



# **SENATE JOURNAL**

**STATE OF ILLINOIS**

**NINETY-EIGHTH GENERAL ASSEMBLY**

**27TH LEGISLATIVE DAY**

**WEDNESDAY, MARCH 20, 2013**

**12:04 O'CLOCK P.M.**

**SENATE**  
**Daily Journal Index**  
**27th Legislative Day**

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The Senate met pursuant to adjournment.  
 Senator John M. Sullivan, Rushville, Illinois, presiding.  
 Prayer by Pastor Jeremy Wood, First Congregational Church, Bunker Hill, Illinois.  
 Senator Jacobs led the Senate in the Pledge of Allegiance.

Senator Hunter moved that reading and approval of the Journal of Tuesday, March 19, 2013, be postponed, pending arrival of the printed Journal.  
 The motion prevailed.

## PRESENTATION OF RESOLUTIONS

### SENATE RESOLUTION NO. 170

Offered by Senator Oberweis and all Senators:  
 Mourns the death of Mary Hill.

### SENATE RESOLUTION NO. 171

Offered by Senator Oberweis and all Senators:  
 Mourns the death of Kenneth J. Weaver of Aurora.

By unanimous consent, the foregoing resolutions were referred to the Resolutions Consent Calendar.

## REPORTS FROM STANDING COMMITTEES

Senator E. Jones III, Chairperson of the Committee on Local Government, to which was referred **Senate Bill No. 1244**, reported the same back with the recommendation that the bill do pass.  
 Under the rules, the bill was ordered to a second reading.

Senator E. Jones III, Chairperson of the Committee on Local Government, to which was referred **Senate Bills Numbered 1474, 1681, 1691 and 1869**, reported the same back with amendments having been adopted thereto, with the recommendation that the bills, as amended, do pass.  
 Under the rules, the bills were ordered to a second reading.

Senator E. Jones III, Chairperson of the Committee on Local Government, to which was referred the following Senate floor amendments, reported that the Committee recommends do adopt:

Senate Amendment No. 2 to Senate Bill 492  
 Senate Amendment No. 1 to Senate Bill 1409  
 Senate Amendment No. 1 to Senate Bill 1908

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

Senator E. Jones III, Chairperson of the Committee on Local Government, to which was referred **House Bills Numbered 956, 1020 and 1353**, reported the same back with the recommendation that the bills do pass.  
 Under the rules, the bills were ordered to a second reading.

Senator Collins, Chairperson of the Committee on Financial Institutions, to which was referred **Senate Bill No. 1667**, reported the same back with the recommendation that the bill do pass.  
 Under the rules, the bill was ordered to a second reading.

Senator Collins, Chairperson of the Committee on Financial Institutions, to which was referred **Senate Bill No. 1829**, reported the same back with amendments having been adopted thereto, with the recommendation that the bill, as amended, do pass.  
 Under the rules, the bill was ordered to a second reading.

[March 20, 2013]

Senator Collins, Chairperson of the Committee on Financial Institutions, to which was referred **House Bill No. 183**, reported the same back with the recommendation that the bill do pass.

Under the rules, the bill was ordered to a second reading.

Senator Silverstein asked and obtained unanimous consent to recess for the purpose of a Democrat caucus.

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

At the hour of 12:14 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 1:40 o'clock p.m., the Senate resumed consideration of business.  
Senator Sullivan, presiding.

At the hour of 1:41 o'clock p.m., Senator Haine, presiding, for the purpose of an introduction.

At the hour of 1:47 o'clock p.m., Senator Luechtefeld, presiding, for the purpose of an introduction.

At the hour of 1:52 o'clock p.m., Senator Sullivan, presiding, and the Chair announced that the Senate stand at ease.

#### **EASE**

At the hour of 2:08 o'clock p.m., the Senate resumed consideration of business.  
Senator Sullivan, presiding.

#### **REPORTS FROM COMMITTEE ON ASSIGNMENTS**

Senator Clayborne, Chairperson of the Committee on Assignments, during its March 20, 2013 meeting, reported the following Legislative Measures have been assigned to the indicated Standing Committees of the Senate:

Executive:     **SENATE BILL 1476; Senate Committee Amendment No. 1 to Senate Bill 1859.**

Revenue:       **Senate Floor Amendment No. 2 to Senate Bill 1953.**

Senator Clayborne, Chairperson of the Committee on Assignments, during its March 20, 2013 meeting, reported the following Senate Resolution has been assigned to the indicated Standing Committee of the Senate:

State Government and Veterans Affairs: **Senate Joint Resolutions Numbered 23 and 24.**

Senator Clayborne, Chairperson of the Committee on Assignments, during its March 20, 2013 meeting, reported that the Committee recommends that **Senate Floor Amendment 3 to Senate Bill No. 35** be re-referred from the Committee on Executive to the Committee on Assignments.

[March 20, 2013]

Senator Clayborne, Chairperson of the Committee on Assignments, during its March 20, 2013 meeting, reported that the following Legislative Measures have been approved for consideration:

**Senate Floor Amendment No. 3 to Senate Bill 1**  
**Senate Floor Amendment No. 3 to Senate Bill 35**  
**Senate Floor Amendment No. 4 to Senate Bill 35**  
**Senate Floor Amendment No. 3 to Senate Bill 1544**

The foregoing floor amendments were placed on the Secretary's Desk.

**COMMITTEE MEETING ANNOUNCEMENT**

The Chair announced the following committee to meet at 5:00 o'clock p.m.:

Revenue in Room 409

**MESSAGES FROM THE PRESIDENT**

**OFFICE OF THE SENATE PRESIDENT  
STATE OF ILLINOIS**

JOHN J. CULLERTON  
SENATE PRESIDENT

327 STATE CAPITOL  
SPRINGFIELD, IL 62706  
217-782-2728

March 20, 2013

Mr. Tim Anderson  
Secretary of the Senate  
Room 401 State House  
Springfield, IL 62706

Dear Mr. Secretary:

Pursuant to Rule 3-2(c), I hereby appoint Senator Kwame Raoul to temporarily replace Senator Kimberly Lightford, as a member of the Senate Executive Committee. This appointment will automatically expire upon the Senate adjournment of the Senate Executive Committee.

Sincerely,  
s/John J. Cullerton  
John J. Cullerton  
Senate President

cc: Senate Minority Leader Christine Radogno

**OFFICE OF THE SENATE PRESIDENT  
STATE OF ILLINOIS**

JOHN J. CULLERTON  
SENATE PRESIDENT

327 STATE CAPITOL  
SPRINGFIELD, IL 62706  
217-782-2728

March 20, 2013

Mr. Tim Anderson  
Secretary of the Senate  
Room 401 State House

[March 20, 2013]

Springfield, IL 62706

Dear Mr. Secretary:

Pursuant to Rule 3-2(c), I hereby appoint Senator Daniel Biss to temporarily replace Senator Emil Jones III., as a member of the Senate Revenue Committee. This appointment will automatically expire upon the Senate adjournment of the Senate Revenue Committee.

Sincerely,  
s/John J. Cullerton  
John J. Cullerton  
Senate President

cc: Senate Minority Leader Christine Radogno

**SENATE BILL RECALLED**

On motion of Senator Biss, **Senate Bill No. 35** was recalled from the order of third reading to the order of second reading.

Senator Biss offered the following amendment and moved its adoption:

**AMENDMENT NO. 3 TO SENATE BILL 35**

AMENDMENT NO. 3. Amend Senate Bill 35, AS AMENDED, with reference to page and line numbers of Senate Amendment No. 1, as follows:

- on page 33, in line 13, by changing "2043" to "2044"; and
- on page 33, in line 19, by changing "2014 through 2043" to "2015 through 2044"; and
- on page 34, in line 1, by changing "2043" to "2044"; and
- on page 34, in line 4, by changing "2043" to "2044"; and
- on page 34, in line 6, by changing "and 2013" to "through 2014"; and
- on page 36, in line 2, by changing "2044" to "2045"; and
- on page 36, in line 25, by changing "2013" to "2014"; and
- on page 84, in line 4, by changing "2043" to "2044"; and
- on page 86, in line 22, by changing "2014 through 2043" to "2015 through 2044"; and
- on page 87, in line 3, by changing "2043" to "2044"; and
- on page 87, in line 6, by changing "2043" to "2044"; and
- on page 87, by replacing line 8 with the following:  
"For State fiscal years 2012 through 2014 ~~2045~~, the minimum"; and
- on page 89, in line 18, by changing "2044" to "2045"; and
- on page 90, in line 15, by changing "2013" to "2014"; and
- on page 131, in line 10, by changing "2043" to "2044"; and
- on page 131, in line 16, by changing "2014 through 2043" to "2015 through 2044"; and

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on page 131, in line 23, by changing "2043" to "2044"; and  
 on page 132, in line 1, by changing "2043" to "2044"; and  
 on page 132, in line 3, by changing "2044" to "2045"; and  
 on page 132, in line 7, by changing "and 2013" to "through 2014"; and  
 on page 134, in line 22, by changing "2013" to "2014"; and  
 on page 192, in line 9, by changing "2043" to "2044"; and  
 on page 195, in line 14, by changing "2014 through 2043" to "2015 through 2044"; and  
 on page 195, in line 21, by changing "2043" to "2044"; and  
 on page 195, in line 24, by changing "2043" to "2044"; and  
 on page 195, in line 26, by changing "2044" to "2045"; and  
 on page 196, in line 4, by changing "and 2013" to "through 2014"; and  
 on page 199, in line 7, by changing "2013" to "2014".

The motion prevailed.

And the amendment was adopted and ordered printed.

Senator Biss offered the following amendment and moved its adoption:

**AMENDMENT NO. 4 TO SENATE BILL 35**

AMENDMENT NO. 4. Amend Senate Bill 35, AS AMENDED, with reference to page and line numbers of Senate Amendment No. 1, as follows:

on page 26, by replacing lines 13 through 15 with the following:

"Assembly shall be 3% of the lesser of (1) the total annuity payable at the time of the increase, including previous increases granted, or (2) \$1,000 multiplied by the number of years of creditable service upon which the annuity is based."; and

on page 39, by replacing lines 14 through 16 with "available to the System"; and

on page 39, by replacing line 19 with the following:

"It shall be the mandatory fiduciary obligation of the Board of the System to bring that action if the State fails to pay in the fiscal year the amount guaranteed under this subsection. Before commencing that action, the Board shall submit a voucher for monthly contributions as required in Section 2-124. If the State fails to pay a vouchered amount within 90 days after receiving a voucher for that amount, then the Board shall submit a written request to the Comptroller seeking payment of that amount. A copy of the request shall be filed with the Secretary of State, and the Secretary of State shall provide copies of the request to the Governor and General Assembly. No earlier than the 16th day after filing a request with the Secretary, but no later than the 21st day after filing that request, the Board may commence such an action in the Circuit Court. If the Board fails to commence such action on or before the 21st day after filing the request with the Secretary of State, then any participant or annuitant may file a mandamus action against the Board to compel the Board to commence its mandamus action against the State. This Section constitutes an express waiver of the State's sovereign immunity. In ordering the State to make the required payment, the court may order a reasonable payment schedule to enable the State to make the required payment. The obligations and causes of action created under this subsection shall be in addition to any other right or remedy otherwise accorded by common law, or State or federal law, and nothing in this subsection shall be construed to deny, abrogate, impair, or waive any such common law or statutory right or remedy."

