



Rep. Robert Martwick

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1 AMENDMENT TO SENATE BILL 1300

2 AMENDMENT NO. _____. Amend Senate Bill 1300 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Illinois Pension Code is amended by
5 changing Sections 1-160, 4-109, 7-159, 14-103.05, 14-110,
6 14-147.5, 14-147.6, 14-152.1, 15-120, 15-135, 15-136,
7 15-185.5, 15-185.6, 15-198, 16-190.5, 16-190.6, 16-203,
8 17-105.1, 17-106, and 17-132 and by adding Sections 1-167,
9 3-111.5, and 17-134.2 as follows:

10 (40 ILCS 5/1-160)

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

12 (a) The provisions of this Section apply to a person who,
13 on or after January 1, 2011, first becomes a member or a
14 participant under any reciprocal retirement system or pension
15 fund established under this Code, other than a retirement
16 system or pension fund established under Article 2, 3, 4, 5, 6,

1 15 or 18 of this Code, notwithstanding any other provision of
2 this Code to the contrary, but do not apply to any self-managed
3 plan established under this Code, to any person with respect to
4 service as a sheriff's law enforcement employee under Article
5 7, or to any participant of the retirement plan established
6 under Section 22-101. Notwithstanding anything to the contrary
7 in this Section, for purposes of this Section, a person who
8 participated in a retirement system under Article 15 prior to
9 January 1, 2011 shall be deemed a person who first became a
10 member or participant prior to January 1, 2011 under any
11 retirement system or pension fund subject to this Section. The
12 changes made to this Section by Public Act 98-596 are a
13 clarification of existing law and are intended to be
14 retroactive to January 1, 2011 (the effective date of Public
15 Act 96-889), notwithstanding the provisions of Section 1-103.1
16 of this Code.

17 This Section does not apply to a person who first becomes a
18 noncovered employee under Article 14 on or after the
19 implementation date of the plan created under Section 1-161 for
20 that Article, unless that person elects under subsection (b) of
21 Section 1-161 to instead receive the benefits provided under
22 this Section and the applicable provisions of that Article.

23 This Section does not apply to a person who first becomes a
24 member or participant under Article 16 on or after the
25 implementation date of the plan created under Section 1-161 for
26 that Article, unless that person elects under subsection (b) of

1 Section 1-161 to instead receive the benefits provided under
2 this Section and the applicable provisions of that Article.

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

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

13 (b) "Final average salary" means the average monthly (or
14 annual) salary obtained by dividing the total salary or
15 earnings calculated under the Article applicable to the member
16 or participant during the 96 consecutive months (or 8
17 consecutive years) of service within the last 120 months (or 10
18 years) of service in which the total salary or earnings
19 calculated under the applicable Article was the highest by the
20 number of months (or years) of service in that period. For the
21 purposes of a person who first becomes a member or participant
22 of any retirement system or pension fund to which this Section
23 applies on or after January 1, 2011, in this Code, "final
24 average salary" shall be substituted for the following:

25 (1) In Article 7 (except for service as sheriff's law
26 enforcement employees), "final rate of earnings".

1 (2) In Articles 8, 9, 10, 11, and 12, "highest average
2 annual salary for any 4 consecutive years within the last
3 10 years of service immediately preceding the date of
4 withdrawal".

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

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

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

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

10 (b-5) Beginning on January 1, 2011, for all purposes under
11 this Code (including without limitation the calculation of
12 benefits and employee contributions), the annual earnings,
13 salary, or wages (based on the plan year) of a member or
14 participant to whom this Section applies shall not exceed
15 \$106,800; however, that amount shall annually thereafter be
16 increased by the lesser of (i) 3% of that amount, including all
17 previous adjustments, or (ii) one-half the annual unadjusted
18 percentage increase (but not less than zero) in the consumer
19 price index-u for the 12 months ending with the September
20 preceding each November 1, including all previous adjustments.

21 For the purposes of this Section, "consumer price index-u"
22 means the index published by the Bureau of Labor Statistics of
23 the United States Department of Labor that measures the average
24 change in prices of goods and services purchased by all urban
25 consumers, United States city average, all items, 1982-84 =
26 100. The new amount resulting from each annual adjustment shall

1 be determined by the Public Pension Division of the Department
2 of Insurance and made available to the boards of the retirement
3 systems and pension funds by November 1 of each year.

4 (c) A member or participant is entitled to a retirement
5 annuity upon written application if he or she has attained age
6 67 (beginning January 1, 2015, age 65 with respect to service
7 under Article 12 of this Code that is subject to this Section)
8 and has at least 10 years of service credit and is otherwise
9 eligible under the requirements of the applicable Article.

10 A member or participant who has attained age 62 (beginning
11 January 1, 2015, age 60 with respect to service under Article
12 12 of this Code that is subject to this Section) and has at
13 least 10 years of service credit and is otherwise eligible
14 under the requirements of the applicable Article may elect to
15 receive the lower retirement annuity provided in subsection (d)
16 of this Section.

17 (c-5) A person who first becomes a member or a participant
18 subject to this Section on or after July 6, 2017 (the effective
19 date of Public Act 100-23), notwithstanding any other provision
20 of this Code to the contrary, is entitled to a retirement
21 annuity under Article 8 or Article 11 upon written application
22 if he or she has attained age 65 and has at least 10 years of
23 service credit and is otherwise eligible under the requirements
24 of Article 8 or Article 11 of this Code, whichever is
25 applicable.

26 (d) The retirement annuity of a member or participant who

1 is retiring after attaining age 62 (beginning January 1, 2015,
2 age 60 with respect to service under Article 12 of this Code
3 that is subject to this Section) with at least 10 years of
4 service credit shall be reduced by one-half of 1% for each full
5 month that the member's age is under age 67 (beginning January
6 1, 2015, age 65 with respect to service under Article 12 of
7 this Code that is subject to this Section).

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

13 (d-10) Each person who first became a member or participant
14 under Article 8 or Article 11 of this Code on or after January
15 1, 2011 and prior to the effective date of this amendatory Act
16 of the 100th General Assembly shall make an irrevocable
17 election either:

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

26 (ii) to not agree to item (i) of this subsection

1 (d-10), in which case the member or participant shall
2 continue to be subject to the retirement age provisions in
3 subsections (c) and (d) of this Section and the employee
4 contributions for age and service annuity as provided in
5 subsection (a) of Section 8-174 of this Code (for service
6 under Article 8) or subsection (a) of Section 11-170 of
7 this Code (for service under Article 11).

8 The election provided for in this subsection shall be made
9 between October 1, 2017 and November 15, 2017. A person subject
10 to this subsection who makes the required election shall remain
11 bound by that election. A person subject to this subsection who
12 fails for any reason to make the required election within the
13 time specified in this subsection shall be deemed to have made
14 the election under item (ii).

