



Rep. Naomi D. Jakobsson

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LRB094 03150 EFG 58292 a

1 AMENDMENT TO HOUSE BILL 1815

2 AMENDMENT NO. \_\_\_\_\_. Amend House Bill 1815 by replacing  
3 everything after the enacting clause with the following:

4 "Section 5. The State Finance Act is amended by adding  
5 Section 5.663 and changing Section 8h as follows:

6 (30 ILCS 105/5.663 new)

7 Sec. 5.663. The Pension Stabilization Fund.

8 (30 ILCS 105/8h)

9 Sec. 8h. Transfers to General Revenue Fund.

10 (a) Except as provided in subsection (b), (c), (d), or (e),  
11 notwithstanding any other State law to the contrary, the  
12 Governor may, through June 30, 2007, from time to time direct  
13 the State Treasurer and Comptroller to transfer a specified sum  
14 from any fund held by the State Treasurer to the General  
15 Revenue Fund in order to help defray the State's operating  
16 costs for the fiscal year. The total transfer under this  
17 Section from any fund in any fiscal year shall not exceed the  
18 lesser of (i) 8% of the revenues to be deposited into the fund  
19 during that fiscal year or (ii) an amount that leaves a  
20 remaining fund balance of 25% of the July 1 fund balance of  
21 that fiscal year. In fiscal year 2005 only, prior to  
22 calculating the July 1, 2004 final balances, the Governor may  
23 calculate and direct the State Treasurer with the Comptroller

1 to transfer additional amounts determined by applying the  
2 formula authorized in Public Act 93-839 to the funds balances  
3 on July 1, 2003. No transfer may be made from a fund under this  
4 Section that would have the effect of reducing the available  
5 balance in the fund to an amount less than the amount remaining  
6 unexpended and unreserved from the total appropriation from  
7 that fund estimated to be expended for that fiscal year. This  
8 Section does not apply to any funds that are restricted by  
9 federal law to a specific use, to any funds in the Motor Fuel  
10 Tax Fund, the Intercity Passenger Rail Fund, the Hospital  
11 Provider Fund, the Medicaid Provider Relief Fund, the Teacher  
12 Health Insurance Security Fund, the Reviewing Court  
13 Alternative Dispute Resolution Fund, ~~or~~ the Voters' Guide Fund,  
14 the Foreign Language Interpreter Fund, the Lawyers' Assistance  
15 Program Fund, the Supreme Court Federal Projects Fund, the  
16 Supreme Court Special State Projects Fund, ~~or~~ the Low-Level  
17 Radioactive Waste Facility Development and Operation Fund, or  
18 the Hospital Basic Services Preservation Fund, or to any funds  
19 to which subsection (f) of Section 20-40 of the Nursing and  
20 Advanced Practice Nursing Act applies. No transfers may be made  
21 under this Section from the Pet Population Control Fund.  
22 Notwithstanding any other provision of this Section, for fiscal  
23 year 2004, the total transfer under this Section from the Road  
24 Fund or the State Construction Account Fund shall not exceed  
25 the lesser of (i) 5% of the revenues to be deposited into the  
26 fund during that fiscal year or (ii) 25% of the beginning  
27 balance in the fund. For fiscal year 2005 through fiscal year  
28 2007, no amounts may be transferred under this Section from the  
29 Road Fund, the State Construction Account Fund, the Criminal  
30 Justice Information Systems Trust Fund, the Wireless Service  
31 Emergency Fund, or the Mandatory Arbitration Fund.

32 In determining the available balance in a fund, the  
33 Governor may include receipts, transfers into the fund, and  
34 other resources anticipated to be available in the fund in that

1 fiscal year.

2 The State Treasurer and Comptroller shall transfer the  
3 amounts designated under this Section as soon as may be  
4 practicable after receiving the direction to transfer from the  
5 Governor.

6 (b) This Section does not apply to: (i) the Ticket For The  
7 Cure Fund; (ii) ~~or to~~ any fund established under the Community  
8 Senior Services and Resources Act; or (iii) ~~(ii)~~ on or after  
9 January 1, 2006 (the effective date of Public Act 94-511) ~~this~~  
10 ~~amendatory Act of the 94th General Assembly,~~ the Child Labor  
11 and Day and Temporary Labor Enforcement Fund.