Any payments required to be made by the State pursuant to"; and

on page 81, by replacing lines 10 through 13 with the following:

"Assembly shall be 3% of the lesser of (1) the total annuity payable at the time of the increase, including previous increases granted or (2) \$800 (\$1,000 if the annuity is based primarily upon service as a noncovered employee) multiplied by the number of years of creditable service upon which the annuity is based."; and

on page 96, by replacing lines 19 through 21 with "available to the System"; and

on page 96, by replacing line 24 with the following:

"It shall be the mandatory fiduciary obligation of the Board of the System to bring that action if the State fails to pay in the fiscal year the amount guaranteed under this subsection. Before commencing that action, the Board shall submit a voucher for monthly contributions as required in Section 14-131. If the State fails to pay a vouchered amount within 90 days after receiving a voucher for that amount, then the Board shall submit a written request to the Comptroller seeking payment of that amount. A copy of the request shall be filed with the Secretary of State, and the Secretary of State shall provide copies of the request to the Governor and General Assembly. No earlier than the 16th day after filing a request with the Secretary, but no later than the 21st day after filing that request, the Board may commence such an action in the Circuit Court. If the Board fails to commence such action on or before the 21st day after filing the request with the Secretary of State, then any participant or annuitant may file a mandamus action against the Board to compel the Board to commence its mandamus action against the State. This Section constitutes an express waiver of the State's sovereign immunity. In ordering the State to make the required payment, the court may order a reasonable payment schedule to enable the State to make the required payment. The obligations and causes of action created under this subsection shall be in addition to any other right or remedy otherwise accorded by common law, or State or federal law, and nothing in this subsection shall be construed to deny, abrogate, impair, or waive any such common law or statutory right or remedy.

Any payments required to be made by the State pursuant to"; and

on page 122, by replacing lines 24 through 26 with the following:

"Assembly shall be 3% of the lesser of (1) the total annuity payable at the time of the increase, including previous increases granted or (2) \$1,000 multiplied by the number of years of creditable service upon which the annuity is based."; and

on page 145, by replacing lines 7 through 9 with "available to the System"; and

on page 145, by replacing line 12 with the following:

"It shall be the mandatory fiduciary obligation of the Board of the System to bring that action if the State fails to pay in the fiscal year the amount guaranteed under this subsection. Before commencing that action, the Board shall submit a voucher for monthly contributions as required in Section 15-155. If the State fails to pay a vouchered amount within 90 days after receiving a voucher for that amount, then the Board shall submit a written request to the Comptroller seeking payment of that amount. A copy of the request shall be filed with the Secretary of State, and the Secretary of State shall provide copies of the request to the Governor and General Assembly. No earlier than the 16th day after filing a request with the Secretary, but no later than the 21st day after filing that request, the Board may commence such an action in the Circuit Court. If the Board fails to commence such action on or before the 21st day after filing the request with the Secretary of State, then any participant or annuitant may file a mandamus action against the Board to compel the Board to commence its mandamus action against the State. This Section constitutes an express waiver of the State's sovereign immunity. In ordering the State to make the required payment, the court may order a reasonable payment schedule to enable the State to make the required payment. The obligations and causes of action created under this subsection shall be in addition to any other right or remedy otherwise accorded by common law, or State or federal law, and nothing in this subsection shall be construed to deny, abrogate, impair, or waive any such common law or statutory right or remedy.

Any payments required to be made by the State pursuant to"; and

on page 177, by replacing lines 3 through 5 with the following:

"Assembly shall be 3% of the lesser of (1) the total annuity payable at the time of the increase, including previous increases granted or (2) \$1,000 multiplied by the number of years of creditable service upon which the annuity is based."; and

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on page 210, by replacing lines 2 through 4 with "available to the System"; and

on page 210, by replacing line 7 with the following:

"It shall be the mandatory fiduciary obligation of the Board of the System to bring that action if the State fails to pay in the fiscal year the amount guaranteed under this Section. Before commencing that action, the Board shall submit a voucher for monthly contributions as required in Section 16-158. If the State fails to pay a vouchered amount within 90 days after receiving a voucher for that amount, then the Board shall submit a written request to the Comptroller seeking payment of that amount. A copy of the request shall be filed with the Secretary of State, and the Secretary of State shall provide copies of the request to the Governor and General Assembly. No earlier than the 16th day after filing a request with the Secretary, but no later than the 21st day after filing that request, the Board may commence such an action in the Circuit Court. If the Board fails to commence such action on or before the 21st day after filing the request with the Secretary of State, then any participant or annuitant may file a mandamus action against the Board to compel the Board to commence its mandamus action against the State. This Section constitutes an express waiver of the State's sovereign immunity. In ordering the State to make the required payment, the court may order a reasonable payment schedule to enable the State to make the required payment. The obligations and causes of action created under this subsection shall be in addition to any other right or remedy otherwise accorded by common law, or State or federal law, and nothing in this Section shall be construed to deny, abrogate, impair, or waive any such common law or statutory right or remedy.

Any payments required to be made by the State pursuant to".

The motion prevailed.

And the amendment was adopted and ordered printed.

There being no further amendments, the foregoing Amendments numbered 3 and 4 were ordered engrossed, and the bill, as amended, was ordered to a third reading.

### READING BILL OF THE SENATE A THIRD TIME

On motion of Senator Biss, **Senate Bill No. 35** 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 negative by the following vote:

YEAS 23; NAYS 30; Present 3.

The following voted in the affirmative:

Althoff	Duffy	Landek	Rezin
Biss	Harmon	McConnaughay	Steans
Brady	Harris	Murphy	Syverson
Connelly	Hastings	Noland	Van Pelt
Cunningham	Jacobs	Oberweis	Mr. President
Dillard	LaHood	Radogno	

The following voted in the negative:

Barickman	Hutchinson	McCann	Rose
Bertino-Tarrant	Jones, E.	McCarter	Sandoval
Bush	Koehler	McGuire	Silverstein
Clayborne	Kotowski	Morrison	Stadelman
Delgado	Link	Mulroe	Sullivan
Frerichs	Luechtefeld	Muñoz	Trotter
Haine	Manar	Raoul	
Holmes	Martinez	Righter	

The following voted present:

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Collins  
Cullerton, T.  
Hunter

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

### SENATE BILL RECALLED

On motion of Senator J. Cullerton, **Senate Bill No. 1** was recalled from the order of third reading to the order of second reading.

Senator J. Cullerton offered the following amendment and moved its adoption:

#### AMENDMENT NO. 3 TO SENATE BILL 1

AMENDMENT NO. 3. Amend Senate Bill 1, AS AMENDED, by replacing everything after the enacting clause with the following:

"Section 5. The Illinois Public Labor Relations Act is amended by changing Sections 4 and 15 as follows:

(5 ILCS 315/4) (from Ch. 48, par. 1604)

Sec. 4. Management Rights. Employers shall not be required to bargain over matters of inherent managerial policy, which shall include such areas of discretion or policy as the functions of the employer, standards of services, its overall budget, the organizational structure and selection of new employees, examination techniques and direction of employees. Employers, however, shall be required to bargain collectively with regard to policy matters directly affecting wages (but subject to any applicable restrictions in Section 16-122.9 of the Illinois Pension Code), hours and terms and conditions of employment as well as the impact thereon upon request by employee representatives, but excluding the changes, the impact of changes, and the implementation of the changes set forth in this amendatory Act of the 98th General Assembly.

To preserve the rights of employers and exclusive representatives which have established collective bargaining relationships or negotiated collective bargaining agreements prior to the effective date of this Act, employers shall be required to bargain collectively with regard to any matter concerning wages (but subject to any applicable restrictions in Section 16-122.9 of the Illinois Pension Code), hours or conditions of employment about which they have bargained for and agreed to in a collective bargaining agreement prior to the effective date of this Act, but excluding the changes, the impact of changes, and the implementation of the changes set forth in this amendatory Act of the 98th General Assembly.

The chief judge of the judicial circuit that employs a public employee who is a court reporter, as defined in the Court Reporters Act, has the authority to hire, appoint, promote, evaluate, discipline, and discharge court reporters within that judicial circuit.

Nothing in this amendatory Act of the 94th General Assembly shall be construed to intrude upon the judicial functions of any court. This amendatory Act of the 94th General Assembly applies only to nonjudicial administrative matters relating to the collective bargaining rights of court reporters.

(Source: P.A. 94-98, eff. 7-1-05.)

(5 ILCS 315/15) (from Ch. 48, par. 1615)

Sec. 15. Act Takes Precedence.

(a) In case of any conflict between the provisions of this Act and any other law (other than Section 5 of the State Employees Group Insurance Act of 1971 and other than the changes made to the Illinois Pension Code by Public Act 96-889 and the changes, impact of changes, and the implementation of the changes made to the Illinois Pension Code and the State Employees Group Insurance Act of 1971 by this amendatory Act of the 98th 96th General Assembly), executive order or administrative regulation relating to wages, hours and conditions of employment and employment relations, the provisions of this Act or any collective bargaining agreement negotiated thereunder shall prevail and control. Nothing in this Act shall be construed to replace or diminish the rights of employees established by Sections 28 and 28a of the Metropolitan Transit Authority Act, Sections 2.15 through 2.19 of the Regional Transportation Authority Act. The provisions of this Act are subject to the changes made by this amendatory Act of the 98th General Assembly, including Section 16-122.9 of the Illinois Pension Code, and Section 5 of the State Employees Group Insurance Act of 1971. Nothing in this Act shall be construed to replace the necessity of complaints against a sworn peace officer, as defined in Section 2(a)

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of the Uniform Peace Officer Disciplinary Act, from having a complaint supported by a sworn affidavit.

(b) Except as provided in subsection (a) above, any collective bargaining contract between a public employer and a labor organization executed pursuant to this Act shall supersede any contrary statutes, charters, ordinances, rules or regulations relating to wages, hours and conditions of employment and employment relations adopted by the public employer or its agents. Any collective bargaining agreement entered into prior to the effective date of this Act shall remain in full force during its duration.

(c) It is the public policy of this State, pursuant to paragraphs (h) and (i) of Section 6 of Article VII of the Illinois Constitution, that the provisions of this Act are the exclusive exercise by the State of powers and functions which might otherwise be exercised by home rule units. Such powers and functions may not be exercised concurrently, either directly or indirectly, by any unit of local government, including any home rule unit, except as otherwise authorized by this Act.

(Source: P.A. 95-331, eff. 8-21-07; 96-889, eff. 1-1-11.)

Section 12. The State Employees Group Insurance Act of 1971 is amended by adding Section 6.16 as follows:

(5 ILCS 375/6.16 new)

Sec. 6.16. Health benefit election for Tier I employees and Tier I retirees.

(a) For purposes of this Section:

"Eligible Tier I employee" means, except as provided in subsection (g) of this Section, an individual who makes or is deemed to have made an election under paragraph (1) of subsection (a) of Section 16-122.9 of the Illinois Pension Code.

"Program of health benefits" means (i) a health plan, as defined in subsection (o) of Section 3 of this Act, that is designed and contracted for by the Director under this Act or any successor Act or (ii) if administration of that health plan is transferred to a trust established by the State or an independent Board in order to provide health benefits to a class of persons that includes eligible Tier I retirees, then the plan of health benefits provided through that trust.

(b) As adequate and legal consideration for making the election under paragraph (1) of subsection (a) of Section 16-122.9 of the Illinois Pension Code each eligible Tier I employee shall receive a vested and enforceable contractual right to participate in a program of health benefits while he or she qualifies as an annuitant or retired employee. That right also extends to such a person's dependents and survivors who are eligible under the applicable program of health benefits.

(c) Notwithstanding subsection (b), eligible Tier I employees may be required to make contributions toward the cost of coverage under a program of health benefits.

(d) The vested and enforceable contractual right to a program of health benefits is not offered as, and shall not be considered, a pension or retirement benefit under Article XIII, Section 5 of the Illinois Constitution, the Illinois Pension Code, or any subsequent or successor enactment providing pension benefits.

(e) Notwithstanding any other provision of this Act to the contrary, except subsection (g) of this Section, a Tier I employee who has made an election under paragraph (2) of subsection (a) of Section 16-122.9 of the Illinois Pension Code shall not be entitled to participate in any program of health benefits under this Act as an annuitant or retired employee receiving a retirement annuity, regardless of any contrary election under any other retirement system.

Notwithstanding any other provision of this Act to the contrary, except subsection (g) of this Section, a Tier I employee who is not entitled to participate in the program of health benefits as an annuitant or retired employee receiving a retirement annuity, due to an election under paragraph (2) of subsection (a) of Section 16-122.9 of the Illinois Pension Code shall not be required to make contributions toward the program of health benefits while he or she is an employee or active contributor. However, an active employee may be required to make contributions toward health benefits he or she receives during active service.

