	Watson
Burzynski	Lauzen	Righter	Winkel
Cronin	Luechtefeld	Risinger	Wojcik
Dahl	Pankau	Rutherford	
Dillard	Peterson	Sieben	

[May 29, 2005]

The motion prevailed.

And the Senate concurred with the House in the adoption of their Amendment No. 2 to **Senate Bill No. 27**.

Ordered that the Secretary inform the House of Representatives thereof.

REPORT FROM RULES COMMITTEE

Senator Viverito, Chairperson of the Committee on Rules, during its May 29, 2005 meeting, reported the following Joint Action Motion has been assigned to the indicated Standing Committee of the Senate:

Executive: **Motion to Concur in House Amendments 1 and 2 to Senate Bill 157**

MESSAGES FROM THE HOUSE

A message from the House by

Mr. Mahoney, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the passage of a bill of the following title, to-wit:

SENATE BILL NO. 229

A bill for AN ACT concerning transportation.

Passed the House, May 29, 2005.

MARK MAHONEY, Clerk of the House

A message from the House by

Mr. Mahoney, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the adoption of their amendments to a bill of the following title, to-wit:

HOUSE BILL 27

A bill for AN ACT concerning local government.

Which amendments are as follows:

Senate Amendment No. 1 to HOUSE BILL NO. 27

Senate Amendment No. 3 to HOUSE BILL NO. 27

Senate Amendment No. 4 to HOUSE BILL NO. 27

Concurred in by the House, May 29, 2005.

MARK MAHONEY, Clerk of the House

A message from the House by

Mr. Mahoney, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the adoption of their amendment to a bill of the following title, to-wit:

HOUSE BILL 128

A bill for AN ACT concerning State government.

Which amendment is as follows:

Senate Amendment No. 1 to HOUSE BILL NO. 128

Concurred in by the House, May 29, 2005.

MARK MAHONEY, Clerk of the House

A message from the House by

Mr. Mahoney, Clerk:

[May 29, 2005]

Mr. President -- I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the adoption of their amendment to a bill of the following title, to-wit:

HOUSE BILL 130

A bill for AN ACT concerning regulation.

Which amendment is as follows:

Senate Amendment No. 3 to HOUSE BILL NO. 130

Concurred in by the House, May 29, 2005.

MARK MAHONEY, Clerk of the House

A message from the House by

Mr. Mahoney, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the adoption of their amendment to a bill of the following title, to-wit:

HOUSE BILL 215

A bill for AN ACT concerning criminal law.

Which amendment is as follows:

Senate Amendment No. 1 to HOUSE BILL NO. 215

Concurred in by the House, May 29, 2005.

MARK MAHONEY, Clerk of the House

A message from the House by

Mr. Mahoney, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the adoption of their amendment to a bill of the following title, to-wit:

HOUSE BILL 315

Act. A bill for AN ACT concerning animals, which may be referred to as the Anna Cieslewicz

Which amendment is as follows:

Senate Amendment No. 2 to HOUSE BILL NO. 315

Concurred in by the House, May 29, 2005.

MARK MAHONEY, Clerk of the House

A message from the House by

Mr. Mahoney, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the adoption of their amendment to a bill of the following title, to-wit:

HOUSE BILL 325

A bill for AN ACT concerning real property.

Which amendment is as follows:

Senate Amendment No. 7 to HOUSE BILL NO. 325

Concurred in by the House, May 29, 2005.

MARK MAHONEY, Clerk of the House

A message from the House by

Mr. Mahoney, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the adoption of their amendment to a bill of the following title, to-wit:

HOUSE BILL 395

A bill for AN ACT concerning public health.

Which amendment is as follows:

Senate Amendment No. 1 to HOUSE BILL NO. 395

[May 29, 2005]

Concurred in by the House, May 29, 2005.

MARK MAHONEY, Clerk of the House

A message from the House by

Mr. Mahoney, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the adoption of their amendment to a bill of the following title, to-wit:

HOUSE BILL 509

A bill for AN ACT concerning local government.

Which amendment is as follows:

Senate Amendment No. 1 to HOUSE BILL NO. 509

Concurred in by the House, May 29, 2005.

MARK MAHONEY, Clerk of the House

A message from the House by

Mr. Mahoney, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the adoption of their amendments to a bill of the following title, to-wit:

HOUSE BILL 511

A bill for AN ACT concerning health.

Which amendments are as follows:

Senate Amendment No. 2 to HOUSE BILL NO. 511

Senate Amendment No. 5 to HOUSE BILL NO. 511

Concurred in by the House, May 29, 2005.

MARK MAHONEY, Clerk of the House

A message from the House by

Mr. Mahoney, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the adoption of their amendment to a bill of the following title, to-wit:

HOUSE BILL 523

A bill for AN ACT concerning safety.

Which amendment is as follows:

Senate Amendment No. 1 to HOUSE BILL NO. 523

Concurred in by the House, May 29, 2005.

MARK MAHONEY, Clerk of the House

A message from the House by

Mr. Mahoney, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the adoption of their amendment to a bill of the following title, to-wit:

HOUSE BILL 551

A bill for AN ACT concerning taxes.

Which amendment is as follows:

Senate Amendment No. 1 to HOUSE BILL NO. 551

Concurred in by the House, May 29, 2005.

MARK MAHONEY, Clerk of the House

[May 29, 2005]

A message from the House by

Mr. Mahoney, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the adoption of their amendment to a bill of the following title, to-wit:

HOUSE BILL 668

A bill for AN ACT concerning local government.

Which amendment is as follows:

Senate Amendment No. 1 to HOUSE BILL NO. 668

Concurred in by the House, May 29, 2005.