12 (c) This Section does not apply to the Demutualization  
13 Trust Fund established under the Uniform Disposition of  
14 Unclaimed Property Act.

15 (d) ~~(e)~~ This Section does not apply to moneys set aside in  
16 the Illinois State Podiatric Disciplinary Fund for podiatric  
17 scholarships and residency programs under the Podiatric  
18 Scholarship and Residency Act.

19 (e) Subsection (a) does not apply to, and no transfer may  
20 be made under this Section from, the Pension Stabilization  
21 Fund.

22 (Source: P.A. 93-32, eff. 6-20-03; 93-659, eff. 2-3-04; 93-674,  
23 eff. 6-10-04; 93-714, eff. 7-12-04; 93-801, eff. 7-22-04;  
24 93-839, eff. 7-30-04; 93-1054, eff. 11-18-04; 93-1067, eff.  
25 1-15-05; 94-91, eff. 7-1-05; 94-120, eff. 7-6-05; 94-511, eff.  
26 1-1-06; 94-535, eff. 8-10-05; 94-639, eff. 8-22-05; 94-645,  
27 eff. 8-22-05; 94-648, eff. 1-1-06; 94-686, eff. 11-2-05;  
28 94-691, eff. 11-2-05; 94-726, eff. 1-20-06; revised 1-23-06.)

29 Section 10. The Budget Stabilization Act is amended by  
30 changing Sections 10 and 15 and adding Sections 20 and 25 as  
31 follows:

32 (30 ILCS 122/10)

1           Sec. 10. Budget limitations.

2           (a) In addition to Section 50-5 of the State Budget Law of  
3 the Civil Administrative Code of Illinois, the General  
4 Assembly's appropriations and transfers or diversions as  
5 required by law from general funds shall not exceed 99% ~~99.5%~~  
6 of the estimated general funds revenues for the fiscal year  
7 when revenue estimates of the State's general funds revenues  
8 exceed the prior fiscal year's estimated general funds revenues  
9 by more than 4%.

10          (b) The General Assembly's appropriations and transfers or  
11 diversions as required by law from general funds shall not  
12 exceed 98% ~~99%~~ of the estimated general funds revenues for the  
13 fiscal year when revenue estimates of the State's general funds  
14 revenues exceed the prior fiscal year's estimated general funds  
15 revenues by more than 4% for 2 or more consecutive fiscal  
16 years.

17          (c) For the purpose of this Act, "estimated general funds  
18 revenues" include, for each budget year, all taxes, fees, and  
19 other revenues expected to be deposited into the State's  
20 general funds, including recurring transfers from other State  
21 funds into the general funds.

22          Year-over-year comparisons used to determine the  
23 percentage growth factor of estimated general funds revenues  
24 shall exclude the sum of the following: (i) expected revenues  
25 resulting from new taxes or fees or from tax or fee increases  
26 during the first year of the change, (ii) expected revenues  
27 resulting from one-time receipts or non-recurring transfers  
28 in, (iii) expected proceeds resulting from borrowing, and (iv)  
29 increases in federal grants that must be completely  
30 appropriated based on the terms of the grants.

31          (Source: P.A. 93-660, eff. 7-1-04.)

32                 (30 ILCS 122/15)

33           Sec. 15. Transfers to Budget Stabilization Fund. In

1 furtherance of the State's objective for the Budget  
2 Stabilization Fund to have resources representing 5% of the  
3 State's annual general funds revenues:

4 (a) For each fiscal year when the General Assembly's  
5 appropriations and transfers or diversions as required by law  
6 from general funds do not exceed 99% ~~99.5%~~ of the estimated  
7 general funds revenues pursuant to subsection (a) of Section  
8 10, the Comptroller shall transfer from the General Revenue  
9 Fund as provided by this Section a total amount equal to 0.5%  
10 ~~.5%~~ of the estimated general funds revenues to the Budget  
11 Stabilization Fund.

12 (b) For each fiscal year when the General Assembly's  
13 appropriations and transfers or diversions as required by law  
14 from general funds do not exceed 98% ~~99%~~ of the estimated  
15 general funds revenues pursuant to subsection (b) of Section  
16 10, the Comptroller shall transfer from the General Revenue  
17 Fund as provided by this Section a total amount equal to 1% of  
18 the estimated general funds revenues to the Budget  
19 Stabilization Fund.