(f) The Department shall coordinate with each retirement system administering an election in accordance with this amendatory Act of the 98th General Assembly to provide information concerning the impact of the election of health benefits. Each System shall include information prepared by the Department in the required election packet. The Department shall make information available to Tier I employees through video materials, group presentations, consultation by telephone or other electronic means, or any combination of these methods. The information in the election packet shall include a notice that states: "YOU ARE HEREBY ADVISED THAT THE PROGRAM OF HEALTH BENEFITS OFFERED IS FOR ACCESS TO A GROUP HEALTHCARE PLAN ADMINISTERED BY THE DEPARTMENT, AND YOU MAY BE REQUIRED TO PAY FOR THE FULL COST OF COVERAGE PROVIDED BY THE PLAN, INCLUDING ALL PREMIUM, DEDUCTIBLE, AND

COPAY AMOUNTS."

(g) Nothing in this Section shall be construed as applying to a person who qualifies as a Tier I retiree under Section 16-107.2 of the Illinois Pension Code or to a retiree who, as a consequence of returning to active service, qualifies as a Tier I employee under Section 16-107.1.

Section 22. The Budget Stabilization Act is amended by changing Sections 20 and 25 as follows:

(30 ILCS 122/20)

Sec. 20. Pension Stabilization Fund.

(a) The Pension Stabilization Fund is hereby created as a special fund in the State treasury. Moneys in the fund shall be used for the sole purpose of making payments to the designated retirement systems as provided in Section 25.

(b) For each fiscal year when the General Assembly's appropriations and transfers or diversions as required by law from general funds do not exceed 99% of the estimated general funds revenues pursuant to subsection (a) of Section 10, the Comptroller shall transfer from the General Revenue Fund as provided by this Section a total amount equal to 0.5% of the estimated general funds revenues to the Pension Stabilization Fund.

(c) For each fiscal year through State fiscal year 2013, when the General Assembly's appropriations and transfers or diversions as required by law from general funds do not exceed 98% of the estimated general funds revenues pursuant to subsection (b) of Section 10, the Comptroller shall transfer from the General Revenue Fund as provided by this Section a total amount equal to 1.0% of the estimated general funds revenues to the Pension Stabilization Fund.

(c-10) In State fiscal year 2020 and each fiscal year thereafter, the State Comptroller shall order transferred and the State Treasurer shall transfer \$1,000,000,000 from the General Revenue Fund to the Pension Stabilization Fund.

(c-15) The transfers made pursuant to subsection (c-10) of this Section shall continue through State fiscal year 2045 or until each of the designated retirement systems, as defined in Section 25, has achieved the funding ratio prescribed by law for that retirement system, whichever occurs first.

(d) The Comptroller shall transfer 1/12 of the total amount to be transferred each fiscal year under this Section into the Pension Stabilization Fund on the first day of each month of that fiscal year or as soon thereafter as possible; except that the final transfer of the fiscal year shall be made as soon as practical after the August 31 following the end of the fiscal year.

Until State fiscal year 2014, before ~~Before~~ the final transfer for a fiscal year is made, the Comptroller shall reconcile the estimated general funds revenues used in calculating the other transfers under this Section for that fiscal year with the actual general funds revenues for that fiscal year. The final transfer for the fiscal year shall be adjusted so that the total amount transferred under this Section for that fiscal year is equal to the percentage specified in subsection (b) or (c) of this Section, whichever is applicable, of the actual general funds revenues for that fiscal year. The actual general funds revenues for the fiscal year shall be calculated in a manner consistent with subsection (c) of Section 10 of this Act.

(Source: P.A. 94-839, eff. 6-6-06.)

(30 ILCS 122/25)

Sec. 25. Transfers from the Pension Stabilization Fund.

(a) As used in this Section, "designated retirement systems" means:

- (1) the State Employees' Retirement System of Illinois;
- (2) the Teachers' Retirement System of the State of Illinois;
- (3) the State Universities Retirement System;
- (4) the Judges Retirement System of Illinois; and
- (5) the General Assembly Retirement System.

(b) As soon as may be practical after any money is deposited into the Pension Stabilization Fund, the State Comptroller shall apportion the deposited amount among the designated retirement systems and the State Comptroller and State Treasurer shall pay the apportioned amounts to the designated retirement systems. The amount deposited shall be apportioned among the designated retirement systems in the same proportion as their respective portions of the total actuarial reserve deficiency of the designated retirement systems, as most recently determined by the Governor's Office of Management and Budget. Amounts received by a designated retirement system under this Section shall be used for funding the unfunded liabilities of the retirement system. Payments under this Section are authorized by the continuing appropriation under Section 1.7 of the State Pension Funds Continuing Appropriation Act.

(c) At the request of the State Comptroller, the Governor's Office of Management and Budget shall determine the individual and total actuarial reserve deficiencies of the designated retirement systems. For this purpose, the Governor's Office of Management and Budget shall consider the latest available audit

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and actuarial reports of each of the retirement systems and the relevant reports and statistics of the Public Pension Division of the Department of Financial and Professional Regulation.

(d) Payments to the designated retirement systems under this Section shall be in addition to, and not in lieu of, any State contributions required under Section 2-124, 14-131, 15-155, 16-158, or 18-131 of the Illinois Pension Code.

Payments to the designated retirement systems under this Section, transferred after the effective date of this amendatory Act of the 98th General Assembly, do not reduce and do not constitute payment of any portion of the required State contribution under Article 2, 14, 15, 16, or 18 of the Illinois Pension Code in that fiscal year. Such amounts shall not reduce, and shall not be included in the calculation of, the required State contribution under Article 2, 14, 15, 16, or 18 of the Illinois Pension Code in any future year, until the designated retirement system has received payment of contributions pursuant to this Act.

(Source: P.A. 94-839, eff. 6-6-06.)

Section 25. The Illinois Pension Code is amended by changing Sections 16-106, 16-121, 16-127, 16-133.1, 16-133.6, 16-136.1, 16-152, and 16-203 and by adding Section 1-162, 16-107.1, 16-107.2, 16-121.1, 16-122.9, 16-133.6, and 16-158.2 as follows:

(40 ILCS 5/1-162 new)

Sec. 1-162. Optional cash balance plan.

(a) Participation and Applicability. Beginning 12 months after the effective date of this Section, any Tier I employee who has made the election under paragraph (1) of subsection (a) of Section 16-122.9 may elect to participate in the optional cash balance plan created under this Section.

The Board of Trustees of the applicable retirement system shall promulgate rules to create an annual election wherein a person eligible to participate in the optional cash balance plan may elect to participate, and an active employee who is a participant in the plan may elect to cease active participation. The election to cease active participation shall not disqualify the employee from eligibility to receive an interest credit under subsection (f), a distribution upon termination under subsection (f-10), a refund under subsection (f-15), a retirement annuity under subsection (g), or a survivor's annuity under subsection (k), or from eligibility to resume active participation in the optional cash balance plan in a subsequent year.

(b) Title. The package of benefits provided under this Section may be referred to as the "optional cash balance plan". Persons subject to the provisions of this Section may be referred to as "participants in the optional cash balance plan".

(b-5) Definitions. As used in this Section:

"Account" means the notional cash balance account established under this Section for a participant in the optional cash balance plan.

"Salary" means "salary" as defined in Article 16, without regard to the limitation in subsection (b-5) of Section 1-160.

"Tier I employee" means a person who is a Tier I employee under the applicable Article of this Code.

(c) Cash Balance Account. A notional cash balance account shall be established by the applicable retirement system for each participant in the optional cash balance plan. The account is notional and does not contain any actual money segregated from the commingled assets of the retirement system. The cash balance in the account is to be used in calculating benefits as provided in this Section, but is not to be used in the calculation of any refund, transfer, or other benefit under the applicable Article of this Code.

The amounts to be credited to the cash balance account shall consist of (i) amounts contributed by or on behalf of the participant as employee contributions, (ii) notional employer contributions, and (iii) interest credit that is attributable to the account, all as provided in this Section.

Whenever necessary for the prompt calculation or administration, or when the System lacks information necessary to the calculation or administration otherwise required of or for a benefit under this Section, the applicable retirement system may estimate an amount to be credited to or debited from a participant's cash balance account and then adjust the amount so credited or debited when more accurate information becomes available.

The applicable retirement system shall give to each participant in the optional cash balance plan who has not yet retired annual notice of (1) the balance in the participant's cash balance account and (2) an estimate of the retirement annuity that will be payable to the participant if he or she retires at age 59 1/2.

(d) Employee Contributions. In addition to the other contributions required under the applicable Article, each participant shall make contributions to the applicable retirement system at the rate of 2% of each payment of salary. The amount of each contribution shall be credited to the participant's cash

balance account upon receipt and after the retirement system's reconciliation of the contribution.

(e) Optional Employer Contributions. Employers may make optional additional contributions to the applicable retirement system on behalf of their employees who are participants in the optional cash balance plan in accordance with procedures prescribed by the retirement system to the extent permitted by federal law and the rules prescribed by the retirement system. The optional additional contributions under this subsection are actual monetary contributions to the retirement system, and the amount of each optional additional contribution shall be credited to the participant's cash balance account upon receipt and after the retirement system's reconciliation of the contribution.

(f) Interest Credit. An amount representing earnings on investments shall be determined by the retirement system in accordance with this Section and credited to the participant's cash balance account for each fiscal year in which there is a positive balance in that account; except that no additional interest credit shall be credited while an annuity based on the account is being paid. The interest credit amount shall be a percentage of the average quarterly balance in the cash balance account during that fiscal year and shall be calculated on June 30.

The percentage shall be the assumed treasury rate for the previous fiscal year, unless neither the retirement system's actual rate of investment earnings for the previous fiscal year nor the retirement system's actual rate of investment earnings for the five-year period ending at the end of the previous fiscal year is less than the assumed treasury rate.

If both the retirement system's actual rate of investment earnings for the previous fiscal year and the actual rate of investment earnings for the five-year period ending at the end of the previous fiscal year are at least the assumed treasury rate, then the percentage shall be:

(i) the assumed treasury rate, plus

(ii) two-thirds of the amount of the actual rate of investment earnings for the previous fiscal year that exceeds the assumed treasury rate.

However, in no event shall the percentage applied under this subsection exceed 10%.

For the purposes of this subsection only, "previous fiscal year" means the fiscal year ending one year before the interest rate is calculated.

For the purposes of this subsection only, "assumed treasury rate" means the average annual yield of the 30-year U.S. Treasury Bond over the previous fiscal year, but not less than 4%.

When a person applies for a benefit under this Section, the retirement system shall apply an interest credit based on a proration of an estimate of what the interest credit will be for the relevant year. When the retirement system certifies the credit on June 30, it shall adjust the benefit accordingly.

(f-10) Distribution upon Termination of Employment. Upon termination of active employment with at least 5 years of service credit under the applicable retirement system and prior to making application for an annuity under this Section, a participant in the optional cash balance plan may make an irrevocable election to distribute an amount not to exceed 40% of the balance in the participant's account in the form of a direct rollover to another qualified plan, to the extent allowed by federal law. If the participant makes such an election, then the amount distributed shall be debited from the participant's cash balance account. A participant in the optional cash balance plan shall be allowed only one distribution under this subsection. The remaining balance in the participant's account shall be used for the determination of other benefits provided under this Section.

(f-15) Refund. In lieu of receiving a distribution under subsection (f-10), at any time after terminating active employment under the applicable retirement system, but before receiving a retirement annuity under this Section, a participant in the optional cash balance plan may elect to receive a refund under this subsection. The refund shall consist of an amount equal to the amount of all employee contributions credited to the participant's account, but shall not include any interest credit or employer contributions. If the participant so requests, the refund may be paid in the form of a direct rollover to another qualified plan, to the extent allowed by federal law and in accordance with the rules of the applicable retirement system. Upon payment of the refund, the participant's notional cash balance account shall be closed.

(g) Retirement Annuity. A participant in the optional cash balance plan may begin collecting a retirement annuity at age 59 1/2, but no earlier than the date of termination of active employment under the applicable retirement system.