15 (e) Any retirement annuity or supplemental annuity shall be
16 subject to annual increases on the January 1 occurring either
17 on or after the attainment of age 67 (beginning January 1,
18 2015, age 65 with respect to service under Article 12 of this
19 Code that is subject to this Section and beginning on the
20 effective date of this amendatory Act of the 100th General
21 Assembly, age 65 with respect to service under Article 8 or
22 Article 11 for eligible persons who: (i) are subject to
23 subsection (c-5) of this Section; or (ii) made the election
24 under item (i) of subsection (d-10) of this Section) or the
25 first anniversary of the annuity start date, whichever is
26 later. Each annual increase shall be calculated at 3% or

1 one-half the annual unadjusted percentage increase (but not
2 less than zero) in the consumer price index-u for the 12 months
3 ending with the September preceding each November 1, whichever
4 is less, of the originally granted retirement annuity. If the
5 annual unadjusted percentage change in the consumer price
6 index-u for the 12 months ending with the September preceding
7 each November 1 is zero or there is a decrease, then the
8 annuity shall not be increased.

9 For the purposes of Section 1-103.1 of this Code, the
10 changes made to this Section by this amendatory Act of the
11 100th General Assembly are applicable without regard to whether
12 the employee was in active service on or after the effective
13 date of this amendatory Act of the 100th General Assembly.

14 (f) The initial survivor's or widow's annuity of an
15 otherwise eligible survivor or widow of a retired member or
16 participant who first became a member or participant on or
17 after January 1, 2011 shall be in the amount of 66 2/3% of the
18 retired member's or participant's retirement annuity at the
19 date of death. In the case of the death of a member or
20 participant who has not retired and who first became a member
21 or participant on or after January 1, 2011, eligibility for a
22 survivor's or widow's annuity shall be determined by the
23 applicable Article of this Code. The initial benefit shall be
24 66 2/3% of the earned annuity without a reduction due to age. A
25 child's annuity of an otherwise eligible child shall be in the
26 amount prescribed under each Article if applicable. Any

1 survivor's or widow's annuity shall be increased (1) on each
2 January 1 occurring on or after the commencement of the annuity
3 if the deceased member died while receiving a retirement
4 annuity or (2) in other cases, on each January 1 occurring
5 after the first anniversary of the commencement of the annuity.
6 Each annual increase shall be calculated at 3% or one-half the
7 annual unadjusted percentage increase (but not less than zero)
8 in the consumer price index-u for the 12 months ending with the
9 September preceding each November 1, whichever is less, of the
10 originally granted survivor's annuity. If the annual
11 unadjusted percentage change in the consumer price index-u for
12 the 12 months ending with the September preceding each November
13 1 is zero or there is a decrease, then the annuity shall not be
14 increased.

15 (g) The benefits in Section 14-110 apply only if the person
16 is a State policeman, a fire fighter in the fire protection
17 service of a department, a conservation police officer, an
18 investigator for the Secretary of State, an arson investigator,
19 a Commerce Commission police officer, a security employee of
20 the Department of Corrections or the Department of Juvenile
21 Justice, or a security employee of the Department of Innovation
22 and Technology, as those terms are defined in subsection (b)
23 and subsection (c) of Section 14-110. A person who meets the
24 requirements of this Section is entitled to an annuity
25 calculated under the provisions of Section 14-110, in lieu of
26 the regular or minimum retirement annuity, only if the person

1 has withdrawn from service with not less than 20 years of
2 eligible creditable service and has attained age 60, regardless
3 of whether the attainment of age 60 occurs while the person is
4 still in service.

5 (h) If a person who first becomes a member or a participant
6 of a retirement system or pension fund subject to this Section
7 on or after January 1, 2011 is receiving a retirement annuity
8 or retirement pension under that system or fund and becomes a
9 member or participant under any other system or fund created by
10 this Code and is employed on a full-time basis, except for
11 those members or participants exempted from the provisions of
12 this Section under subsection (a) of this Section, then the
13 person's retirement annuity or retirement pension under that
14 system or fund shall be suspended during that employment. Upon
15 termination of that employment, the person's retirement
16 annuity or retirement pension payments shall resume and be
17 recalculated if recalculation is provided for under the
18 applicable Article of this Code.

19 If a person who first becomes a member of a retirement
20 system or pension fund subject to this Section on or after
21 January 1, 2012 and is receiving a retirement annuity or
22 retirement pension under that system or fund and accepts on a
23 contractual basis a position to provide services to a
24 governmental entity from which he or she has retired, then that
25 person's annuity or retirement pension earned as an active
26 employee of the employer shall be suspended during that

1 contractual service. A person receiving an annuity or
2 retirement pension under this Code shall notify the pension
3 fund or retirement system from which he or she is receiving an
4 annuity or retirement pension, as well as his or her
5 contractual employer, of his or her retirement status before
6 accepting contractual employment. A person who fails to submit
7 such notification shall be guilty of a Class A misdemeanor and
8 required to pay a fine of \$1,000. Upon termination of that
9 contractual employment, the person's retirement annuity or
10 retirement pension payments shall resume and, if appropriate,
11 be recalculated under the applicable provisions of this Code.

12 (i) (Blank).

13 (j) In the case of a conflict between the provisions of
14 this Section and any other provision of this Code, the
15 provisions of this Section shall control.

16 (Source: P.A. 100-23, eff. 7-6-17; 100-201, eff. 8-18-17;
17 100-563, eff. 12-8-17; 100-611, eff. 7-20-18; 100-1166, eff.
18 1-4-19.)

19 (40 ILCS 5/1-167 new)

20 Sec. 1-167. Accelerated pension benefit payment options
21 report. On or before December 1, 2019, each board of trustees
22 of a retirement system created under Article 14, 15, or 16
23 shall create a report concerning accelerated pension benefit
24 payment options and submit the report to the Governor and the
25 General Assembly. Each retirement system shall survey its Tier

1 1 members to determine whether such members have interest in
2 existing accelerated pension benefit payment options or
3 different accelerated pension benefit payment options. The
4 report shall include data related to member participation in
5 existing accelerated pension benefit payment options and shall
6 include data related to the results of member surveys on
7 accelerated pension benefit payment options. The report shall
8 also include an examination of existing accelerated pension
9 benefit payments offered in other states in the public sector.

10 (40 ILCS 5/3-111.5 new)

11 Sec. 3-111.5. Membership date; previous IMRF service with
12 the same municipality. A police officer who previously
13 participated in the Illinois Municipal Retirement Fund (IMRF)
14 for service as a member of the police department of a
15 municipality and was transferred to that municipality's police
16 pension fund upon its creation under this Article shall, for
17 the purposes of determining the applicable tier of benefits
18 under this Article, be deemed to have become a police officer
19 and member of that municipality's police pension fund on the
20 date that he or she first participated in IMRF as a member of
21 the police department of that municipality, notwithstanding
22 whether that start date was before January 1, 2011.