20 (c) The Comptroller shall transfer 1/12 of the total amount  
21 to be transferred each fiscal year under this Section into the  
22 Budget Stabilization Fund on the first day of each month of  
23 that fiscal year or as soon thereafter as possible. The balance  
24 of the Budget Stabilization Fund shall not exceed 5% of the  
25 total of general funds revenues estimated for that fiscal year  
26 except as provided by subsection (d) of this Section.

27 (d) If the balance of the Budget Stabilization Fund exceeds  
28 5% of the total general funds revenues estimated for that  
29 fiscal year, the additional transfers are not required unless  
30 there are outstanding liabilities under Section 25 of the State  
31 Finance Act from prior fiscal years. If there are such  
32 outstanding Section 25 liabilities, then the Comptroller shall  
33 continue to transfer 1/12 of the total amount identified for  
34 transfer to the Budget Stabilization Fund on the first day of

1 each month of that fiscal year or as soon thereafter as  
2 possible to be reserved for those Section 25 liabilities.  
3 Nothing in this Act prohibits the General Assembly from  
4 appropriating additional moneys into the Budget Stabilization  
5 Fund.

6 (e) On or before August 31 of each fiscal year, the amount  
7 determined to be transferred to the Budget Stabilization Fund  
8 shall be reconciled to actual general funds revenues for that  
9 fiscal year. The final transfer for each fiscal year shall be  
10 adjusted so that the total amount transferred under this  
11 Section is equal to the percentage specified in subsection (a)  
12 or (b) of this Section ~~10 of this Act~~, as applicable, based on  
13 actual general funds revenues calculated consistently with  
14 subsection (c) of Section 10 of this Act for each fiscal year.

15 (f) For the fiscal year beginning July 1, 2006 and for each  
16 fiscal year thereafter, the budget proposal to the General  
17 Assembly shall identify liabilities incurred in a prior fiscal  
18 year under Section 25 of the State Finance Act and the budget  
19 proposal shall provide funding as allowable pursuant to  
20 subsection (d) of this Section, if applicable.

21 (Source: P.A. 93-660, eff. 7-1-04.)

22 (30 ILCS 122/20 new)

23 Sec. 20. Pension Stabilization Fund.

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

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

1 estimated general funds revenues to the Pension Stabilization  
2 Fund.

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

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

18 Before the final transfer for a fiscal year is made, the  
19 Comptroller shall reconcile the estimated general funds  
20 revenues used in calculating the other transfers under this  
21 Section for that fiscal year with the actual general funds  
22 revenues for that fiscal year. The final transfer for the  
23 fiscal year shall be adjusted so that the total amount  
24 transferred under this Section for that fiscal year is equal to  
25 the percentage specified in subsection (b) or (c) of this  
26 Section, whichever is applicable, of the actual general funds  
27 revenues for that fiscal year. The actual general funds  
28 revenues for the fiscal year shall be calculated in a manner  
29 consistent with subsection (c) of Section 10 of this Act.

30 (30 ILCS 122/25 new)

31 Sec. 25. Transfers from the Pension Stabilization Fund.

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

1           (1) the State Employees' Retirement System of  
2           Illinois;

3           (2) the Teachers' Retirement System of the State of  
4           Illinois;

5           (3) the State Universities Retirement System;

6           (4) the Judges Retirement System of Illinois; and

7           (5) the General Assembly Retirement System.

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

24           (c) At the request of the State Comptroller, the Governor's  
25           Office of Management and Budget shall determine the individual  
26           and total actuarial reserve deficiencies of the designated  
27           retirement systems. For this purpose, the Governor's Office of  
28           Management and Budget shall consider the latest available audit  
29           and actuarial reports of each of the retirement systems and the  
30           relevant reports and statistics of the Public Pension Division  
31           of the Department of Financial and Professional Regulation.

32           (d) Payments to the designated retirement systems under  
33           this Section shall be in addition to, and not in lieu of, any  
34           State contributions required under Section 2-124, 14-131,

1 15-155, 16-158, or 18-131 of the Illinois Pension Code.