The amount of the retirement annuity shall be calculated by the retirement system, based on the balance in the cash balance account, the assumption of future investment returns as specified in this subsection, the participant's election to have a lifetime survivor's annuity as specified in this subsection, the annual increase in retirement annuity as specified in subsection (h), the annual increase in survivor's annuity as specified in subsection (l), and any actuarial assumptions and tables adopted by the board of the retirement system for this purpose. The calculation shall determine the amount of retirement annuity, on an actuarially equivalent basis, that shall be designed to result in the balance in the participant's

account arriving at zero on the date when the last payment of the retirement annuity (or survivor's annuity, if the participant elects to provide for a survivor's annuity pursuant to this subsection) is anticipated to be paid under the relevant actuarial assumptions. A retirement annuity or a survivor's annuity provided under this Section shall be a life annuity and shall not expire if the account balance equals zero.

The annuity payment shall begin on the date specified by the participant submitting a written application, which date shall not be prior to termination of employment or more than one year before the application is received by the board; however, if the participant is not an employee of an employer participating in this System or in a participating system as defined in Article 20 of this Code on April 1 of the calendar year next following the calendar year in which the participant attains age 70 1/2, the annuity payment period shall begin on that date regardless of whether an application has been filed.

The participant may elect, under the participant's written application for retirement, to receive a reduced annuity payable for his or her life and to have a lifetime survivor's annuity in a monthly amount equal to 50%, 75%, or 100% of that reduced monthly amount, to be paid after the participant's death to his or her eligible survivor. Eligibility for a survivor's annuity shall be determined under the applicable Article of this Code.

For the purpose of calculating retirement annuities, future investment returns shall be assumed to be a percentage equal to the average yield of the 30-year U.S. Treasury Bond over the 5 fiscal years prior to the calculation of the initial retirement annuity, plus 250 basis points, but not less than 4% nor more than 8%.

(h) Annual Increase in Retirement Annuity. The retirement annuity shall be subject to an automatic annual increase in an amount equal to 3% of the originally granted annuity on each January 1 occurring on or after the first anniversary of the annuity start date.

(i) Disability Benefits. There are no disability benefits provided under the optional cash balance plan, and no amounts for disability shall be deducted from the account of a participant in the optional cash balance plan. The disability benefits provided under the applicable retirement system apply to participants in the optional cash balance plan.

(j) Return to Service. Upon a return to service under the same retirement system after beginning to receive a retirement annuity under the optional cash balance plan, the retirement annuity shall be suspended and active participation in the optional cash balance plan shall resume. Upon termination of the employment, the retirement annuity shall resume in an amount to be recalculated in accordance with subsection (g), taking into consideration the changes in the cash balance account. If a retired annuitant returns to service, his or her notional cash balance account shall be decreased by each payment of retirement annuity prior to the return to service.

(k) Survivor's Annuity - Death before Retirement. In the case of a participant in the optional cash balance plan who had less than 5 years of service under the applicable Article and had not begun receiving a retirement annuity, the eligible survivor shall be entitled only to a refund of employee contributions under subsection (f-15).

In the case of a participant in the optional cash balance plan who had at least 5 years of service under the applicable Article and had not begun receiving a retirement annuity, the eligible survivor shall be entitled to receive a survivor's annuity beginning at age 59 1/2 upon written application. The survivor's annuity shall be calculated in the same manner as a retirement annuity under subsection (g). At any time before receiving a survivor's annuity, the eligible survivor may claim a distribution under subsection (f-10) or a refund under subsection (f-15). The deceased participant's account shall continue to receive interest credit until the eligible survivor begins to receive a survivor's annuity or receives a refund of employee contributions under subsection (f-15).

Eligibility for a survivor's annuity shall be determined under the applicable Article of this Code. A child's or parent's annuity for an otherwise eligible child or dependent parent shall be in the same amount, if any, prescribed under the applicable Article.

(l) Annual Increase in Survivor's Annuity. A survivor's annuity granted under subsection (g) or (k) shall be subject to an automatic annual increase in an amount equal to 3% of the originally granted annuity on each January 1 occurring on or after the first anniversary of the annuity start date.

(m) Applicability of Provisions. The following provisions, if and as they exist in this Code, do not apply to participants in the optional cash balance plan with respect to participation in the optional cash balance plan, except as they are specifically provided for in this Section:

- (1) minimum service or vesting requirements (other than as provided in this Section);
- (2) provisions limiting a retirement annuity to a specified percentage of salary;
- (3) provisions authorizing a minimum retirement or survivor's annuity or a supplemental annuity;
- (4) provisions authorizing any form of retirement annuity or survivor's annuity not authorized under

this Section:

(5) provisions authorizing a reversionary annuity (other than the survivor's annuity under subsection (g));

(6) provisions authorizing a refund of employee contributions upon termination of service (other than upon the death of the participant without an eligible survivor) or any lump-sum payout in lieu of a retirement or survivor's annuity (other than the distribution under subsection (f-10) or the refund under subsection (f-15) of this Section);

(7) provisions authorizing optional service credits or the payment of optional additional contributions (other than the optional employer contributions specifically authorized in this Section); or

(8) a level income option.

The Retirement Systems Reciprocal Act (Article 20 of this Code) does not apply to participation in the optional cash balance plan and does not affect the calculation of benefits payable under this Section.

The other provisions of this Code continue to apply to participants in the optional cash balance plan to the extent that they do not conflict with this Section. In the case of a conflict between the provisions of this Section and any other provision of this Code, the provisions of this Section control.

(n) Rules. The Board of Trustees of the applicable retirement system may adopt rules and procedures for the implementation of this Section, including but not limited to determinations of how to integrate the administration of this Section with the requirements of the applicable Article and any other applicable provisions of this Code.

(o) Actual Employer Contributions. Payment of employer contributions with respect to participants in the optional cash balance plan shall be the responsibility of the actual employer. Optional additional contributions by employers may be paid in any amount, but must be paid in the manner specified by the applicable retirement system.

(p) Prospective Modification. The provisions set forth in this Section are subject to prospective changes made by law provided that any such changes shall not apply to any benefits accrued under this Section prior to the effective date of any amendatory Act of the General Assembly.

(q) Qualified Plan Status. No provision of this Section shall be interpreted in a way that would cause the applicable retirement system to cease to be a qualified plan under Section 401(a) of the Internal Revenue Code of 1986.

(40 ILCS 5/16-106) (from Ch. 108 1/2, par. 16-106)

Sec. 16-106. Teacher. "Teacher": The following individuals, provided that, for employment prior to July 1, 1990, they are employed on a full-time basis, or if not full-time, on a permanent and continuous basis in a position in which services are expected to be rendered for at least one school term:

(1) Any educational, administrative, professional or other staff employed in the public common schools included within this system in a position requiring certification under the law governing the certification of teachers;

(2) Any educational, administrative, professional or other staff employed in any facility of the Department of Children and Family Services or the Department of Human Services, in a position requiring certification under the law governing the certification of teachers, and any person who (i) works in such a position for the Department of Corrections, (ii) was a member of this System on May 31, 1987, and (iii) did not elect to become a member of the State Employees' Retirement System pursuant to Section 14-108.2 of this Code; except that "teacher" does not include any person who (A) becomes a security employee of the Department of Human Services, as defined in Section 14-110, after June 28, 2001 (the effective date of Public Act 92-14), or (B) becomes a member of the State Employees' Retirement System pursuant to Section 14-108.2c of this Code;

(3) Any regional superintendent of schools, assistant regional superintendent of schools, State Superintendent of Education; any person employed by the State Board of Education as an executive; any executive of the boards engaged in the service of public common school education in school districts covered under this system of which the State Superintendent of Education is an ex-officio member;

(4) Any employee of a school board association operating in compliance with Article 23 of the School Code who is certificated under the law governing the certification of teachers, provided that he or she becomes such an employee before the effective date of this amendatory Act of the 98th General Assembly;

(5) Any person employed by the retirement system who:

(i) was an employee of and a participant in the system on August 17, 2001 (the effective date of Public Act 92-416), or

(ii) becomes an employee of the system on or after August 17, 2001;

(6) Any educational, administrative, professional or other staff employed by and under

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the supervision and control of a regional superintendent of schools, provided such employment position requires the person to be certificated under the law governing the certification of teachers and is in an educational program serving 2 or more districts in accordance with a joint agreement authorized by the School Code or by federal legislation;

(7) Any educational, administrative, professional or other staff employed in an educational program serving 2 or more school districts in accordance with a joint agreement authorized by the School Code or by federal legislation and in a position requiring certification under the laws governing the certification of teachers;

(8) Any officer or employee of a statewide teacher organization or officer of a national teacher organization who is certified under the law governing certification of teachers, provided: (i) the individual had previously established creditable service under this Article, (ii) the individual files with the system an irrevocable election to become a member before the effective date of this amendatory Act of the 97th General Assembly, (iii) the individual does not receive credit for such service under any other Article of this Code, and (iv) the individual first became an officer or employee of the teacher organization and becomes a member before the effective date of this amendatory Act of the 97th General Assembly;

(9) Any educational, administrative, professional, or other staff employed in a charter school operating in compliance with the Charter Schools Law who is certificated under the law governing the certification of teachers; ;

(10) Any person employed, on the effective date of this amendatory Act of the 94th General Assembly, by the Macon-Piatt Regional Office of Education in a birth-through-age-three pilot program receiving funds under Section 2-389 of the School Code who is required by the Macon-Piatt Regional Office of Education to hold a teaching certificate, provided that the Macon-Piatt Regional Office of Education makes an election, within 6 months after the effective date of this amendatory Act of the 94th General Assembly, to have the person participate in the system. Any service established prior to the effective date of this amendatory Act of the 94th General Assembly for service as an employee of the Macon-Piatt Regional Office of Education in a birth-through-age-three pilot program receiving funds under Section 2-389 of the School Code shall be considered service as a teacher if employee and employer contributions have been received by the system and the system has not refunded those contributions.

An annuitant receiving a retirement annuity under this Article or under Article 17 of this Code who is employed by a board of education or other employer as permitted under Section 16-118 or 16-150.1 is not a "teacher" for purposes of this Article. A person who has received a single-sum retirement benefit under Section 16-136.4 of this Article is not a "teacher" for purposes of this Article.

(Source: P.A. 97-651, eff. 1-5-12; revised 8-3-12.)

(40 ILCS 5/16-107.1 new)

Sec. 16-107.1. Tier I employee. "Tier I employee": An employee under this Article (i) who first became a member or participant before January 1, 2011 under any reciprocal retirement system or pension fund established under this Code other than a retirement system or pension fund established under Article 2, 3, 4, 5, 6, or 18 of this Code and (ii) who has not made an irrevocable election on or before January 1, 2013 to retire from service pursuant to the terms of a collective bargaining agreement in effect on that date, excluding any extension, amendment, or renewal of that agreement on or after that date.

(40 ILCS 5/16-107.2 new)

Sec. 16-107.2. Tier I retiree. "Tier I retiree": A former Tier I employee who is receiving a retirement annuity.

(40 ILCS 5/16-121) (from Ch. 108 1/2, par. 16-121)

Sec. 16-121. Salary. "Salary": The actual compensation received by a teacher during any school year and recognized by the system in accordance with rules of the board. For purposes of this Section, "school year" includes the regular school term plus any additional period for which a teacher is compensated and such compensation is recognized by the rules of the board.

Notwithstanding any other provision of this Section, "salary" does not include any future increase in income offered by an employer under this Article pursuant to the requirements of subsection (c) of Section 16-122.9 that is accepted by a Tier I employee who has made an election under paragraph (2) of subsection (a) of Section 16-122.9.

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

(40 ILCS 5/16-121.1 new)

Sec. 16-121.1. Future increase in income. "Future increase in income": Any increase in income in any form offered by an employer to a teacher under this Article after the end of the election period in Section

16-122.9 that would qualify as "salary", as defined in Section 16-121, but for the fact that the employer offered the increase in income to the employee on the condition that it not qualify as salary and the employee accepted the increase in income subject to that condition. The term "future increase in income" does not include an increase in income in any form that is paid to a Tier I employee under an employment contract or collective bargaining agreement that is in effect on the effective date of this Section but does include an increase in income in any form pursuant to an extension, amendment, or renewal of any such employment contract or collective bargaining agreement on or after the effective date of this amendatory Act of the 98th General Assembly.