23 (40 ILCS 5/4-109) (from Ch. 108 1/2, par. 4-109)

24 Sec. 4-109. Pension.

1 (a) A firefighter age 50 or more with 20 or more years of
2 creditable service, who is no longer in service as a
3 firefighter, shall receive a monthly pension of 1/2 the monthly
4 salary attached to the rank held by him or her in the fire
5 service at the date of retirement.

6 The monthly pension shall be increased by 1/12 of 2.5% of
7 such monthly salary for each additional month over 20 years of
8 service through 30 years of service, to a maximum of 75% of
9 such monthly salary.

10 The changes made to this subsection (a) by this amendatory
11 Act of the 91st General Assembly apply to all pensions that
12 become payable under this subsection on or after January 1,
13 1999. All pensions payable under this subsection that began on
14 or after January 1, 1999 and before the effective date of this
15 amendatory Act shall be recalculated, and the amount of the
16 increase accruing for that period shall be payable to the
17 pensioner in a lump sum.

18 (b) A firefighter who retires or is separated from service
19 having at least 10 but less than 20 years of creditable
20 service, who is not entitled to receive a disability pension,
21 and who did not apply for a refund of contributions at his or
22 her last separation from service shall receive a monthly
23 pension upon attainment of age 60 based on the monthly salary
24 attached to his or her rank in the fire service on the date of
25 retirement or separation from service according to the
26 following schedule:

1 For 10 years of service, 15% of salary;
2 For 11 years of service, 17.6% of salary;
3 For 12 years of service, 20.4% of salary;
4 For 13 years of service, 23.4% of salary;
5 For 14 years of service, 26.6% of salary;
6 For 15 years of service, 30% of salary;
7 For 16 years of service, 33.6% of salary;
8 For 17 years of service, 37.4% of salary;
9 For 18 years of service, 41.4% of salary;
10 For 19 years of service, 45.6% of salary.

11 (c) Notwithstanding any other provision of this Article,
12 the provisions of this subsection (c) apply to a person who
13 first becomes a firefighter under this Article on or after
14 January 1, 2011.

15 A firefighter age 55 or more who has 10 or more years of
16 service in that capacity shall be entitled at his option to
17 receive a monthly pension for his service as a firefighter
18 computed by multiplying 2.5% for each year of such service by
19 his or her final average salary.

20 The pension of a firefighter who is retiring after
21 attaining age 50 with 10 or more years of creditable service
22 shall be reduced by one-half of 1% for each month that the
23 firefighter's age is under age 55.

24 The maximum pension under this subsection (c) shall be 75%
25 of final average salary.

26 For the purposes of this subsection (c), "final average

1 salary" means the average monthly salary obtained by dividing
2 the total salary of the firefighter during the 96 consecutive
3 months of service within the last 120 months of service in
4 which the total salary was the highest by the number of months
5 of service in that period.

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

17 (d) A firefighter who previously participated in the
18 Illinois Municipal Retirement Fund (IMRF) for service as a
19 member of the fire department of a municipality and was
20 transferred to that municipality's firefighters' pension fund
21 upon its creation under this Article shall, for the purposes of
22 determining the applicable tier of benefits under this Article,
23 be deemed to have become a firefighter and member of that
24 municipality's firefighters' pension fund on the date that he
25 or she first participated in IMRF as a member of the fire
26 department of that municipality, notwithstanding whether that

1 start date was before January 1, 2011.

2 (Source: P.A. 96-1495, eff. 1-1-11.)

3 (40 ILCS 5/7-159) (from Ch. 108 1/2, par. 7-159)

4 Sec. 7-159. Surviving spouse annuity - refund of survivor
5 credits.

6 (a) Any employee annuitant who (1) upon the date a
7 retirement annuity begins is not then married, or (2) is
8 married to a person who would not qualify for surviving spouse
9 annuity if the person died on such date, is entitled to a
10 refund of the survivor credits including interest accumulated
11 on the date the annuity begins, excluding survivor credits and
12 interest thereon credited during periods of disability, and no
13 spouse shall have a right to any surviving spouse annuity from
14 this Fund. If the employee annuitant reenters service and upon
15 subsequent retirement has a spouse who would qualify for a
16 surviving spouse annuity, the employee annuitant may pay the
17 fund the amount of the refund plus interest at the effective
18 rate at the date of payment. The payment shall qualify the
19 spouse for a surviving spouse annuity and the amount paid shall
20 be considered as survivor contributions.

21 (b) Instead of a refund under subsection (a), the retiring
22 employee may elect to convert the amount of the refund into an
23 annuity, payable separately from the retirement annuity. If the
24 annuitant dies before the guaranteed amount has been
25 distributed, the remainder shall be paid in a lump sum to the

1 designated beneficiary of the annuitant. The Board shall adopt
2 any rules necessary for the implementation of this subsection.

3 (c) An annuitant who retired prior to June 1, 2011 and
4 received a refund of survivor credits under subsection (a), and
5 who thereafter became, and remains, either:

6 (1) a party to a civil union or a party to a legal
7 relationship that is recognized as a civil union or
8 marriage under the Illinois Religious Freedom Protection
9 and Civil Union Act on or after June 1, 2011; or

10 (2) a party to a marriage under the Illinois Marriage
11 and Dissolution of Marriage Act on or after February 26,
12 2014; or

13 (3) a party to a marriage, civil union or other legal
14 relationship that, at the time it was formed, was not
15 legally recognized in Illinois but was subsequently
16 recognized as a civil union or marriage under the Illinois
17 Religious Freedom Protection and Civil Union Act on or
18 after June 1, 2011, a marriage under the Illinois Marriage
19 and Dissolution of Marriage Act on or after February 26,
20 2014, or both;

21 may, within a period of one year beginning 5 months after the
22 effective date of this amendatory Act of the 99th General
23 Assembly, make an election to re-establish rights to a
24 surviving spouse annuity under Sections 7-154 through 7-158
25 (notwithstanding the eligibility requirements of paragraph
26 (a) (1) of Section 7-154), by paying to the Fund: (1) the total

1 amount of the refund received for survivor credits; and (2)
2 interest thereon at the actuarially assumed rate of return from
3 the date of the refund to the date of payment. Such election
4 must be made prior to the date of death of the annuitant.

5 The Fund may allow the annuitant to repay this refund over
6 a period of not more than 24 months. To the extent permitted by
7 the Internal Revenue Code of 1986, as amended, for federal and
8 State tax purposes, if a member pays in monthly installments by
9 reducing the monthly benefit by the amount of the otherwise
10 applicable contribution, the monthly amount by which the
11 annuitant's benefit is reduced shall not be treated as a
12 contribution by the annuitant but rather as a reduction of the
13 annuitant's monthly benefit.

14 If an annuitant makes an election under this subsection (c)
15 and the contributions required are not paid in full, an
16 otherwise qualifying spouse shall be given the option to make
17 an additional lump sum payment of the remaining contributions
18 and qualify for a surviving spouse annuity. Otherwise, an
19 additional refund representing contributions made hereunder
20 shall be paid at the annuitant's death and there shall be no
21 surviving spouse annuity paid.