2 Section 15. The Illinois Pension Code is amended by  
3 changing Sections 2-124, 14-131, 15-155, 16-158, and 18-131 as  
4 follows:

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

6 Sec. 2-124. Contributions by State.

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

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

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

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

1           Notwithstanding any other provision of this Article, the  
2 total required State contribution for State fiscal year 2006 is  
3 \$4,157,000.

4           Notwithstanding any other provision of this Article, the  
5 total required State contribution for State fiscal year 2007 is  
6 \$5,220,300.

7           For each of State fiscal years 2008 through 2010, the State  
8 contribution to the System, as a percentage of the applicable  
9 employee payroll, shall be increased in equal annual increments  
10 from the required State contribution for State fiscal year  
11 2007, so that by State fiscal year 2011, the State is  
12 contributing at the rate otherwise required under this Section.

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

17           Amounts received by the System pursuant to Section 25 of  
18 the Budget Stabilization Act in any fiscal year do not reduce  
19 and do not constitute payment of any portion of the minimum  
20 State contribution required under this Article in that fiscal  
21 year. Such amounts shall not reduce, and shall not be included  
22 in the calculation of, the required State contributions under  
23 this Article in any future year until the System has reached a  
24 funding ratio of at least 90%. A reference in this Article to  
25 the "required State contribution" or any substantially similar  
26 term does not include or apply to any amounts payable to the  
27 System under Section 25 of the Budget Stabilization Act.

28           Notwithstanding any other provision of this Section, the  
29 required State contribution for State fiscal year 2005 and for  
30 fiscal year 2008 and each fiscal year thereafter, as calculated  
31 under this Section and certified under Section 2-134, shall not  
32 exceed an amount equal to (i) the amount of the required State  
33 contribution that would have been calculated under this Section  
34 for that fiscal year if the System had not received any

1 payments under subsection (d) of Section 7.2 of the General  
2 Obligation Bond Act, minus (ii) the portion of the State's  
3 total debt service payments for that fiscal year on the bonds  
4 issued for the purposes of that Section 7.2, as determined and  
5 certified by the Comptroller, that is the same as the System's  
6 portion of the total moneys distributed under subsection (d) of  
7 Section 7.2 of the General Obligation Bond Act. In determining  
8 this maximum for State fiscal years 2008 through 2010, however,  
9 the amount referred to in item (i) shall be increased, as a  
10 percentage of the applicable employee payroll, in equal  
11 increments calculated from the sum of the required State  
12 contribution for State fiscal year 2007 plus the applicable  
13 portion of the State's total debt service payments for fiscal  
14 year 2007 on the bonds issued for the purposes of Section 7.2  
15 of the General Obligation Bond Act, so that, by State fiscal  
16 year 2011, the State is contributing at the rate otherwise  
17 required under this Section.

18 (Source: P.A. 93-2, eff. 4-7-03; 94-4, eff. 6-1-05.)

19 (40 ILCS 5/14-131) (from Ch. 108 1/2, par. 14-131)

20 Sec. 14-131. Contributions by State.

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

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

33 (b) The Board shall determine the total amount of State

1 contributions required for each fiscal year on the basis of the  
2 actuarial tables and other assumptions adopted by the Board,  
3 using the formula in subsection (e).

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

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

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

1 year 2005.

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

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

26 For State fiscal years 1996 through 2005, the State  
27 contribution to the System, as a percentage of the applicable  
28 employee payroll, shall be increased in equal annual increments  
29 so that by State fiscal year 2011, the State is contributing at  
30 the rate required under this Section; except that (i) for State  
31 fiscal year 1998, for all purposes of this Code and any other  
32 law of this State, the certified percentage of the applicable  
33 employee payroll shall be 5.052% for employees earning eligible  
34 creditable service under Section 14-110 and 6.500% for all

1 other employees, notwithstanding any contrary certification  
2 made under Section 14-135.08 before the effective date of this  
3 amendatory Act of 1997, and (ii) in the following specified  
4 State fiscal years, the State contribution to the System shall  
5 not be less than the following indicated percentages of the  
6 applicable employee payroll, even if the indicated percentage  
7 will produce a State contribution in excess of the amount  
8 otherwise required under this subsection and subsection (a):  
9 9.8% in FY 1999; 10.0% in FY 2000; 10.2% in FY 2001; 10.4% in FY  
10 2002; 10.6% in FY 2003; and 10.8% in FY 2004.