(40 ILCS 5/16-122.9 new)

Sec. 16-122.9. Election by Tier I employees.

(a) Each Tier I employee shall make an irrevocable election either:

(1) to agree to the following:

(i) to have the amount of the automatic annual increases in his or her retirement annuity that are otherwise provided for in this Article calculated, instead, as provided in subsection (a-1) of Section 16-133.1 or subsection (b-1) of Section 16-136.1, whichever is applicable; and

(ii) to have his or her eligibility for automatic annual increases in retirement annuity postponed as provided in subsection (a-2) of Section 16-133.1 or subsection (b-2) of Section 16-136.1, whichever is applicable; or

(2) to not agree to items (i) and (ii) as set forth in paragraph (1) of this subsection.

The election required under this subsection (a) shall be made by each Tier I employee no earlier than January 1, 2014 and no later than May 31, 2014, except that:

(i) a person who becomes a Tier I employee under this Article after January 1, 2014 must make the election under this subsection (a) within 60 days after becoming a Tier I employee; and

(ii) a person who returns to active service as a Tier I employee under this Article, including a Tier I retiree returning to service as a Tier I employee, after January 1, 2014 and has not yet made an election under this Section must make the election under this subsection (a) within 60 days after returning to active service as a Tier I employee.

If a Tier I employee fails for any reason to make a required election under this subsection within the time specified, then the employee shall be deemed to have made the election under paragraph (2) of this subsection.

(a-10) All elections under subsection (a) that are made or deemed to be made by June 1, 2014 shall take effect July 1, 2014. Elections that are made or deemed to be on or after June 1, 2014 shall take effect on the first day of the month following the month in which the election is made or deemed to be made.

(b) As adequate and legal consideration provided under this amendatory Act of the 98th General Assembly for making the election under paragraph (1) of subsection (a) of this Section, any future increases in income offered by an employer under this Article to a Tier I employee who has made the election under paragraph (1) of subsection (a) of this Section shall be offered expressly and irrevocably as constituting salary under Section 16-121. In addition, a Tier I employee who has made the election under paragraph (1) of subsection (a) of this Section shall receive the right to also participate in the optional cash balance plan established under Section 1-162. Finally, a Tier I employee, other than a Tier I retiree returning to active service as a Tier I employee, who has made the election under paragraph (1) of subsection (a) of this Section shall receive the right to the early retirement without discount option under Section 16-133.6.

(c) A Tier I employee who makes the election under paragraph (2) of subsection (a) of this Section shall not be subject to items (i) and (ii) set forth in paragraph (1) of subsection (a) of this Section. However, any future increases in income offered by an employer under this Article to a Tier I employee who has made the election under paragraph (2) of subsection (a) of this Section shall be offered by the employer expressly and irrevocably as not constituting salary under Section 16-121, and the employee may not accept any future increase in income that is offered in violation of this requirement. In addition, a Tier I employee who has made the election under paragraph (2) of subsection (a) of this Section shall not receive the right to participate in the optional cash balance plan established under Section 1-162. Finally, a Tier I employee who has made the election under paragraph (2) of subsection (a) of this Section shall not receive the right to the early retirement without discount option under Section 16-133.6.

(d) The System shall make a good faith effort to contact each Tier I employee subject to this Section. The System shall mail information describing the required election to each Tier I employee by United States Postal Service mail to his or her last known address on file with the System. If the Tier I employee is not responsive to other means of contact, it is sufficient for the System to publish the details of any

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required elections on its website or to publish those details in a regularly published newsletter or other existing public forum.

Tier I employees who are subject to this Section shall be provided with an election packet containing information regarding their options, as well as the forms necessary to make the required election. Upon request, the System shall offer Tier I employees an opportunity to receive information from the System before making the required election. The information may consist of video materials, group presentations, individual consultation with a member or authorized representative of the System in person or by telephone or other electronic means, or any combination of those methods. The System shall not provide advice or counseling with respect to which election a Tier I employee should make or specific to the legal or tax circumstances of or consequences to the Tier I employee.

The System shall inform Tier I employees in the election packet required under this subsection that the Tier I employee may also wish to obtain information and counsel relating to the election required under this Section from any other available source, including but not limited to labor organizations and private counsel.

In no event shall the System, its staff, or the Board be held liable for any information given to a member, beneficiary, or annuitant regarding the elections under this Section. The System shall coordinate with the Illinois Department of Central Management Services and each other retirement system administering an election in accordance with this amendatory Act of the 98th General Assembly to provide information concerning the impact of the election set forth in this Section.

(e) Notwithstanding any other provision of law, an employer under this Article is required to offer any future increases in income expressly and irrevocably as not constituting "salary" under Section 16-121 to any Tier I employee who has made an election under paragraph (2) of subsection (a) of Section 16-122.9. A Tier I employee who has made an election under paragraph (2) of subsection (a) of Section 16-122.9 shall not accept any future increase in income that is offered by an employer under this Article in violation of the requirement set forth in this subsection.

(f) A member's election under this Section is not a prohibited election under subdivision (j)(1) of Section 1-119 of this Code.

(g) An employee who has made the election under paragraph (1) of subsection (a) of this Section may elect to participate in the optional cash balance plan under Section 1-162.

The election to participate in the optional cash balance plan shall be made in writing, in the manner provided by the applicable retirement system.

(h) No provision of this Section shall be interpreted in a way that would cause the System to cease to be a qualified plan under Section 401(a) of the Internal Revenue Code of 1986.

(i) If this Section is determined to be unconstitutional or otherwise invalid by a final unappealable decision of an Illinois court or a court of competent jurisdiction as applied to Tier I employees but not as applied to Tier I retirees returning to active service, then this Section and the changes deriving from the election required under this Section shall be null and void as applied to Tier I employees but shall remain in full effect for Tier I retirees returning to active service.

(j) If this Section is determined to be unconstitutional or otherwise invalid by a final unappealable decision of an Illinois court or a court of competent jurisdiction as applied to Tier I retirees returning to active service but not as applied to Tier I employees, then this Section and the changes deriving from the election required under this Section shall be null and void as applied to Tier I retirees returning to active service but shall remain in full effect for Tier I employees.

(40 ILCS 5/16-127) (from Ch. 108 1/2, par. 16-127)

Sec. 16-127. Computation of creditable service.

(a) Each member shall receive regular credit for all service as a teacher from the date membership begins, for which satisfactory evidence is supplied and all contributions have been paid.

(b) The following periods of service shall earn optional credit and each member shall receive credit for all such service for which satisfactory evidence is supplied and all contributions have been paid as of the date specified:

(1) Prior service as a teacher.

(2) Service in a capacity essentially similar or equivalent to that of a teacher, in the public common schools in school districts in this State not included within the provisions of this System, or of any other State, territory, dependency or possession of the United States, or in schools operated by or under the auspices of the United States, or under the auspices of any agency or department of any other State, and service during any period of professional speech correction or special education experience for a public agency within this State or any other State, territory, dependency or possession of the United States, and service prior to February 1, 1951 as a recreation worker for the Illinois Department of Public Safety, for a period not exceeding the lesser of 2/5 of the

total creditable service of the member or 10 years. The maximum service of 10 years which is allowable under this paragraph shall be reduced by the service credit which is validated by other retirement systems under paragraph (i) of Section 15-113 and paragraph 1 of Section 17-133. Credit granted under this paragraph may not be used in determination of a retirement annuity or disability benefits unless the member has at least 5 years of creditable service earned subsequent to this employment with one or more of the following systems: Teachers' Retirement System of the State of Illinois, State Universities Retirement System, and the Public School Teachers' Pension and Retirement Fund of Chicago. Whenever such service credit exceeds the maximum allowed for all purposes of this Article, the first service rendered in point of time shall be considered. The changes to this subdivision (b)(2) made by Public Act 86-272 shall apply not only to persons who on or after its effective date (August 23, 1989) are in service as a teacher under the System, but also to persons whose status as such a teacher terminated prior to such effective date, whether or not such person is an annuitant on that date.

(3) Any periods immediately following teaching service, under this System or under Article 17, (or immediately following service prior to February 1, 1951 as a recreation worker for the Illinois Department of Public Safety) spent in active service with the military forces of the United States; periods spent in educational programs that prepare for return to teaching sponsored by the federal government following such active military service; if a teacher returns to teaching service within one calendar year after discharge or after the completion of the educational program, a further period, not exceeding one calendar year, between time spent in military service or in such educational programs and the return to employment as a teacher under this System; and a period of up to 2 years of active military service not immediately following employment as a teacher.

The changes to this Section and Section 16-128 relating to military service made by P.A. 87-794 shall apply not only to persons who on or after its effective date are in service as a teacher under the System, but also to persons whose status as a teacher terminated prior to that date, whether or not the person is an annuitant on that date. In the case of an annuitant who applies for credit allowable under this Section for a period of military service that did not immediately follow employment, and who has made the required contributions for such credit, the annuity shall be recalculated to include the additional service credit, with the increase taking effect on the date the System received written notification of the annuitant's intent to purchase the credit, if payment of all the required contributions is made within 60 days of such notice, or else on the first annuity payment date following the date of payment of the required contributions. In calculating the automatic annual increase for an annuity that has been recalculated under this Section, the increase attributable to the additional service allowable under P.A. 87-794 shall be included in the calculation of automatic annual increases accruing after the effective date of the recalculation.

Credit for military service shall be determined as follows: if entry occurs during the months of July, August, or September and the member was a teacher at the end of the immediately preceding school term, credit shall be granted from July 1 of the year in which he or she entered service; if entry occurs during the school term and the teacher was in teaching service at the beginning of the school term, credit shall be granted from July 1 of such year. In all other cases where credit for military service is allowed, credit shall be granted from the date of entry into the service.

The total period of military service for which credit is granted shall not exceed 5 years for any member unless the service: (A) is validated before July 1, 1964, and (B) does not extend beyond July 1, 1963. Credit for military service shall be granted under this Section only if not more than 5 years of the military service for which credit is granted under this Section is used by the member to qualify for a military retirement allotment from any branch of the armed forces of the United States. The changes to this subdivision (b)(3) made by Public Act 86-272 shall apply not only to persons who on or after its effective date (August 23, 1989) are in service as a teacher under the System, but also to persons whose status as such a teacher terminated prior to such effective date, whether or not such person is an annuitant on that date.

(4) Any periods served as a member of the General Assembly.

(5)(i) Any periods for which a teacher, as defined in Section 16-106, is granted a leave of absence, provided he or she returns to teaching service creditable under this System or the State Universities Retirement System following the leave; (ii) periods during which a teacher is involuntarily laid off from teaching, provided he or she returns to teaching following the lay-off; (iii) periods prior to July 1, 1983 during which a teacher ceased covered employment due to pregnancy, provided that the teacher returned to teaching service creditable under this System or the State Universities Retirement System following the pregnancy and submits evidence satisfactory to the Board documenting that the employment ceased due to pregnancy; and (iv) periods prior to July 1,

1983 during which a teacher ceased covered employment for the purpose of adopting an infant under 3 years of age or caring for a newly adopted infant under 3 years of age, provided that the teacher returned to teaching service creditable under this System or the State Universities Retirement System following the adoption and submits evidence satisfactory to the Board documenting that the employment ceased for the purpose of adopting an infant under 3 years of age or caring for a newly adopted infant under 3 years of age. However, total credit under this paragraph (5) may not exceed 3 years.

Any qualified member or annuitant may apply for credit under item (iii) or (iv) of this paragraph (5) without regard to whether service was terminated before the effective date of this amendatory Act of 1997. In the case of an annuitant who establishes credit under item (iii) or (iv), the annuity shall be recalculated to include the additional service credit. The increase in annuity shall take effect on the date the System receives written notification of the annuitant's intent to purchase the credit, if the required evidence is submitted and the required contribution paid within 60 days of that notification, otherwise on the first annuity payment date following the System's receipt of the required evidence and contribution. The increase in an annuity recalculated under this provision shall be included in the calculation of automatic annual increases in the annuity accruing after the effective date of the recalculation.