22 (d) Any surviving spouse of an annuitant who (1) retired
23 prior to June 1, 2011, (2) was not married on the date the
24 retirement annuity began, (3) received a refund of survivor
25 credits under subsection (a), and (4) died prior to the
26 implementation of Public Act 99-682 on December 29, 2016 may,

1 within a period of one year beginning 5 months after the
2 effective date of this amendatory Act of the 101st General
3 Assembly, make an election to re-establish rights to a
4 surviving spouse annuity under Sections 7-154 through 7-158
5 (notwithstanding the eligibility requirements of paragraph (a)
6 of subsection (1) of Section 7-154), by paying to the Fund: (i)
7 the total amount of the refund received for survivor credits;
8 and (ii) interest thereon at the actuarially assumed rate of
9 return from the date of the refund to the date of payment. The
10 surviving spouse must also provide documentation proving he or
11 she was married to the annuitant or a party to a civil union
12 with the annuitant at the time of death and has not
13 subsequently remarried. This proof must include a marriage
14 certificate or a certificate for a civil union and any other
15 supporting documents deemed necessary by the Fund.

16 (Source: P.A. 99-682, eff. 7-29-16.)

17 (40 ILCS 5/14-103.05) (from Ch. 108 1/2, par. 14-103.05)

18 Sec. 14-103.05. Employee.

19 (a) Any person employed by a Department who receives salary
20 for personal services rendered to the Department on a warrant
21 issued pursuant to a payroll voucher certified by a Department
22 and drawn by the State Comptroller upon the State Treasurer,
23 including an elected official described in subparagraph (d) of
24 Section 14-104, shall become an employee for purpose of
25 membership in the Retirement System on the first day of such

1 employment.

2 A person entering service on or after January 1, 1972 and
3 prior to January 1, 1984 shall become a member as a condition
4 of employment and shall begin making contributions as of the
5 first day of employment.

6 A person entering service on or after January 1, 1984
7 shall, upon completion of 6 months of continuous service which
8 is not interrupted by a break of more than 2 months, become a
9 member as a condition of employment. Contributions shall begin
10 the first of the month after completion of the qualifying
11 period.

12 A person employed by the Chicago Metropolitan Agency for
13 Planning on the effective date of this amendatory Act of the
14 95th General Assembly who was a member of this System as an
15 employee of the Chicago Area Transportation Study and makes an
16 election under Section 14-104.13 to participate in this System
17 for his or her employment with the Chicago Metropolitan Agency
18 for Planning.

19 The qualifying period of 6 months of service is not
20 applicable to: (1) a person who has been granted credit for
21 service in a position covered by the State Universities
22 Retirement System, the Teachers' Retirement System of the State
23 of Illinois, the General Assembly Retirement System, or the
24 Judges Retirement System of Illinois unless that service has
25 been forfeited under the laws of those systems; (2) a person
26 entering service on or after July 1, 1991 in a noncovered

1 position; (3) a person to whom Section 14-108.2a or 14-108.2b
2 applies; or (4) a person to whom subsection (a-5) of this
3 Section applies.

4 (a-5) A person entering service on or after December 1,
5 2010 shall become a member as a condition of employment and
6 shall begin making contributions as of the first day of
7 employment. A person serving in the qualifying period on
8 December 1, 2010 will become a member on December 1, 2010 and
9 shall begin making contributions as of December 1, 2010.

10 (b) The term "employee" does not include the following:

11 (1) members of the State Legislature, and persons
12 electing to become members of the General Assembly
13 Retirement System pursuant to Section 2-105;

14 (2) incumbents of offices normally filled by vote of
15 the people;

16 (3) except as otherwise provided in this Section, any
17 person appointed by the Governor with the advice and
18 consent of the Senate unless that person elects to
19 participate in this system;

20 (3.1) any person serving as a commissioner of an ethics
21 commission created under the State Officials and Employees
22 Ethics Act unless that person elects to participate in this
23 system with respect to that service as a commissioner;

24 (3.2) any person serving as a part-time employee in any
25 of the following positions: Legislative Inspector General,
26 Special Legislative Inspector General, employee of the

1 Office of the Legislative Inspector General, Executive
2 Director of the Legislative Ethics Commission, or staff of
3 the Legislative Ethics Commission, regardless of whether
4 he or she is in active service on or after July 8, 2004
5 (the effective date of Public Act 93-685), unless that
6 person elects to participate in this System with respect to
7 that service; in this item (3.2), a "part-time employee" is
8 a person who is not required to work at least 35 hours per
9 week;

10 (3.3) any person who has made an election under Section
11 1-123 and who is serving either as legal counsel in the
12 Office of the Governor or as Chief Deputy Attorney General;

13 (4) except as provided in Section 14-108.2 or
14 14-108.2c, any person who is covered or eligible to be
15 covered by the Teachers' Retirement System of the State of
16 Illinois, the State Universities Retirement System, or the
17 Judges Retirement System of Illinois;

18 (5) an employee of a municipality or any other
19 political subdivision of the State;

20 (6) any person who becomes an employee after June 30,
21 1979 as a public service employment program participant
22 under the Federal Comprehensive Employment and Training
23 Act and whose wages or fringe benefits are paid in whole or
24 in part by funds provided under such Act;

25 (7) enrollees of the Illinois Young Adult Conservation
26 Corps program, administered by the Department of Natural

1 Resources, authorized grantee pursuant to Title VIII of the
2 "Comprehensive Employment and Training Act of 1973", 29 USC
3 993, as now or hereafter amended;

4 (8) enrollees and temporary staff of programs
5 administered by the Department of Natural Resources under
6 the Youth Conservation Corps Act of 1970;

7 (9) any person who is a member of any professional
8 licensing or disciplinary board created under an Act
9 administered by the Department of Professional Regulation
10 or a successor agency or created or re-created after the
11 effective date of this amendatory Act of 1997, and who
12 receives per diem compensation rather than a salary,
13 notwithstanding that such per diem compensation is paid by
14 warrant issued pursuant to a payroll voucher; such persons
15 have never been included in the membership of this System,
16 and this amendatory Act of 1987 (P.A. 84-1472) is not
17 intended to effect any change in the status of such
18 persons;

19 (10) any person who is a member of the Illinois Health
20 Care Cost Containment Council, and receives per diem
21 compensation rather than a salary, notwithstanding that
22 such per diem compensation is paid by warrant issued
23 pursuant to a payroll voucher; such persons have never been
24 included in the membership of this System, and this
25 amendatory Act of 1987 is not intended to effect any change
26 in the status of such persons;

1 (11) any person who is a member of the Oil and Gas
2 Board created by Section 1.2 of the Illinois Oil and Gas
3 Act, and receives per diem compensation rather than a
4 salary, notwithstanding that such per diem compensation is
5 paid by warrant issued pursuant to a payroll voucher;