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

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

17 For each of State fiscal years 2008 through 2010, the State  
18 contribution to the System, as a percentage of the applicable  
19 employee payroll, shall be increased in equal annual increments  
20 from the required State contribution for State fiscal year  
21 2007, so that by State fiscal year 2011, the State is  
22 contributing at the rate otherwise required under this Section.

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

27 Amounts received by the System pursuant to Section 25 of  
28 the Budget Stabilization Act in any fiscal year do not reduce  
29 and do not constitute payment of any portion of the minimum  
30 State contribution required under this Article in that fiscal  
31 year. Such amounts shall not reduce, and shall not be included  
32 in the calculation of, the required State contributions under  
33 this Article in any future year until the System has reached a  
34 funding ratio of at least 90%. A reference in this Article to

1 the "required State contribution" or any substantially similar  
2 term does not include or apply to any amounts payable to the  
3 System under Section 25 of the Budget Stabilization Act.

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

28 (f) After the submission of all payments for eligible  
29 employees from personal services line items in fiscal year 2004  
30 have been made, the Comptroller shall provide to the System a  
31 certification of the sum of all fiscal year 2004 expenditures  
32 for personal services that would have been covered by payments  
33 to the System under this Section if the provisions of this  
34 amendatory Act of the 93rd General Assembly had not been

1 enacted. Upon receipt of the certification, the System shall  
2 determine the amount due to the System based on the full rate  
3 certified by the Board under Section 14-135.08 for fiscal year  
4 2004 in order to meet the State's obligation under this  
5 Section. The System shall compare this amount due to the amount  
6 received by the System in fiscal year 2004 through payments  
7 under this Section and under Section 6z-61 of the State Finance  
8 Act. If the amount due is more than the amount received, the  
9 difference shall be termed the "Fiscal Year 2004 Shortfall" for  
10 purposes of this Section, and the Fiscal Year 2004 Shortfall  
11 shall be satisfied under Section 1.2 of the State Pension Funds  
12 Continuing Appropriation Act. If the amount due is less than  
13 the amount received, the difference shall be termed the "Fiscal  
14 Year 2004 Overpayment" for purposes of this Section, and the  
15 Fiscal Year 2004 Overpayment shall be repaid by the System to  
16 the Pension Contribution Fund as soon as practicable after the  
17 certification.

18 (Source: P.A. 93-2, eff. 4-7-03; 93-665, eff. 3-5-04; 94-4,  
19 eff. 6-1-05.)

20 (40 ILCS 5/15-155) (from Ch. 108 1/2, par. 15-155)

21 Sec. 15-155. Employer contributions.

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

29 The Board shall determine the amount of State contributions  
30 required for each fiscal year on the basis of the actuarial  
31 tables and other assumptions adopted by the Board and the  
32 recommendations of the actuary, using the formula in subsection  
33 (a-1).

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

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

16 Notwithstanding any other provision of this Article, the  
17 total required State contribution for State fiscal year 2006 is  
18 \$166,641,900.

19 Notwithstanding any other provision of this Article, the  
20 total required State contribution for State fiscal year 2007 is  
21 \$252,064,100.

22 For each of State fiscal years 2008 through 2010, the State  
23 contribution to the System, as a percentage of the applicable  
24 employee payroll, shall be increased in equal annual increments  
25 from the required State contribution for State fiscal year  
26 2007, so that by State fiscal year 2011, the State is  
27 contributing at the rate otherwise required under this Section.

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

32 Amounts received by the System pursuant to Section 25 of  
33 the Budget Stabilization Act in any fiscal year do not reduce  
34 and do not constitute payment of any portion of the minimum

1 State contribution required under this Article in that fiscal  
2 year. Such amounts shall not reduce, and shall not be included  
3 in the calculation of, the required State contributions under  
4 this Article in any future year until the System has reached a  
5 funding ratio of at least 90%. A reference in this Article to  
6 the "required State contribution" or any substantially similar  
7 term does not include or apply to any amounts payable to the  
8 System under Section 25 of the Budget Stabilization Act.