Optional credit may be purchased under this subsection (b)(5) for periods during which a teacher has been granted a leave of absence pursuant to Section 24-13 of the School Code. A teacher whose service under this Article terminated prior to the effective date of P.A. 86-1488 shall be eligible to purchase such optional credit. If a teacher who purchases this optional credit is already receiving a retirement annuity under this Article, the annuity shall be recalculated as if the annuitant had applied for the leave of absence credit at the time of retirement. The difference between the entitled annuity and the actual annuity shall be credited to the purchase of the optional credit. The remainder of the purchase cost of the optional credit shall be paid on or before April 1, 1992.

The change in this paragraph made by Public Act 86-273 shall be applicable to teachers who retire after June 1, 1989, as well as to teachers who are in service on that date.

(6) Any days of unused and uncompensated accumulated sick leave earned by a teacher who first became a participant in the System before the effective date of this amendatory Act of the 98th General Assembly.

The service credit granted under this paragraph shall be the ratio of the number of unused and uncompensated accumulated sick leave days to 170 days, subject to a maximum of 2 years of service credit. Prior to the member's retirement, each former employer shall certify to the System the number of unused and uncompensated accumulated sick leave days credited to the member at the time of termination of service. The period of unused sick leave shall not be considered in determining the effective date of retirement. A member is not required to make contributions in order to obtain service credit for unused sick leave.

Credit for sick leave shall, at retirement, be granted by the System for any retiring regional or assistant regional superintendent of schools who first became a participant in this System before the effective date of this amendatory Act of the 98th General Assembly at the rate of 6 days per year of creditable service or portion thereof established while serving as such superintendent or assistant superintendent.

Service credit is not available for unused sick leave accumulated by a teacher who first becomes a participant in this System on or after the effective date of this amendatory Act of the 98th General Assembly.

(7) Periods prior to February 1, 1987 served as an employee of the Illinois Mathematics and Science Academy for which credit has not been terminated under Section 15-113.9 of this Code.

(8) Service as a substitute teacher for work performed prior to July 1, 1990.

(9) Service as a part-time teacher for work performed prior to July 1, 1990.

(10) Up to 2 years of employment with Southern Illinois University - Carbondale from September 1, 1959 to August 31, 1961, or with Governors State University from September 1, 1972 to August 31, 1974, for which the teacher has no credit under Article 15. To receive credit under this item (10), a teacher must apply in writing to the Board and pay the required contributions before May 1, 1993 and have at least 12 years of service credit under this Article.

(b-1) A member may establish optional credit for up to 2 years of service as a teacher or administrator employed by a private school recognized by the Illinois State Board of Education, provided that the teacher (i) was certified under the law governing the certification of teachers at the time the service was rendered, (ii) applies in writing on or after August 1, 2009 and on or before August 1, 2012, (iii) supplies satisfactory evidence of the employment, (iv) completes at least 10 years of contributing service as a

teacher as defined in Section 16-106, and (v) pays the contribution required in subsection (d-5) of Section 16-128. The member may apply for credit under this subsection and pay the required contribution before completing the 10 years of contributing service required under item (iv), but the credit may not be used until the item (iv) contributing service requirement has been met.

(c) The service credits specified in this Section shall be granted only if: (1) such service credits are not used for credit in any other statutory tax-supported public employee retirement system other than the federal Social Security program; and (2) the member makes the required contributions as specified in Section 16-128. Except as provided in subsection (b-1) of this Section, the service credit shall be effective as of the date the required contributions are completed.

Any service credits granted under this Section shall terminate upon cessation of membership for any cause.

Credit may not be granted under this Section covering any period for which an age retirement or disability retirement allowance has been paid.

(Source: P.A. 96-546, eff. 8-17-09.)

(40 ILCS 5/16-133.1) (from Ch. 108 1/2, par. 16-133.1)

Sec. 16-133.1. Automatic annual increase in annuity.

(a) Each member with creditable service and retiring on or after August 26, 1969 is entitled to the automatic annual increases in annuity provided under this Section while receiving a retirement annuity or disability retirement annuity from the system.

An annuitant shall first be entitled to an initial increase under this Section on the January 1 next following the first anniversary of retirement, or January 1 of the year next following attainment of age 61, whichever is later. At such time, the system shall pay an initial increase determined as follows or as provided in subsections (a-1) and (a-2):

(1) 1.5% of the originally granted retirement annuity or disability retirement annuity multiplied by the number of years elapsed, if any, from the date of retirement until January 1, 1972, plus

(2) 2% of the originally granted annuity multiplied by the number of years elapsed, if any, from the date of retirement or January 1, 1972, whichever is later, until January 1, 1978, plus

(3) 3% of the originally granted annuity multiplied by the number of years elapsed from the date of retirement or January 1, 1978, whichever is later, until the effective date of the initial increase.

However, the initial annual increase calculated under this Section for the recipient of a disability retirement annuity granted under Section 16-149.2 shall be reduced by an amount equal to the total of all increases in that annuity received under Section 16-149.5 (but not exceeding 100% of the amount of the initial increase otherwise provided under this Section).

Following the initial increase, automatic annual increases in annuity shall be payable on each January 1 thereafter during the lifetime of the annuitant, determined as a percentage of the originally granted retirement annuity or disability retirement annuity for increases granted prior to January 1, 1990, and calculated as a percentage of the total amount of annuity, including previous increases under this Section, for increases granted on or after January 1, 1990, as follows: 1.5% for periods prior to January 1, 1972, 2% for periods after December 31, 1971 and prior to January 1, 1978, and 3% for periods after December 31, 1977, or as provided in subsections (a-1) and (a-2).

(a-1) Notwithstanding any other provision of this Article, for a Tier I employee who made the election under paragraph (1) of subsection (a) of Section 16-122.9, the amount of each automatic annual increase in retirement annuity occurring on or after the effective date of that election shall be 3% or one-half of the annual unadjusted percentage increase, if any, in the Consumer Price Index-U for the 12 months ending with the preceding September, whichever is less, of the originally granted retirement annuity. For the purposes of this Section, "Consumer Price Index-U" means the index published by the Bureau of Labor Statistics of the United States Department of Labor that measures the average change in prices of goods and services purchased by all urban consumers, United States city average, all items, 1982-84 = 100.

(a-2) Notwithstanding any other provision of this Article, for a Tier I employee who made the election under paragraph (1) of subsection (a) of Section 16-122.9, the monthly retirement annuity shall first be subject to annual increases on the January 1 occurring on or next after either the attainment of age 67 or the January 1 occurring on or next after the fifth anniversary of the annuity start date, whichever occurs earlier.

(b) The automatic annual increases in annuity provided under this Section shall not be applicable unless a member has made contributions toward such increases for a period equivalent to one full year of creditable service. If a member contributes for service performed after August 26, 1969 but the member

becomes an annuitant before such contributions amount to one full year's contributions based on the salary at the date of retirement, he or she may pay the necessary balance of the contributions to the system and be eligible for the automatic annual increases in annuity provided under this Section.

(c) Each member shall make contributions toward the cost of the automatic annual increases in annuity as provided under Section 16-152.

(d) An annuitant receiving a retirement annuity or disability retirement annuity on July 1, 1969, who subsequently re-enters service as a teacher is eligible for the automatic annual increases in annuity provided under this Section if he or she renders at least one year of creditable service following the latest re-entry.

(e) In addition to the automatic annual increases in annuity provided under this Section, an annuitant who meets the service requirements of this Section and whose retirement annuity or disability retirement annuity began on or before January 1, 1971 shall receive, on January 1, 1981, an increase in the annuity then being paid of one dollar per month for each year of creditable service. On January 1, 1982, an annuitant whose retirement annuity or disability retirement annuity began on or before January 1, 1977 shall receive an increase in the annuity then being paid of one dollar per month for each year of creditable service.

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

(Source: P.A. 91-927, eff. 12-14-00.)

(40 ILCS 5/16-133.6 new)

Sec. 16-133.6. Optional teacher early retirement without discount. A Tier I employee who makes an election under paragraph (1) of subsection (a) of Section 16-122.9, retires on or after July 1, 2014, and applies 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 cost of this benefit as determined by the System. 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 50% of the cost of the benefits as determined by the System. The employer contribution shall be at the rate of 50% of the cost of the benefits as determined by the System.

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 Section 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 Section 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.

(40 ILCS 5/16-136.1) (from Ch. 108 1/2, par. 16-136.1)

Sec. 16-136.1. Annual increase for certain annuitants.

(a) Any annuitant receiving a retirement annuity on June 30, 1969 and any member retiring after June 30, 1969 shall be eligible for the annual increases provided under this Section provided the annuitant is ineligible for the automatic annual increase in annuity provided under Section 16-133.1, and provided further that (1) retirement occurred at age 55 or over and was based on 5 or more years of creditable service or (2) if retirement occurred prior to age 55, the retirement annuity was based on 20 or more years of creditable service.

(b) Subject to the provisions of subsections (b-1) and (b-2), an ~~An~~ annuitant entitled to increases under this Section shall be entitled to the initial increase as of the later of: (1) January 1 following attainment of age 65, (2) January 1 following the first anniversary of retirement, or (3) the first day of the month

following receipt of the required qualifying contribution from the annuitant. The initial monthly increase shall be computed on the basis of the period elapsed between the later of the date of last retirement or attainment of age 50 and the date of qualification for the initial increase, at the rate of 1 1/2% of the original monthly retirement annuity per year for periods prior to September 1, 1971, and at the rate of 2% per year for periods between September 1, 1971 and September 1, 1978, and at the rate of 3% per year for periods thereafter.

Subject to the provisions of subsections (b-1) and (b-2), an An annuitant who has received an initial increase under this Section, shall be entitled, on each January 1 following the granting of the initial increase, to an increase of 3% of the original monthly retirement annuity for increases granted prior to January 1, 1990, and equal to 3% of the total annuity, including previous increases under this Section, for increases granted on or after January 1, 1990. The original monthly retirement annuity for computations under this subsection (b) shall be considered to be \$83.34 for any annuitant entitled to benefits under Section 16-134. The minimum original disability retirement annuity for computations under this subsection (b) shall be considered to be \$33.34 per month for any annuitant retired on account of disability.

(b-1) Notwithstanding any other provision of this Article, for a Tier I employee who made the election under paragraph (1) of subsection (a) of Section 16-122.9, the amount of each automatic annual increase in retirement annuity occurring on or after the effective date of that election shall be 3% or one-half of the annual unadjusted percentage increase, if any, in the Consumer Price Index-U for the 12 months ending with the preceding September, whichever is less, of the originally granted retirement annuity. For the purposes of this Section, "Consumer Price Index-U" means the index published by the Bureau of Labor Statistics of the United States Department of Labor that measures the average change in prices of goods and services purchased by all urban consumers, United States city average, all items, 1982-84 = 100.

(b-2) Notwithstanding any other provision of this Article, for a Tier I employee who made the election under paragraph (1) of subsection (a) of Section 16-122.9, the monthly retirement annuity shall first be subject to annual increases on the January 1 occurring on or next after either the attainment of age 67 or the January 1 occurring on or next after the fifth anniversary of the annuity start date, whichever occurs earlier.

(c) An annuitant who otherwise qualifies for annual increases under this Section must make a one-time payment of 1% of the monthly final average salary for each full year of the creditable service forming the basis of the retirement annuity or, if the retirement annuity was not computed using final average salary, 1% of the original monthly retirement annuity for each full year of service forming the basis of the retirement annuity.

(d) In addition to other increases which may be provided by this Section, regardless of creditable service, annuitants not meeting the service requirements of Section 16-133.1 and whose retirement annuity began on or before January 1, 1971 shall receive, on January 1, 1981, an increase in the retirement annuity then being paid of one dollar per month for each year of creditable service forming the basis of the retirement allowance. On January 1, 1982, annuitants whose retirement annuity began on or before January 1, 1977, shall receive an increase in the retirement annuity then being paid of one dollar per month for each year of creditable service.