MARK MAHONEY, Clerk of the House

A message from the House by

Mr. Mahoney, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the adoption of their amendment to a bill of the following title, to-wit:

HOUSE BILL 712

A bill for AN ACT concerning civil law.

Which amendment is as follows:

Senate Amendment No. 1 to HOUSE BILL NO. 712

Concurred in by the House, May 29, 2005.

MARK MAHONEY, Clerk of the House

A message from the House by

Mr. Mahoney, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the adoption of their amendment to a bill of the following title, to-wit:

HOUSE BILL 720

A bill for AN ACT concerning local government.

Which amendment is as follows:

Senate Amendment No. 4 to HOUSE BILL NO. 720

Concurred in by the House, May 29, 2005.

MARK MAHONEY, Clerk of the House

A message from the House by

Mr. Mahoney, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the adoption of their amendment to a bill of the following title, to-wit:

HOUSE BILL 991

A bill for AN ACT concerning health.

Which amendment is as follows:

Senate Amendment No. 1 to HOUSE BILL NO. 991

Concurred in by the House, May 29, 2005.

MARK MAHONEY, Clerk of the House

A message from the House by

Mr. Mahoney, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the adoption of their amendment to a bill of the following title, to-wit:

HOUSE BILL 930

A bill for AN ACT concerning regulation.

Which amendment is as follows:

[May 29, 2005]

Senate Amendment No. 2 to HOUSE BILL NO. 930
Concurred in by the House, May 29, 2005.

MARK MAHONEY, Clerk of the House

A message from the House by
Mr. Mahoney, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the adoption of their amendment to a bill of the following title, to-wit:

HOUSE BILL 1173

A bill for AN ACT concerning criminal law.

Which amendment is as follows:

Senate Amendment No. 1 to HOUSE BILL NO. 1173

Concurred in by the House, May 29, 2005.

MARK MAHONEY, Clerk of the House

A message from the House by
Mr. Mahoney, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the adoption of their amendment to a bill of the following title, to-wit:

HOUSE BILL 1350

A bill for AN ACT in relation to public health.

Which amendment is as follows:

Senate Amendment No. 1 to HOUSE BILL NO. 1350

Concurred in by the House, May 29, 2005.

MARK MAHONEY, Clerk of the House

A message from the House by
Mr. Mahoney, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the adoption of their amendments to a bill of the following title, to-wit:

HOUSE BILL 1469

A bill for AN ACT concerning criminal law.

Which amendments are as follows:

Senate Amendment No. 1 to HOUSE BILL NO. 1469

Senate Amendment No. 2 to HOUSE BILL NO. 1469

Concurred in by the House, May 29, 2005.

MARK MAHONEY, Clerk of the House

A message from the House by
Mr. Mahoney, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the adoption of their amendment to a bill of the following title, to-wit:

HOUSE BILL 1562

A bill for AN ACT concerning transportation.

Which amendment is as follows:

Senate Amendment No. 1 to HOUSE BILL NO. 1562

Concurred in by the House, May 29, 2005.

MARK MAHONEY, Clerk of the House

[May 29, 2005]

A message from the House by
Mr. Mahoney, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the adoption of their amendments to a bill of the following title, to-wit:
HOUSE BILL 1588

A bill for AN ACT concerning criminal law.

Which amendments are as follows:

Senate Amendment No. 1 to HOUSE BILL NO. 1588

Senate Amendment No. 2 to HOUSE BILL NO. 1588

Concurred in by the House, May 29, 2005.

MARK MAHONEY, Clerk of the House

A message from the House by
Mr. Mahoney, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the adoption of their amendment to a bill of the following title, to-wit:
HOUSE BILL 1589

A bill for AN ACT in relation to State government.

Which amendment is as follows:

Senate Amendment No. 1 to HOUSE BILL NO. 1589

Concurred in by the House, May 29, 2005.

MARK MAHONEY, Clerk of the House

A message from the House by
Mr. Mahoney, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the adoption of their amendment to a bill of the following title, to-wit:
HOUSE BILL 2417

A bill for AN ACT concerning elections.

Which amendment is as follows:

Senate Amendment No. 2 to HOUSE BILL NO. 2417

Concurred in by the House, May 29, 2005.

MARK MAHONEY, Clerk of the House

A message from the House by
Mr. Mahoney, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the adoption of their amendment to a bill of the following title, to-wit:
HOUSE BILL 2611

A bill for AN ACT concerning local government.

Which amendment is as follows:

Senate Amendment No. 1 to HOUSE BILL NO. 2611

Concurred in by the House, May 29, 2005.

MARK MAHONEY, Clerk of the House

A message from the House by
Mr. Mahoney, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the adoption of their amendment to a bill of the following title, to-wit:
HOUSE BILL 3648

A bill for AN ACT concerning driving offenses, which may be referred to as Matt's Law.

[May 29, 2005]

Which amendment is as follows:
Senate Amendment No. 1 to HOUSE BILL NO. 3648
Concurred in by the House, May 29, 2005.

MARK MAHONEY, Clerk of the House

A message from the House by
Mr. Mahoney, Clerk:
Mr. President -- I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the adoption of their amendment to a bill of the following title, to-wit:

HOUSE BILL 3755

A bill for AN ACT concerning regulation.
Which amendment is as follows:
Senate Amendment No. 1 to HOUSE BILL NO. 3755
Concurred in by the House, May 29, 2005.

MARK MAHONEY, Clerk of the House

COMMITTEE MEETING ANNOUNCEMENT

Senator Silverstein, Chairperson of the Committee on Executive, announced that the Executive Committee will meet Monday, May 30, 2005, in Room 212 Capitol Building, at 10:30 o'clock a.m.

At the hour of 9:54 o'clock p.m., the Chair announced that the Senate stand adjourned until Monday, May 30, 2005, at 11:00 o'clock a.m.

[May 29, 2005]