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

33       (b) If an employee is paid from trust or federal funds, the  
34 employer shall pay to the Board contributions from those funds

1 which are sufficient to cover the accruing normal costs on  
2 behalf of the employee. However, universities having employees  
3 who are compensated out of local auxiliary funds, income funds,  
4 or service enterprise funds are not required to pay such  
5 contributions on behalf of those employees. The local auxiliary  
6 funds, income funds, and service enterprise funds of  
7 universities shall not be considered trust funds for the  
8 purpose of this Article, but funds of alumni associations,  
9 foundations, and athletic associations which are affiliated  
10 with the universities included as employers under this Article  
11 and other employers which do not receive State appropriations  
12 are considered to be trust funds for the purpose of this  
13 Article.

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

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

1 other than those paid from trust and federal funds, shall be  
2 payable solely from appropriations to the Illinois Community  
3 College Board or the System for employer contributions.

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

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

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

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

1 within 30 days after receipt of the bill after the participant  
2 begins receiving benefits under this Article.

3 The provisions of this subsection (g) do not apply to  
4 earnings increases paid to participants under contracts or  
5 collective bargaining agreements entered into, amended, or  
6 renewed before the effective date of this amendatory Act of the  
7 94th General Assembly.

8 (Source: P.A. 93-2, eff. 4-7-03; 94-4, eff. 6-1-05.)

9 (40 ILCS 5/16-158) (from Ch. 108 1/2, par. 16-158)

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

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

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

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

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

1 Obligation Bond Act.

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

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

10 (b-1) Beginning in State fiscal year 1996, on the 15th day  
11 of each month, or as soon thereafter as may be practicable, the  
12 Board shall submit vouchers for payment of State contributions  
13 to the System, in a total monthly amount of one-twelfth of the  
14 required annual State contribution certified under subsection  
15 (a-1). From the effective date of this amendatory Act of the  
16 93rd General Assembly through June 30, 2004, the Board shall  
17 not submit vouchers for the remainder of fiscal year 2004 in  
18 excess of the fiscal year 2004 certified contribution amount  
19 determined under this Section after taking into consideration  
20 the transfer to the System under subsection (a) of Section  
21 6z-61 of the State Finance Act. These vouchers shall be paid by  
22 the State Comptroller and Treasurer by warrants drawn on the  
23 funds appropriated to the System for that fiscal year.

24 If in any month the amount remaining unexpended from all  
25 other appropriations to the System for the applicable fiscal  
26 year (including the appropriations to the System under Section  
27 8.12 of the State Finance Act and Section 1 of the State  
28 Pension Funds Continuing Appropriation Act) is less than the  
29 amount lawfully vouchered under this subsection, the  
30 difference shall be paid from the Common School Fund under the  
31 continuing appropriation authority provided in Section 1.1 of  
32 the State Pension Funds Continuing Appropriation Act.

33 (b-2) Allocations from the Common School Fund apportioned  
34 to school districts not coming under this System shall not be

1 diminished or affected by the provisions of this Article.

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

12 For State fiscal years 1996 through 2005, the State  
13 contribution to the System, as a percentage of the applicable  
14 employee payroll, shall be increased in equal annual increments  
15 so that by State fiscal year 2011, the State is contributing at  
16 the rate required under this Section; except that in the  
17 following specified State fiscal years, the State contribution  
18 to the System shall not be less than the following indicated  
19 percentages of the applicable employee payroll, even if the  
20 indicated percentage will produce a State contribution in  
21 excess of the amount otherwise required under this subsection  
22 and subsection (a), and notwithstanding any contrary  
23 certification made under subsection (a-1) before the effective  
24 date of this amendatory Act of 1998: 10.02% in FY 1999; 10.77%  
25 in FY 2000; 11.47% in FY 2001; 12.16% in FY 2002; 12.86% in FY  
26 2003; and 13.56% in FY 2004.

27 Notwithstanding any other provision of this Article, the  
28 total required State contribution for State fiscal year 2006 is  
29 \$534,627,700.

30 Notwithstanding any other provision of this Article, the  
31 total required State contribution for State fiscal year 2007 is  
32 \$738,014,500.