6 (12) a person employed by the State Board of Higher
7 Education in a position with the Illinois Century Network
8 as of June 30, 2004, who remains continuously employed
9 after that date by the Department of Central Management
10 Services in a position with the Illinois Century Network
11 and participates in the Article 15 system with respect to
12 that employment;

13 (13) any person who first becomes a member of the Civil
14 Service Commission on or after January 1, 2012;

15 (14) any person, other than the Director of Employment
16 Security, who first becomes a member of the Board of Review
17 of the Department of Employment Security on or after
18 January 1, 2012;

19 (15) any person who first becomes a member of the Civil
20 Service Commission on or after January 1, 2012;

21 (16) any person who first becomes a member of the
22 Illinois Liquor Control Commission on or after January 1,
23 2012;

24 (17) any person who first becomes a member of the
25 Secretary of State Merit Commission on or after January 1,
26 2012;

1 (18) any person who first becomes a member of the Human
2 Rights Commission on or after January 1, 2012 unless he or
3 she is eligible to participate in accordance with
4 subsection (d) of this Section;

5 (19) any person who first becomes a member of the State
6 Mining Board on or after January 1, 2012;

7 (20) any person who first becomes a member of the
8 Property Tax Appeal Board on or after January 1, 2012;

9 (21) any person who first becomes a member of the
10 Illinois Racing Board on or after January 1, 2012;

11 (22) any person who first becomes a member of the
12 Department of State Police Merit Board on or after January
13 1, 2012;

14 (23) any person who first becomes a member of the
15 Illinois State Toll Highway Authority on or after January
16 1, 2012; or

17 (24) any person who first becomes a member of the
18 Illinois State Board of Elections on or after January 1,
19 2012.

20 (c) An individual who represents or is employed as an
21 officer or employee of a statewide labor organization that
22 represents members of this System may participate in the System
23 and shall be deemed an employee, provided that (1) the
24 individual has previously earned creditable service under this
25 Article, (2) the individual files with the System an
26 irrevocable election to become a participant within 6 months

1 after the effective date of this amendatory Act of the 94th
2 General Assembly, and (3) the individual does not receive
3 credit for that employment under any other provisions of this
4 Code. An employee under this subsection (c) is responsible for
5 paying to the System both (i) employee contributions based on
6 the actual compensation received for service with the labor
7 organization and (ii) employer contributions based on the
8 percentage of payroll certified by the board; all or any part
9 of these contributions may be paid on the employee's behalf or
10 picked up for tax purposes (if authorized under federal law) by
11 the labor organization.

12 A person who is an employee as defined in this subsection
13 (c) may establish service credit for similar employment prior
14 to becoming an employee under this subsection by paying to the
15 System for that employment the contributions specified in this
16 subsection, plus interest at the effective rate from the date
17 of service to the date of payment. However, credit shall not be
18 granted under this subsection (c) for any such prior employment
19 for which the applicant received credit under any other
20 provision of this Code or during which the applicant was on a
21 leave of absence.

22 (d) A person appointed as a member of the Human Rights
23 Commission on or after June 1, 2019 may elect to participate in
24 the System and shall be deemed an employee. Service and
25 contributions shall begin on the first payroll period
26 immediately following the employee's election to participate

1 in the System.

2 A person who is an employee as described in this subsection
3 (d) may establish service credit for employment as a Human
4 Rights Commissioner that occurred on or after June 1, 2019 and
5 before establishing service under this subsection by paying to
6 the System for that employment the contributions specified in
7 paragraph (1) of subsection (a) of Section 14-133, plus regular
8 interest from the date of service to the date of payment.

9 (Source: P.A. 96-1490, eff. 1-1-11; 97-609, eff. 1-1-12.)

10 (40 ILCS 5/14-110) (from Ch. 108 1/2, par. 14-110)

11 Sec. 14-110. Alternative retirement annuity.

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

21 (i) for periods of service as a noncovered employee: if
22 retirement occurs on or after January 1, 2001, 3% of final
23 average compensation for each year of creditable service;
24 if retirement occurs before January 1, 2001, 2 1/4% of
25 final average compensation for each of the first 10 years

1 of creditable service, 2 1/2% for each year above 10 years
2 to and including 20 years of creditable service, and 2 3/4%
3 for each year of creditable service above 20 years; and

4 (ii) for periods of eligible creditable service as a
5 covered employee: if retirement occurs on or after January
6 1, 2001, 2.5% of final average compensation for each year
7 of creditable service; if retirement occurs before January
8 1, 2001, 1.67% of final average compensation for each of
9 the first 10 years of such service, 1.90% for each of the
10 next 10 years of such service, 2.10% for each year of such
11 service in excess of 20 but not exceeding 30, and 2.30% for
12 each year in excess of 30.

13 Such annuity shall be subject to a maximum of 75% of final
14 average compensation if retirement occurs before January 1,
15 2001 or to a maximum of 80% of final average compensation if
16 retirement occurs on or after January 1, 2001.

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

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

25 (1) State policeman;

26 (2) fire fighter in the fire protection service of a

1 department;

2 (3) air pilot;

3 (4) special agent;

4 (5) investigator for the Secretary of State;

5 (6) conservation police officer;

6 (7) investigator for the Department of Revenue or the
7 Illinois Gaming Board;

8 (8) security employee of the Department of Human
9 Services;

10 (9) Central Management Services security police
11 officer;

12 (10) security employee of the Department of
13 Corrections or the Department of Juvenile Justice;

14 (11) dangerous drugs investigator;

15 (12) investigator for the Department of State Police;

16 (13) investigator for the Office of the Attorney
17 General;

18 (14) controlled substance inspector;

19 (15) investigator for the Office of the State's
20 Attorneys Appellate Prosecutor;

21 (16) Commerce Commission police officer;

22 (17) arson investigator;

23 (18) State highway maintenance worker;

24 (19) security employee of the Department of Innovation
25 and Technology; or

26 (20) transferred employee.

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

11 A person under paragraph (20) is entitled to eligible
12 creditable service for service credit earned under this Article
13 on and after his or her transfer by Executive Order No.
14 2003-10, Executive Order No. 2004-2, or Executive Order No.
15 2016-1.

16 (c) For the purposes of this Section:

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

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

24 (3) The term "air pilot" includes any employee whose
25 official job description on file in the Department of
26 Central Management Services, or in the department by which

1 he is employed if that department is not covered by the
2 Personnel Code, states that his principal duty is the
3 operation of aircraft, and who possesses a pilot's license;
4 however, the change in this definition made by this
5 amendatory Act of 1983 shall not operate to exclude any
6 noncovered employee who was an "air pilot" for the purposes
7 of this Section on January 1, 1984.