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

(Source: P.A. 86-273.)

(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.

(a-1) In addition to the contributions required under subsection (a), a member who elects to participate

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in the optional cash balance plan under Section 1-162 shall pay to the System for the purpose of participating in the optional cash balance plan a contribution of 2% of each payment of compensation received while he or she is a participant in the optional cash balance plan. These contributions shall not be used for the purpose of determining any benefit under this Article except as provided in the optional cash balance plan.

(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; 94-4, eff. 6-1-05.)

(40 ILCS 5/16-158.2 new)

Sec. 16-158.2. Obligations of State; funding guarantee. If at least 30% of Tier I employees making an election under Section 16-122.9 before June 1, 2014 choose the option under paragraph (1) of subsection (a) of that Section, then the State shall be contractually obligated to contribute to the System in each State fiscal year an amount not less than the sum required in Section 16-158 as that Section existed prior to the effective date of this amendatory Act of the 98th General Assembly notwithstanding the changes made to Section 16-158 by Part A of this amendatory Act of the 98th General Assembly.

If at least 30% of Tier I employees making an election under Section 16-122.9 before June 1, 2014 choose the option under paragraph (1) of subsection (a) of that Section, then the State shall be contractually obligated for purposes of this Article 16 only (i) to make the transfer identified in subsection (c-10) of Section 20 of the Budget Stabilization Act, (ii) to apportion the amounts transferred pursuant to subsection (c-10) of Section 20 of the Budget Stabilization Act in accordance with subsection (b) of Section 25 of that Act, (iii) to pay the apportioned amounts to the designated retirement systems, and (iv) not to use the amounts transferred pursuant to subsection (c-10) of Section 20 of the Budget Stabilization Act to satisfy any portion of the required State contributions due under Article 2, 14, 15, 16, or 18 of the Illinois Pension Code.

The obligations created under this Section are contractual obligations protected and enforceable under Article I, Section 16 and Article XIII, Section 5 of the Illinois Constitution.

Notwithstanding any other provision of law, if the State fails to pay in a State fiscal year the amount guaranteed under this Section, the System may bring a mandamus action in the Circuit Court of Sangamon County to compel the State to make that payment, irrespective of other remedies that may be available to the System. It shall be the mandatory fiduciary obligation of the Board of the System to bring that action if the State fails to pay in the fiscal year the amount guaranteed under this Section. Before commencing that action, the Board shall submit a voucher for monthly contributions as required in Section 16-158. If the State fails to pay a vouchered amount within 90 days after receiving a voucher for that amount, then the Board shall submit a written request to the Comptroller seeking payment of that amount. A copy of the request shall be filed with the Secretary of State, and the Secretary of State shall provide copies of the request to the Governor and General Assembly. No earlier than the 16th day after

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filing a request with the Secretary, but no later than the 21st day after filing that request, the Board may commence such an action in the Circuit Court. If the Board fails to commence such action on or before the 21st day after filing the request with the Secretary of State, then any Tier I employee or Tier I retiree who chose the option under paragraph (1) of subsection (a) or (a-5) of Section 16-122.9 may file a mandamus action against the Board to compel the Board to commence its mandamus action against the State. This Section constitutes an express waiver of the State's sovereign immunity. In ordering the State to make the required payment, the court may order a reasonable payment schedule to enable the State to make the required payment. The obligations and causes of action created under this subsection shall be in addition to any other right or remedy otherwise accorded by common law, or State or federal law, and nothing in this subsection shall be construed to deny, abrogate, impair, or waive any such common law or statutory right or remedy.

Any payments required to be made by the State pursuant to this Section are expressly subordinated to the payment of the principal, interest, and premium, if any, on any bonded debt obligation of the State or any other State-created entity, either currently outstanding or to be issued, for which the source of repayment or security thereon is derived directly or indirectly from tax revenues collected by the State or any other State-created entity. Payments on such bonded obligations include any statutory fund transfers or other prefunding mechanisms or formulas set forth, now or hereafter, in State law or bond indentures, into debt service funds or accounts of the State related to such bonded obligations, consistent with the payment schedules associated with such obligations.

(40 ILCS 5/16-203)

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 June 1, 2005 (the effective date of Public Act 94-4). "New benefit increase", however, does not include any benefit increase resulting from the changes made to this Article by Public Act 95-910 or this amendatory Act of the 98th 95th 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.

(Source: P.A. 94-4, eff. 6-1-05; 95-910, eff. 8-26-08.)

Section 50. The School Code is amended by changing Sections 24-1 and 24-8 as follows:

(105 ILCS 5/24-1) (from Ch. 122, par. 24-1)

Sec. 24-1. Appointment-Salaries-Payment-School month-School term.) School boards shall appoint all teachers, determine qualifications of employment and fix the amount of their salaries subject to any

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limitation set forth in this Act and subject to any applicable restrictions in Section 16-122.9 of the Illinois Pension Code. They shall pay the wages of teachers monthly, subject, however, to the provisions of Section 24-21. The school month shall be the same as the calendar month but by resolution the school board may adopt for its use a month of 20 days, including holidays. The school term shall consist of at least the minimum number of pupil attendance days required by Section 10-19, any additional legal school holidays, days of teachers' institutes, or equivalent professional educational experiences, and one or two days at the beginning of the school term when used as a teachers' workshop.  
(Source: P.A. 80-249.)

(105 ILCS 5/24-8) (from Ch. 122, par. 24-8)

Sec. 24-8. Minimum salary. In fixing the salaries of teachers, school boards shall pay those who serve on a full-time basis not less than a rate for the school year that is based upon training completed in a recognized institution of higher learning, as follows: for the school year beginning July 1, 1980 and thereafter, less than a bachelor's degree, \$9,000; 120 semester hours or more and a bachelor's degree, \$10,000; 150 semester hours or more and a master's degree, \$11,000.

Based upon previous public school experience in this State or any other State, territory, dependency or possession of the United States, or in schools operated by or under the auspices of the United States, teachers who serve on a full-time basis shall have their salaries increased to at least the following amounts above the starting salary for a teacher in such district in the same classification: with less than a bachelor's degree, \$750 after 5 years; with 120 semester hours or more and a bachelor's degree, \$1,000 after 5 years and \$1,600 after 8 years; with 150 semester hours or more and a master's degree, \$1,250 after 5 years, \$2,000 after 8 years and \$2,750 after 13 years. However, any salary increase is subject to any applicable restrictions in Section 16-122.9 of the Illinois Pension Code.

For the purpose of this Section a teacher's salary shall include any amount paid by the school district on behalf of the teacher, as teacher contributions, to the Teachers' Retirement System of the State of Illinois.

If a school board establishes a schedule for teachers' salaries based on education and experience, not inconsistent with this Section, all certificated nurses employed by that board shall be paid in accordance with the provisions of such schedule (subject to any applicable restrictions in Section 16-122.9 of the Illinois Pension Code).

For purposes of this Section, a teacher who submits a certificate of completion to the school office prior to the first day of the school term shall be considered to have the degree stated in such certificate.  
(Source: P.A. 83-913.)

Section 60. The Illinois Educational Labor Relations Act is amended by changing Sections 4 and 17 as follows:

(115 ILCS 5/4) (from Ch. 48, par. 1704)

Sec. 4. Employer rights. Employers shall not be required to bargain over matters of inherent managerial policy, which shall include such areas of discretion or policy as the functions of the employer, standards of services, its overall budget, the organizational structure and selection of new employees and direction of employees. Employers, however, shall be required to bargain collectively with regard to policy matters directly affecting wages (but subject to any applicable restrictions in Section 16-122.9 of the Illinois Pension Code), hours and terms and conditions of employment as well as the impact thereon upon request by employee representatives, but excluding the changes, the impact of changes, and the implementation of the changes set forth in this amendatory Act of the 98th General Assembly. To preserve the rights of employers and exclusive representatives which have established collective bargaining relationships or negotiated collective bargaining agreements prior to the effective date of this Act, employers shall be required to bargain collectively with regard to any matter concerning wages (but subject to any applicable restrictions in Section 16-122.9 of the Illinois Pension Code), hours or conditions of employment about which they have bargained for and agreed to in a collective bargaining agreement prior to the effective date of this Act, but excluding the changes, the impact of changes, and the implementation of the changes set forth in this amendatory Act of the 98th General Assembly.

(Source: P.A. 83-1014.)

(115 ILCS 5/17) (from Ch. 48, par. 1717)

Sec. 17. Effect on other laws. In case of any conflict between the provisions of this Act and any other law (other than Section 16-122.9 of the Illinois Pension Code), executive order or administrative regulation, the provisions of this Act shall prevail and control. The provisions of this Act are subject to any applicable restrictions in Section 16-122.9 of the Illinois Pension Code, as well as the changes, impact of changes, and implementation of changes set forth in this amendatory Act of the 98th General

Assembly. Nothing in this Act shall be construed to replace or diminish the rights of employees established by Section 36d of "An Act to create the State Universities Civil Service System", approved May 11, 1905, as amended or modified.  
(Source: P.A. 83-1014.)

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. 3 was ordered engrossed, and the bill, as amended, was ordered to a third reading.

### READING OF BILLS OF THE SENATE A THIRD TIME

On motion of Senator J. Cullerton, **Senate Bill No. 1**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

Pending roll call, on motion of Senator J. Cullerton, further consideration of **Senate Bill No. 1** was postponed.

On motion of Senator Hutchinson, **Senate Bill No. 1894** 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	Frerichs	Link	Radogno
Barickman	Haine	Luechtefeld	Raoul
Bertino-Tarrant	Harmon	Manar	Rezin
Biss	Harris	Martinez	Richter
Brady	Hastings	McCann	Rose
Bush	Holmes	McCarter	Silverstein
Clayborne	Hunter	McConnaughay	Stadelman
Collins	Hutchinson	McGuire	Stears
Connelly	Jacobs	Morrison	Sullivan
Cullerton, T.	Jones, E.	Mulroe	Trotter
Cunningham	Koehler	Muñoz	Van Pelt
Delgado	Kotowski	Murphy	Mr. President
Dillard	LaHood	Noland	
Duffy	Landek	Oberweis	

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.

### READING BILL FROM THE HOUSE OF REPRESENTATIVES A THIRD TIME

On motion of Senator Martinez, **House Bill No. 1588** having been printed as received from the House of Representatives, together with all Senate Amendments adopted thereto, 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:

[March 20, 2013]

YEAS 40; NAYS 13.

The following voted in the affirmative:

Althoff	Harmon	Link	Raoul
Biss	Harris	Manar	Silverstein
Brady	Hastings	Martinez	Steans
Bush	Holmes	McCann	Sullivan
Clayborne	Hunter	McConnaughay	Trotter
Collins	Hutchinson	McGuire	Van Pelt
Cullerton, T.	Jacobs	Morrison	Mr. President
Cunningham	Jones, E.	Mulroe	
Delgado	Koehler	Muñoz	
Frerichs	Kotowski	Noland	
Haine	Landek	Radogno	

The following voted in the negative:

Barickman	LaHood	Rezin	Syverson
Connelly	Luechtefeld	Righter	
Dillard	McCarter	Rose	
Duffy	Oberweis	Stadelman	

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.

#### CONSIDERATION OF RESOLUTION ON SECRETARY'S DESK

Senator Manar moved that **Senate Resolution No. 75**, on the Secretary's Desk, be taken up for immediate consideration.

The motion prevailed.

Senator Manar moved that Senate Resolution No. 75 be adopted.

The motion prevailed.

And the resolution was adopted.

#### CONSIDERATION OF SENATE BILL ON CONSIDERATION POSTPONED

On motion of Senator J. Cullerton, **Senate Bill No. 1**, having been read by title a third time on March 20, 2013, and pending roll call further consideration postponed, was taken up again on third reading.

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

YEAS 30; NAYS 22; Present 2.