33 For each of State fiscal years 2008 through 2010, the State  
34 contribution to the System, as a percentage of the applicable

1 employee payroll, shall be increased in equal annual increments  
2 from the required State contribution for State fiscal year  
3 2007, so that by State fiscal year 2011, the State is  
4 contributing at the rate otherwise required under this Section.

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

9 Amounts received by the System pursuant to Section 25 of  
10 the Budget Stabilization Act in any fiscal year do not reduce  
11 and do not constitute payment of any portion of the minimum  
12 State contribution required under this Article in that fiscal  
13 year. Such amounts shall not reduce, and shall not be included  
14 in the calculation of, the required State contributions under  
15 this Article in any future year until the System has reached a  
16 funding ratio of at least 90%. A reference in this Article to  
17 the "required State contribution" or any substantially similar  
18 term does not include or apply to any amounts payable to the  
19 System under Section 25 of the Budget Stabilization Act.

20 Notwithstanding any other provision of this Section, the  
21 required State contribution for State fiscal year 2005 and for  
22 fiscal year 2008 and each fiscal year thereafter, as calculated  
23 under this Section and certified under subsection (a-1), shall  
24 not exceed an amount equal to (i) the amount of the required  
25 State contribution that would have been calculated under this  
26 Section for that fiscal year if the System had not received any  
27 payments under subsection (d) of Section 7.2 of the General  
28 Obligation Bond Act, minus (ii) the portion of the State's  
29 total debt service payments for that fiscal year on the bonds  
30 issued for the purposes of that Section 7.2, as determined and  
31 certified by the Comptroller, that is the same as the System's  
32 portion of the total moneys distributed under subsection (d) of  
33 Section 7.2 of the General Obligation Bond Act. In determining  
34 this maximum for State fiscal years 2008 through 2010, however,

1 the amount referred to in item (i) shall be increased, as a  
2 percentage of the applicable employee payroll, in equal  
3 increments calculated from the sum of the required State  
4 contribution for State fiscal year 2007 plus the applicable  
5 portion of the State's total debt service payments for fiscal  
6 year 2007 on the bonds issued for the purposes of Section 7.2  
7 of the General Obligation Bond Act, so that, by State fiscal  
8 year 2011, the State is contributing at the rate otherwise  
9 required under this Section.

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

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

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

32 However, with respect to benefits granted under Section  
33 16-133.4 or 16-133.5 to a teacher as defined in paragraph (8)  
34 of Section 16-106, the employer's contribution shall be 12%

1 (rather than 20%) of the member's highest annual salary rate  
2 for each year of creditable service granted, and the employer  
3 shall also pay the required employee contribution on behalf of  
4 the teacher. For the purposes of Sections 16-133.4 and  
5 16-133.5, a teacher as defined in paragraph (8) of Section  
6 16-106 who is serving in that capacity while on leave of  
7 absence from another employer under this Article shall not be  
8 considered an employee of the employer from which the teacher  
9 is on leave.

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

13 (1) Beginning July 1, 1998 through June 30, 1999, the  
14 employer contribution shall be equal to 0.3% of each  
15 teacher's salary.

16 (2) Beginning July 1, 1999 and thereafter, the employer  
17 contribution shall be equal to 0.58% of each teacher's  
18 salary.

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

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

27 Each employer of teachers is entitled to a credit against  
28 the contributions required under this subsection (e) with  
29 respect to salaries paid to teachers for the period January 1,  
30 2002 through June 30, 2003, equal to the amount paid by that  
31 employer under subsection (a-5) of Section 6.6 of the State  
32 Employees Group Insurance Act of 1971 with respect to salaries  
33 paid to teachers for that period.

34 The additional 1% employee contribution required under

1 Section 16-152 by this amendatory Act of 1998 is the  
2 responsibility of the teacher and not the teacher's employer,  
3 unless the employer agrees, through collective bargaining or  
4 otherwise, to make the contribution on behalf of the teacher.

5 If an employer is required by a contract in effect on May  
6 1, 1998 between the employer and an employee organization to  
7 pay, on behalf of all its full-time employees covered by this  
8 Article, all mandatory employee contributions required under  
9 this Article, then the employer shall be excused from paying  
10 the employer contribution required under this subsection (e)  
11 for the balance of the term of that contract. The employer and  
12 the employee organization shall jointly certify to the System  
13 the existence of the contractual requirement, in such form as  
14 the System may prescribe. This exclusion shall cease upon the  
15 termination, extension, or renewal of the contract at any time  
16 after May 1, 1998.

