



Sen. Dan McConchie

Filed: 2/20/2018

10000SB2517sam001

LRB100 16911 RPS 35836 a

1 AMENDMENT TO SENATE BILL 2517

2 AMENDMENT NO. _____. Amend Senate Bill 2517 as follows:

3 on page 1, line 5, by replacing "16-106.4a and 16-106.4b" with
4 "16-106.4a, 16-106.4b, and 17-127"; and

5 on page 24, immediately below line 5, by inserting the
6 following:

7 "(40 ILCS 5/17-127) (from Ch. 108 1/2, par. 17-127)

8 Sec. 17-127. Financing; revenues for the Fund.

9 (a) The revenues for the Fund shall consist of: (1) amounts
10 paid into the Fund by contributors thereto and from employer
11 contributions and State appropriations in accordance with this
12 Article; (2) amounts contributed to the Fund by an Employer;
13 (3) amounts contributed to the Fund pursuant to any law now in
14 force or hereafter to be enacted; (4) contributions from any
15 other source; and (5) the earnings on investments.

1 (b) The General Assembly finds that for many years the
2 State has contributed to the Fund an annual amount that is
3 between 20% and 30% of the amount of the annual State
4 contribution to the Article 16 retirement system, and the
5 General Assembly declares that it is its goal and intention to
6 continue this level of contribution to the Fund in the future.

7 (c) Beginning in State fiscal year 1999, the State shall
8 include in its annual contribution to the Fund an additional
9 amount equal to 0.544% of the Fund's total teacher payroll;
10 except that this additional contribution need not be made in a
11 fiscal year if the Board has certified in the previous fiscal
12 year that the Fund is at least 90% funded, based on actuarial
13 determinations. These additional State contributions are
14 intended to offset a portion of the cost to the Fund of the
15 increases in retirement benefits resulting from this
16 amendatory Act of 1998.

17 (d) In addition to any other contribution required under
18 this Article, including the contribution required under
19 subsection (c), the State shall contribute to the Fund the
20 following amounts:

21 (1) For State fiscal year 2018, the State shall
22 contribute \$221,300,000 for the employer normal cost for
23 fiscal year 2018 and the amount allowed under paragraph (3)
24 of Section 17-142.1 of this Code to defray health insurance
25 costs. Funds for this paragraph (1) shall come from funds
26 appropriated for Evidence-Based Funding pursuant to

1 Section 18-8.15 of the School Code.

2 (2) ~~For Beginning in~~ State fiscal year 2019, the State
3 shall contribute ~~for each fiscal year~~ an amount to be
4 determined by the Fund, equal to the employer normal cost
5 for that fiscal year, plus the amount allowed pursuant to
6 paragraph (3) of Section 17-142.1 to defray health
7 insurance costs.

8 (3) Beginning in State fiscal year 2020 and each fiscal
9 year thereafter, the State shall contribute for each fiscal
10 year an amount to be determined by the Fund, equal to the
11 employer normal cost for that fiscal year, plus the amount
12 allowed pursuant to paragraph (3) of Section 17-142.1 to
13 defray health insurance costs. However, the amount
14 contributed under this paragraph shall be reduced by an
15 amount to be determined by the Fund, equal to the increase
16 in the employer normal cost of benefits resulting from any
17 increase in salary paid to a teacher over the preceding
18 school year.

19 (e) The Board shall determine the amount of State
20 contributions required for each fiscal year on the basis of the
21 actuarial tables and other assumptions adopted by the Board and
22 the recommendations of the actuary. On or before November 1 of
23 each year, beginning November 1, 2017, the Board shall submit
24 to the State Actuary, the Governor, and the General Assembly a
25 proposed certification of the amount of the required State
26 contribution to the Fund for the next fiscal year, along with

1 all of the actuarial assumptions, calculations, and data upon
2 which that proposed certification is based.

3 On or before January 1 of each year, beginning January 1,
4 2018, the State Actuary shall issue a preliminary report
5 concerning the proposed certification and identifying, if
6 necessary, recommended changes in actuarial assumptions that
7 the Board must consider before finalizing its certification of
8 the required State contributions.

9 (f) On or before January 15, 2018 and each January 15
10 thereafter, the Board shall certify to the Governor and the
11 General Assembly the amount of the required State contribution
12 for the next fiscal year. The certification shall include a
13 copy of the actuarial recommendations upon which it is based
14 and shall specifically identify the Fund's projected employer
15 normal cost for that fiscal year. The Board's certification
16 must note any deviations from the State Actuary's recommended
17 changes, the reason or reasons for not following the State
18 Actuary's recommended changes, and the fiscal impact of not
19 following the State Actuary's recommended changes on the
20 required State contribution.

21 For the purposes of this Article, including issuing
22 vouchers, and for the purposes of subsection (h) of Section 1.1
23 of the State Pension Funds Continuing Appropriation Act, the
24 State contribution specified for State fiscal year 2018 shall
25 be deemed to have been certified, by operation of law and
26 without official action by the Board or the State Actuary, in

1 the amount provided in subsection (c) and subsection (d) of
2 this Section.

3 (g) For State fiscal year 2018, the State Board of
4 Education shall submit vouchers, as directed by the Board, for
5 payment of State contributions to the Fund for the required
6 annual State contribution under subsection (d) of this Section.
7 These vouchers shall be paid by the State Comptroller and
8 Treasurer by warrants drawn on the amount appropriated to the
9 State Board of Education from the Common School Fund in Section
10 5 of Article 97 of Public Act 100-21. If State appropriations
11 for State fiscal year 2018 are less than the amount lawfully
12 vouchered under this subsection, the difference shall be paid
13 from the Common School Fund under the continuing appropriation
14 authority provided in Section 1.1 of the State Pension Funds
15 Continuing Appropriation Act.

16 (h) For State fiscal year 2018, the Board shall submit
17 vouchers for the payment of State contributions to the Fund for
18 the required annual State contribution under subsection (c) of
19 this Section. Beginning in State fiscal year 2019, the Board
20 shall submit vouchers for payment of State contributions to the
21 Fund for the required annual State contribution under
22 subsections (c) and (d) of this Section. These vouchers shall
23 be paid by the State Comptroller and Treasurer by warrants
24 drawn on the funds appropriated to the Fund for that fiscal
25 year. If State appropriations to the Fund for the applicable
26 fiscal year are less than the amount lawfully vouchered under

1 this subsection, the difference shall be paid from the Common
2 School Fund under the continuing appropriation authority
3 provided in Section 1.1 of the State Pension Funds Continuing
4 Appropriation Act.

5 (Source: P.A. 100-465, eff. 8-31-17.)".