The following voted in the affirmative:

Bertino-Tarrant	Harris	Landek	Raoul
Biss	Hastings	Link	Silverstein
Bush	Hunter	Martinez	Stadelman
Collins	Hutchinson	McGuire	Trotter
Cullerton, T.	Jacobs	Morrison	Van Pelt
Cunningham	Jones, E.	Mulroe	Mr. President
Haine	Koehler	Muñoz	
Harmon	Kotowski	Noland	

[March 20, 2013]

The following voted in the negative:

Althoff	Frerichs	McCarter	Righter
Barickman	Holmes	McConaughay	Rose
Brady	LaHood	Murphy	Sullivan
Connelly	Luechtefeld	Oberweis	Syverson
Dillard	Manar	Radogno	
Duffy	McCann	Rezin	

The following voted present:

Delgado  
Steans

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.

Senator Clayborne asked and obtained unanimous consent for the Journal to reflect his intention to have voted in present on **Senate Bill No. 1**.

#### **REPORT FROM STANDING COMMITTEE**

Senator Holmes, Vice-Chairperson of the Committee on Labor and Commerce, to which was referred **Senate Bills Numbered 1190 and 1568**, reported the same back with the recommendation that the bill do pass.

Under the rules, the bill was ordered to a second reading.

Senator Holmes, Vice-Chairperson of the Committee on Labor and Commerce, to which was referred **Senate Bill No. 1708**, reported the same back with amendments having been adopted thereto, with the recommendation that the bill, as amended, do pass.

Under the rules, the bill was ordered to a second reading.

#### **PRESENTATION OF RESOLUTIONS**

##### **SENATE RESOLUTION NO. 173**

Offered by Senator Murphy and all Senators:  
Mourns the death of Suzy Yehl Marta of Palatine.

##### **SENATE RESOLUTION NO. 174**

Offered by Senator Murphy and all Senators:  
Mourns the death of John Giovannoni of Palatine.

By unanimous consent, the foregoing resolutions were referred to the Resolutions Consent Calendar.

Senator Collins offered the following Senate Resolution, which was referred to the Committee on Assignments:

##### **SENATE RESOLUTION NO. 172**

WHEREAS, The United States Postal Service plans to reduce delivery service from six days a week to five days a week, beginning in August of 2013; and

WHEREAS, American businesses, organizations, and citizens have depended on six-day mail service  
[March 20, 2013]

for the timely delivery of important documents since 1912; and

WHEREAS, Eliminating Saturday delivery will affect most Americans, but particularly rural residents, senior citizens, small businesses, and working families who rely on the postal service for receipt of their paychecks; and

WHEREAS, The reduction in service will inevitably create a backlog of undelivered mail, as postal workers will have fewer days in which to handle the same amount of mail; and

WHEREAS, This backlog will delay mail delivery or increase the cost of postal service, as postal employees work overtime hours to ensure timely delivery of the mail; therefore, be it

RESOLVED, BY THE SENATE OF THE NINETY-EIGHTH GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, that we urge the United States Postal Service to reconsider its decision and urge the United States Congress, in recognition of the Postal Service's duty to operate in the public interest, to require it to maintain its current delivery schedule; and be it further

RESOLVED, That suitable copies of this resolution be delivered to the United States Postmaster General and each member of the Illinois congressional delegation.

At the hour of 3:21 o'clock p.m., the Chair announced that the Senate stand at recess subject to the call of the Chair.

#### RECESS

At the hour of 7:52 o'clock p.m., the Senate resumed consideration of business.  
Senator Trotter, presiding.

#### LEGISLATIVE MEASURES FILED

The following Committee amendments to the Senate Bills listed below have been filed with the Secretary and referred to the Committee on Assignments:

Senate Committee Amendment No. 1 to Senate Bill 1190  
Senate Committee Amendment No. 1 to Senate Bill 1192  
Senate Committee Amendment No. 1 to Senate Bill 1859

The following Floor amendments to the Senate Bills listed below have been filed with the Secretary and referred to the Committee on Assignments:

Senate Floor Amendment No. 1 to Senate Bill 3  
Senate Floor Amendment No. 1 to Senate Bill 1214  
Senate Floor Amendment No. 3 to Senate Bill 1544  
Senate Floor Amendment No. 1 to Senate Bill 1622

#### COMMITTEE REPORT CORRECTION

Omitted from the Committee on Transportation's Report dated March 19, 2013:

Senator Sandoval, Chairperson of the Committee on Transportation, to which was referred **Senate Bill No. 1828**, reported the same back with the recommendation that the bill do pass.

Under the rules, the bill was ordered to a second reading.

#### REPORTS FROM STANDING COMMITTEES

[March 20, 2013]

Senator Martinez, Chairperson of the Committee on Licensed Activities and Pensions, to which was referred **Senate Bills Numbered 92, 1921 and 2218**, reported the same back with the recommendation that the bills do pass.

Under the rules, the bills were ordered to a second reading.

Senator Martinez, Chairperson of the Committee on Licensed Activities and Pensions, to which was referred **Senate Bills Numbered 1217 and 2255**, reported the same back with amendments having been adopted thereto, with the recommendation that the bills, as amended, do pass.

Under the rules, the bills were ordered to a second reading.

Senator Landek, Chairperson of the Committee on State Government and Veterans Affairs, to which was referred **Senate Bill No. 2221**, reported the same back with the recommendation that the bill do pass.

Under the rules, the bill was ordered to a second reading.

Senator Landek, Chairperson of the Committee on State Government and Veterans Affairs, to which was referred **Senate Bills Numbered 1256, 1352, 1723, 1884 and 2226**, reported the same back with amendments having been adopted thereto, with the recommendation that the bills, as amended, do pass.

Under the rules, the bills were ordered to a second reading.

Senator Landek, Chairperson of the Committee on State Government and Veterans Affairs, to which was referred the following Senate floor amendment, reported that the Committee recommends do adopt:

Senate Amendment No. 2 to Senate Bill 1323

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

Senator Landek, Chairperson of the Committee on State Government and Veterans Affairs, to which was referred **House Bills Numbered 986 and 1209**, reported the same back with the recommendation that the bills do pass.

Under the rules, the bills were ordered to a second reading.

Senator Harmon, Chairperson of the Committee on Executive, to which was referred **Senate Bills Numbered 3, 4, 5, 6, 7, 8, 11, 12, 13, 14, 15, 16, 17, 18, 19, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 143, 144, 145, 146, 147, 148, 149, 150, 151, 152, 153, 154, 155, 156, 157, 158, 159, 160, 161, 162, 163, 164, 165, 166, 167, 168, 169, 170, 171, 172, 173, 174, 175, 176, 177, 178, 179, 180, 181, 182, 183, 184, 185, 186, 187, 188, 189, 190, 191, 192, 193, 194, 195, 196, 197, 198, 199, 200, 201, 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 215, 216, 217, 218, 219, 220, 221, 223, 224, 225, 226, 227, 228, 229, 230, 231, 232, 233, 234, 235, 236, 237, 238, 239, 240, 241, 242, 243, 244, 245, 246, 247, 248, 249, 250, 251, 252, 253, 254, 255, 256, 257, 258, 259, 260, 261, 262, 263, 264, 265, 266, 267, 268, 269, 270, 271, 272, 273, 274, 275, 276, 277, 278, 279, 280, 281, 282, 283, 284, 285, 286, 287, 288, 289, 290, 291, 292, 293, 294, 295, 296, 297, 298, 299, 300, 301, 302, 303, 304, 305, 306, 307, 308, 309, 310, 311, 312, 313, 314, 315, 316, 317, 318, 319, 320, 321, 322, 323, 324, 325, 326, 327, 328, 329, 330, 331, 334, 335, 337, 338, 339, 340, 341, 342, 343, 344, 345, 346, 347, 348, 349, 350, 351, 352, 353, 354, 355, 356, 357, 358, 359, 360, 361, 362, 363, 364, 365, 366, 367, 368, 369, 370, 371, 372, 373, 374, 375, 376, 377, 378, 379, 380, 381, 382, 383, 384, 385, 386, 387, 388, 389, 390, 391, 392, 393, 394, 395, 396, 397, 398, 399, 400, 401, 402, 403, 404, 405, 406, 407, 408, 409, 410, 411, 412, 413, 414, 415, 416, 417, 418, 419, 420, 421, 422, 423, 424, 425, 426, 427, 428, 429, 430, 431, 432, 433, 434, 435, 436, 437, 438, 439, 440, 441, 442, 443, 444, 445, 446, 448, 449, 450, 451, 452, 453, 454, 455, 456, 457, 458, 459, 460, 461, 462, 463, 464, 465, 466, 467, 468, 469, 470, 471, 472, 473, 474, 475, 476, 477, 478, 479, 480, 481, 482, 483, 484, 485, 486, 487, 488, 489, 490, 491, 495, 496, 497, 498, 499, 500, 501, 502, 503, 504, 505, 506, 507, 508, 509, 510, 511, 512, 513, 514, 515, 516, 517, 518, 519, 520, 521, 522, 523, 524, 525, 526, 527, 528, 529, 530, 531, 532, 533, 534, 535, 536, 537, 538, 539, 540, 541, 542, 543, 544, 545, 546, 547, 548, 549, 550, 551, 552, 553, 554, 555, 556, 557, 558, 559, 560, 561, 562, 563, 564, 565, 566, 567, 568, 569, 570, 571, 573, 575, 576, 577,**

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Under the rules, the bills were ordered to a second reading.

Senator Harmon, Chairperson of the Committee on Executive, to which was referred **Senate Bills Numbered 494, 1361, 1514, 1585, 1594, 1847, 1922, 1937, 1954 and 1955**, reported the same back with amendments having been adopted thereto, with the recommendation that the bills, as amended, do pass.

Under the rules, the bills were ordered to a second reading.

Senator Haine, Chairperson of the Committee on Insurance, to which was referred **Senate Bills Numbered 1194, 1547, 1775, 1873 and 2366**, reported the same back with the recommendation that the bills do pass.

Under the rules, the bills were ordered to a second reading.

Senator Haine, Chairperson of the Committee on Insurance, to which was referred **Senate Bills Numbered 1630, 1718, 2178 and 2339**, reported the same back with amendments having been adopted thereto, with the recommendation that the bills, as amended, do pass.

Under the rules, the bills were ordered to a second reading.

Senator Haine, Chairperson of the Committee on Insurance, to which was referred **House Bill No. 991**, reported the same back with the recommendation that the bill do pass.

Under the rules, the bill was ordered to a second reading.

### **PRESENTATION OF RESOLUTION**

#### **SENATE RESOLUTION NO. 175**

Offered by Senator McCann and all Senators:

Mourns the death of Robert Lewis Deck of Girard.

By unanimous consent, the foregoing resolution was referred to the Resolutions Consent Calendar.

### **REPORT FROM STANDING COMMITTEE**

Senator Hutchinson, Chairperson of the Committee on Revenue, to which was referred **Senate Bills Numbered 1432 and 2258**, reported the same back with the recommendation that the bills do pass.

Under the rules, the bills were ordered to a second reading.

Senator Hutchinson, Chairperson of the Committee on Revenue, to which was referred **Senate Bills Numbered 333, 336, 1162, 1403, 1448, 1519, 1740, 2194, 2256, 2257 and 2345**, reported the same back with amendments having been adopted thereto, with the recommendation that the bills, as amended, do pass.

Under the rules, the bills were ordered to a second reading.

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

Senate Amendment No. 1 to Senate Bill 1228

Senate Amendment No. 1 to Senate Bill 1801

Senate Amendment No. 2 to Senate Bill 1953

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

Senator Hutchinson, Chairperson of the Committee on Revenue, to which was referred **House Bills Numbered 192 and 1188**, reported the same back with the recommendation that the bills do pass.

Under the rules, the bills were ordered to a second reading.

### **READING BILL FROM THE HOUSE OF REPRESENTATIVES A SECOND TIME**

On motion of Senator Harmon, **House Bill No. 1188** was taken up, read by title a second time and ordered to a third reading.

At the hour of 8:02 o'clock p.m., the Chair announced the Senate stand adjourned until Thursday, March 21, 2013, at 12:00 o'clock noon.

[March 20, 2013]