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

20 (5) The term "investigator for the Secretary of State"
21 means any person employed by the Office of the Secretary of
22 State and vested with such investigative duties as render
23 him ineligible for coverage under the Social Security Act
24 by reason of Sections 218(d)(5)(A), 218(d)(8)(D) and
25 218(1)(1) of that Act.

26 A person who became employed as an investigator for the

1 Secretary of State between January 1, 1967 and December 31,
2 1975, and who has served as such until attainment of age
3 60, either continuously or with a single break in service
4 of not more than 3 years duration, which break terminated
5 before January 1, 1976, shall be entitled to have his
6 retirement annuity calculated in accordance with
7 subsection (a), notwithstanding that he has less than 20
8 years of credit for such service.

9 (6) The term "Conservation Police Officer" means any
10 person employed by the Division of Law Enforcement of the
11 Department of Natural Resources and vested with such law
12 enforcement duties as render him ineligible for coverage
13 under the Social Security Act by reason of Sections
14 218(d)(5)(A), 218(d)(8)(D), and 218(1)(1) of that Act. The
15 term "Conservation Police Officer" includes the positions
16 of Chief Conservation Police Administrator and Assistant
17 Conservation Police Administrator.

18 (7) The term "investigator for the Department of
19 Revenue" means any person employed by the Department of
20 Revenue and vested with such investigative duties as render
21 him ineligible for coverage under the Social Security Act
22 by reason of Sections 218(d)(5)(A), 218(d)(8)(D) and
23 218(1)(1) of that Act.

24 The term "investigator for the Illinois Gaming Board"
25 means any person employed as such by the Illinois Gaming
26 Board and vested with such peace officer duties as render

1 the person ineligible for coverage under the Social
2 Security Act by reason of Sections 218(d)(5)(A),
3 218(d)(8)(D), and 218(1)(1) of that Act.

4 (8) The term "security employee of the Department of
5 Human Services" means any person employed by the Department
6 of Human Services who (i) is employed at the Chester Mental
7 Health Center and has daily contact with the residents
8 thereof, (ii) is employed within a security unit at a
9 facility operated by the Department and has daily contact
10 with the residents of the security unit, (iii) is employed
11 at a facility operated by the Department that includes a
12 security unit and is regularly scheduled to work at least
13 50% of his or her working hours within that security unit,
14 or (iv) is a mental health police officer. "Mental health
15 police officer" means any person employed by the Department
16 of Human Services in a position pertaining to the
17 Department's mental health and developmental disabilities
18 functions who is vested with such law enforcement duties as
19 render the person ineligible for coverage under the Social
20 Security Act by reason of Sections 218(d)(5)(A),
21 218(d)(8)(D) and 218(1)(1) of that Act. "Security unit"
22 means that portion of a facility that is devoted to the
23 care, containment, and treatment of persons committed to
24 the Department of Human Services as sexually violent
25 persons, persons unfit to stand trial, or persons not
26 guilty by reason of insanity. With respect to past

1 employment, references to the Department of Human Services
2 include its predecessor, the Department of Mental Health
3 and Developmental Disabilities.

4 The changes made to this subdivision (c)(8) by Public
5 Act 92-14 apply to persons who retire on or after January
6 1, 2001, notwithstanding Section 1-103.1.

7 (9) "Central Management Services security police
8 officer" means any person employed by the Department of
9 Central Management Services who is vested with such law
10 enforcement duties as render him ineligible for coverage
11 under the Social Security Act by reason of Sections
12 218(d)(5)(A), 218(d)(8)(D) and 218(1)(1) of that Act.

13 (10) For a member who first became an employee under
14 this Article before July 1, 2005, the term "security
15 employee of the Department of Corrections or the Department
16 of Juvenile Justice" means any employee of the Department
17 of Corrections or the Department of Juvenile Justice or the
18 former Department of Personnel, and any member or employee
19 of the Prisoner Review Board, who has daily contact with
20 inmates or youth by working within a correctional facility
21 or Juvenile facility operated by the Department of Juvenile
22 Justice or who is a parole officer or an employee who has
23 direct contact with committed persons in the performance of
24 his or her job duties. For a member who first becomes an
25 employee under this Article on or after July 1, 2005, the
26 term means an employee of the Department of Corrections or

1 the Department of Juvenile Justice who is any of the
2 following: (i) officially headquartered at a correctional
3 facility or Juvenile facility operated by the Department of
4 Juvenile Justice, (ii) a parole officer, (iii) a member of
5 the apprehension unit, (iv) a member of the intelligence
6 unit, (v) a member of the sort team, or (vi) an
7 investigator.

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

11 (12) The term "investigator for the Department of State
12 Police" means a person employed by the Department of State
13 Police who is vested under Section 4 of the Narcotic
14 Control Division Abolition Act with such law enforcement
15 powers as render him ineligible for coverage under the
16 Social Security Act by reason of Sections 218(d)(5)(A),
17 218(d)(8)(D) and 218(1)(1) of that Act.

18 (13) "Investigator for the Office of the Attorney
19 General" means any person who is employed as such by the
20 Office of the Attorney General and is vested with such
21 investigative duties as render him ineligible for coverage
22 under the Social Security Act by reason of Sections
23 218(d)(5)(A), 218(d)(8)(D) and 218(1)(1) of that Act. For
24 the period before January 1, 1989, the term includes all
25 persons who were employed as investigators by the Office of
26 the Attorney General, without regard to social security

1 status.

2 (14) "Controlled substance inspector" means any person
3 who is employed as such by the Department of Professional
4 Regulation and is vested with such law enforcement duties
5 as render him ineligible for coverage under the Social
6 Security Act by reason of Sections 218(d)(5)(A),
7 218(d)(8)(D) and 218(1)(1) of that Act. The term
8 "controlled substance inspector" includes the Program
9 Executive of Enforcement and the Assistant Program
10 Executive of Enforcement.

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

16 (16) "Commerce Commission police officer" means any
17 person employed by the Illinois Commerce Commission who is
18 vested with such law enforcement duties as render him
19 ineligible for coverage under the Social Security Act by
20 reason of Sections 218(d)(5)(A), 218(d)(8)(D), and
21 218(1)(1) of that Act.

22 (17) "Arson investigator" means any person who is
23 employed as such by the Office of the State Fire Marshal
24 and is vested with such law enforcement duties as render
25 the person ineligible for coverage under the Social
26 Security Act by reason of Sections 218(d)(5)(A),

1 218(d)(8)(D), and 218(1)(1) of that Act. A person who was
2 employed as an arson investigator on January 1, 1995 and is
3 no longer in service but not yet receiving a retirement
4 annuity may convert his or her creditable service for
5 employment as an arson investigator into eligible
6 creditable service by paying to the System the difference
7 between the employee contributions actually paid for that
8 service and the amounts that would have been contributed if
9 the applicant were contributing at the rate applicable to
10 persons with the same social security status earning
11 eligible creditable service on the date of application.