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

33 The provisions of this subsection (f) do not apply to  
34 salary increases paid to teachers under contracts or collective

1 bargaining agreements entered into, amended, or renewed before  
2 the effective date of this amendatory Act of the 94th General  
3 Assembly.

4 (Source: P.A. 93-2, eff. 4-7-03; 93-665, eff. 3-5-04; 94-4,  
5 eff. 6-1-05.)

6 (40 ILCS 5/18-131) (from Ch. 108 1/2, par. 18-131)

7 Sec. 18-131. Financing; employer contributions.

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

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

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

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

1 Notwithstanding any other provision of this Article, the  
2 total required State contribution for State fiscal year 2006 is  
3 \$29,189,400.

4 Notwithstanding any other provision of this Article, the  
5 total required State contribution for State fiscal year 2007 is  
6 \$35,236,800.

7 For each of State fiscal years 2008 through 2010, the State  
8 contribution to the System, as a percentage of the applicable  
9 employee payroll, shall be increased in equal annual increments  
10 from the required State contribution for State fiscal year  
11 2007, so that by State fiscal year 2011, the State is  
12 contributing at the rate otherwise required under this Section.

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

17 Amounts received by the System pursuant to Section 25 of  
18 the Budget Stabilization Act in any fiscal year do not reduce  
19 and do not constitute payment of any portion of the minimum  
20 State contribution required under this Article in that fiscal  
21 year. Such amounts shall not reduce, and shall not be included  
22 in the calculation of, the required State contributions under  
23 this Article in any future year until the System has reached a  
24 funding ratio of at least 90%. A reference in this Article to  
25 the "required State contribution" or any substantially similar  
26 term does not include or apply to any amounts payable to the  
27 System under Section 25 of the Budget Stabilization Act.

28 Notwithstanding any other provision of this Section, the  
29 required State contribution for State fiscal year 2005 and for  
30 fiscal year 2008 and each fiscal year thereafter, as calculated  
31 under this Section and certified under Section 18-140, shall  
32 not exceed an amount equal to (i) the amount of the required  
33 State contribution that would have been calculated under this  
34 Section for that fiscal year if the System had not received any

1 payments under subsection (d) of Section 7.2 of the General  
2 Obligation Bond Act, minus (ii) the portion of the State's  
3 total debt service payments for that fiscal year on the bonds  
4 issued for the purposes of that Section 7.2, as determined and  
5 certified by the Comptroller, that is the same as the System's  
6 portion of the total moneys distributed under subsection (d) of  
7 Section 7.2 of the General Obligation Bond Act. In determining  
8 this maximum for State fiscal years 2008 through 2010, however,  
9 the amount referred to in item (i) shall be increased, as a  
10 percentage of the applicable employee payroll, in equal  
11 increments calculated from the sum of the required State  
12 contribution for State fiscal year 2007 plus the applicable  
13 portion of the State's total debt service payments for fiscal  
14 year 2007 on the bonds issued for the purposes of Section 7.2  
15 of the General Obligation Bond Act, so that, by State fiscal  
16 year 2011, the State is contributing at the rate otherwise  
17 required under this Section.

18 (Source: P.A. 93-2, eff. 4-7-03; 94-4, eff. 6-1-05.)

19 Section 20. The State Pension Funds Continuing  
20 Appropriation Act is amended by adding Section 1.7 as follows:

21 (40 ILCS 15/1.7 new)

22 Sec. 1.7. Appropriations from the Pension Stabilization  
23 Fund.

24 (a) All of the moneys deposited from time to time into the  
25 Pension Stabilization Fund are hereby appropriated, on a  
26 continuing basis, to the State Comptroller for the purpose of  
27 making distributions to the designated retirement systems as  
28 provided in Section 25 of the Budget Stabilization Act.

29 (b) The appropriations made under this Section are in  
30 addition to, and do not affect, the amounts subject to  
31 appropriation under any other Section of this Act.

1           Section 99. Effective date. This Act takes effect July 1,  
2   2006.".