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

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

24 (ii) A person employed on a full-time basis by the
25 Illinois State Toll Highway Authority in the position
26 of equipment operator/laborer H-4, equipment

1 operator/laborer H-6, welder H-4, welder H-6,
2 mechanical/electrical H-4, mechanical/electrical H-6,
3 water/sewer H-4, water/sewer H-6, sign maker/hanger
4 H-4, sign maker/hanger H-6, roadway lighting H-4,
5 roadway lighting H-6, structural H-4, structural H-6,
6 painter H-4, or painter H-6; and whose principal
7 responsibility is to perform, on the roadway, the
8 actual maintenance necessary to keep the Authority's
9 tollways in serviceable condition for vehicular
10 traffic.

11 (19) The term "security employee of the Department of
12 Innovation and Technology" means a person who was a
13 security employee of the Department of Corrections or the
14 Department of Juvenile Justice, was transferred to the
15 Department of Innovation and Technology pursuant to
16 Executive Order 2016-01, and continues to perform similar
17 job functions under that Department.

18 (20) "Transferred employee" means an employee who was
19 transferred to the Department of Central Management
20 Services by Executive Order No. 2003-10 or Executive Order
21 No. 2004-2 or transferred to the Department of Innovation
22 and Technology by Executive Order No. 2016-1, or both, and
23 was entitled to eligible creditable service for services
24 immediately preceding the transfer.

25 (d) A security employee of the Department of Corrections or
26 the Department of Juvenile Justice, a security employee of the

1 Department of Human Services who is not a mental health police
2 officer, and a security employee of the Department of
3 Innovation and Technology shall not be eligible for the
4 alternative retirement annuity provided by this Section unless
5 he or she meets the following minimum age and service
6 requirements at the time of retirement:

7 (i) 25 years of eligible creditable service and age 55;

8 or

9 (ii) beginning January 1, 1987, 25 years of eligible
10 creditable service and age 54, or 24 years of eligible
11 creditable service and age 55; or

12 (iii) beginning January 1, 1988, 25 years of eligible
13 creditable service and age 53, or 23 years of eligible
14 creditable service and age 55; or

15 (iv) beginning January 1, 1989, 25 years of eligible
16 creditable service and age 52, or 22 years of eligible
17 creditable service and age 55; or

18 (v) beginning January 1, 1990, 25 years of eligible
19 creditable service and age 51, or 21 years of eligible
20 creditable service and age 55; or

21 (vi) beginning January 1, 1991, 25 years of eligible
22 creditable service and age 50, or 20 years of eligible
23 creditable service and age 55.

24 Persons who have service credit under Article 16 of this
25 Code for service as a security employee of the Department of
26 Corrections or the Department of Juvenile Justice, or the

1 Department of Human Services in a position requiring
2 certification as a teacher may count such service toward
3 establishing their eligibility under the service requirements
4 of this Section; but such service may be used only for
5 establishing such eligibility, and not for the purpose of
6 increasing or calculating any benefit.

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

15 (f) For purposes of calculating retirement annuities under
16 this Section, periods of service rendered after December 31,
17 1968 and before October 1, 1975 as a covered employee in the
18 position of special agent, conservation police officer, mental
19 health police officer, or investigator for the Secretary of
20 State, shall be deemed to have been service as a noncovered
21 employee, provided that the employee pays to the System prior
22 to retirement an amount equal to (1) the difference between the
23 employee contributions that would have been required for such
24 service as a noncovered employee, and the amount of employee
25 contributions actually paid, plus (2) if payment is made after
26 July 31, 1987, regular interest on the amount specified in item

1 (1) from the date of service to the date of payment.

2 For purposes of calculating retirement annuities under
3 this Section, periods of service rendered after December 31,
4 1968 and before January 1, 1982 as a covered employee in the
5 position of investigator for the Department of Revenue shall be
6 deemed to have been service as a noncovered employee, provided
7 that the employee pays to the System prior to retirement an
8 amount equal to (1) the difference between the employee
9 contributions that would have been required for such service as
10 a noncovered employee, and the amount of employee contributions
11 actually paid, plus (2) if payment is made after January 1,
12 1990, regular interest on the amount specified in item (1) from
13 the date of service to the date of payment.

14 (g) A State policeman may elect, not later than January 1,
15 1990, to establish eligible creditable service for up to 10
16 years of his service as a policeman under Article 3, by filing
17 a written election with the Board, accompanied by payment of an
18 amount to be determined by the Board, equal to (i) the
19 difference between the amount of employee and employer
20 contributions transferred to the System under Section 3-110.5,
21 and the amounts that would have been contributed had such
22 contributions been made at the rates applicable to State
23 policemen, plus (ii) interest thereon at the effective rate for
24 each year, compounded annually, from the date of service to the
25 date of payment.

26 Subject to the limitation in subsection (i), a State

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

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

26 Subject to the limitation in subsection (i), a State

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

14 Subject to the limitation in subsection (i), a State
15 policeman, conservation police officer, or investigator for
16 the Secretary of State may elect to establish eligible
17 creditable service for up to 5 years of service as a police
18 officer under Article 3, a policeman under Article 5, a
19 sheriff's law enforcement employee under Article 7, a member of
20 the county police department under Article 9, or a police
21 officer under Article 15 by filing a written election with the
22 Board and paying to the System an amount to be determined by
23 the Board, equal to (i) the difference between the amount of
24 employee and employer contributions transferred to the System
25 under Section 3-110.6, 5-236, 7-139.8, 9-121.10, or 15-134.4
26 and the amounts that would have been contributed had such

1 contributions been made at the rates applicable to State
2 policemen, plus (ii) interest thereon at the effective rate for
3 each year, compounded annually, from the date of service to the
4 date of payment.

5 Subject to the limitation in subsection (i), an
6 investigator for the Office of the Attorney General, or an
7 investigator for the Department of Revenue, may elect to
8 establish eligible creditable service for up to 5 years of
9 service as a police officer under Article 3, a policeman under
10 Article 5, a sheriff's law enforcement employee under Article
11 7, or a member of the county police department under Article 9
12 by filing a written election with the Board within 6 months
13 after August 25, 2009 (the effective date of Public Act 96-745)
14 and paying to the System an amount to be determined by the
15 Board, equal to (i) the difference between the amount of
16 employee and employer contributions transferred to the System
17 under Section 3-110.6, 5-236, 7-139.8, or 9-121.10 and the
18 amounts that would have been contributed had such contributions
19 been made at the rates applicable to State policemen, plus (ii)
20 interest thereon at the actuarially assumed rate for each year,
21 compounded annually, from the date of service to the date of
22 payment.

23 Subject to the limitation in subsection (i), a State
24 policeman, conservation police officer, investigator for the
25 Office of the Attorney General, an investigator for the
26 Department of Revenue, or investigator for the Secretary of

1 State may elect to establish eligible creditable service for up
2 to 5 years of service as a person employed by a participating
3 municipality to perform police duties, or law enforcement
4 officer employed on a full-time basis by a forest preserve
5 district under Article 7, a county corrections officer, or a
6 court services officer under Article 9, by filing a written
7 election with the Board within 6 months after August 25, 2009
8 (the effective date of Public Act 96-745) and paying to the
9 System an amount to be determined by the Board, equal to (i)
10 the difference between the amount of employee and employer
11 contributions transferred to the System under Sections 7-139.8
12 and 9-121.10 and the amounts that would have been contributed
13 had such contributions been made at the rates applicable to
14 State policemen, plus (ii) interest thereon at the actuarially
15 assumed rate for each year, compounded annually, from the date
16 of service to the date of payment.

17 (i) The total amount of eligible creditable service
18 established by any person under subsections (g), (h), (j), (k),
19 ~~and~~ (l), and (1-5) of this Section shall not exceed 12 years.

20 (j) Subject to the limitation in subsection (i), an
21 investigator for the Office of the State's Attorneys Appellate
22 Prosecutor or a controlled substance inspector may elect to
23 establish eligible creditable service for up to 10 years of his
24 service as a policeman under Article 3 or a sheriff's law
25 enforcement employee under Article 7, by filing a written
26 election with the Board, accompanied by payment of an amount to

1 be determined by the Board, equal to (1) the difference between
2 the amount of employee and employer contributions transferred
3 to the System under Section 3-110.6 or 7-139.8, and the amounts
4 that would have been contributed had such contributions been
5 made at the rates applicable to State policemen, plus (2)
6 interest thereon at the effective rate for each year,
7 compounded annually, from the date of service to the date of
8 payment.

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

1 interest on the amounts in items (1) and (2) from the first day
2 as an alternative formula employee after the employment for
3 which credit is being established to the date of payment.

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

18 (1-5) Subject to the limitation in subsection (i) of this
19 Section, a State policeman may elect to establish eligible
20 creditable service for up to 5 years of service as a full-time
21 law enforcement officer employed by the federal government or
22 by a state or local government located outside of Illinois for
23 which credit is not held in any other public employee pension
24 fund or retirement system. To obtain this credit, the applicant
25 must file a written application with the Board no later than 3
26 years after the effective date of this amendatory Act of the

1 101st General Assembly, accompanied by evidence of eligibility
2 acceptable to the Board and payment of an amount to be
3 determined by the Board, equal to (1) employee contributions
4 for the credit being established, based upon the applicant's
5 salary on the first day as an alternative formula employee
6 after the employment for which credit is being established and
7 the rates then applicable to alternative formula employees,
8 plus (2) an amount determined by the Board to be the employer's
9 normal cost of the benefits accrued for the credit being
10 established, plus (3) regular interest on the amounts in items
11 (1) and (2) from the first day as an alternative formula
12 employee after the employment for which credit is being
13 established to the date of payment.

14 (m) The amendatory changes to this Section made by this
15 amendatory Act of the 94th General Assembly apply only to: (1)
16 security employees of the Department of Juvenile Justice
17 employed by the Department of Corrections before the effective
18 date of this amendatory Act of the 94th General Assembly and
19 transferred to the Department of Juvenile Justice by this
20 amendatory Act of the 94th General Assembly; and (2) persons
21 employed by the Department of Juvenile Justice on or after the
22 effective date of this amendatory Act of the 94th General
23 Assembly who are required by subsection (b) of Section 3-2.5-15
24 of the Unified Code of Corrections to have any bachelor's or
25 advanced degree from an accredited college or university or, in
26 the case of persons who provide vocational training, who are

1 required to have adequate knowledge in the skill for which they
2 are providing the vocational training.

3 (n) A person employed in a position under subsection (b) of
4 this Section who has purchased service credit under subsection
5 (j) of Section 14-104 or subsection (b) of Section 14-105 in
6 any other capacity under this Article may convert up to 5 years
7 of that service credit into service credit covered under this
8 Section by paying to the Fund an amount equal to (1) the
9 additional employee contribution required under Section
10 14-133, plus (2) the additional employer contribution required
11 under Section 14-131, plus (3) interest on items (1) and (2) at
12 the actuarially assumed rate from the date of the service to
13 the date of payment.

14 (o) Subject to the limitation in subsection (i), a
15 conservation police officer, investigator for the Secretary of
16 State, Commerce Commission police officer, or arson
17 investigator subject to subsection (g) of Section 1-160 may
18 elect to convert up to 8 years of service credit established
19 before the effective date of this amendatory Act of the 101st
20 General Assembly as a conservation police officer,
21 investigator for the Secretary of State, Commerce Commission
22 police officer, or arson investigator under this Article into
23 eligible creditable service by filing a written election with
24 the Board no later than one year after the effective date of
25 this amendatory Act of the 101st General Assembly, accompanied
26 by payment of an amount to be determined by the Board equal to

1 (i) the difference between the amount of the employee
2 contributions actually paid for that service and the amount of
3 the employee contributions that would have been paid had the
4 employee contributions been made as a noncovered employee
5 serving in a position in which eligible creditable service, as
6 defined in this Section, may be earned, plus (ii) interest
7 thereon at the effective rate for each year, compounded
8 annually, from the date of service to the date of payment.

9 (Source: P.A. 100-19, eff. 1-1-18; 100-611, eff. 7-20-18.)

10 (40 ILCS 5/14-147.5)

11 Sec. 14-147.5. Accelerated pension benefit payment in lieu
12 of any pension benefit.

13 (a) As used in this Section:

14 "Eligible person" means a person who:

15 (1) has terminated service;

16 (2) has accrued sufficient service credit to be
17 eligible to receive a retirement annuity under this
18 Article;

19 (3) has not received any retirement annuity under this
20 Article; and

21 (4) has not made the election under Section 14-147.6.

22 "Pension benefit" means the benefits under this Article, or
23 Article 1 as it relates to those benefits, including any
24 anticipated annual increases, that an eligible person is
25 entitled to upon attainment of the applicable retirement age.

1 "Pension benefit" also includes applicable survivor's or
2 disability benefits.

3 (b) As soon as practical after the effective date of this
4 amendatory Act of the 100th General Assembly, the System shall
5 calculate, using actuarial tables and other assumptions
6 adopted by the Board, the present value of pension benefits for
7 each eligible person who requests that information and shall
8 offer each eligible person the opportunity to irrevocably elect
9 to receive an amount determined by the System to be equal to
10 60% of the present value of his or her pension benefits in lieu
11 of receiving any pension benefit. The offer shall specify the
12 dollar amount that the eligible person will receive if he or
13 she so elects and shall expire when a subsequent offer is made
14 to an eligible person. An eligible person is limited to one
15 calculation and offer per calendar year. The System shall make
16 a good faith effort to contact every eligible person to notify
17 him or her of the election.

18 Until June 30, 2024 ~~2021~~, an eligible person may
19 irrevocably elect to receive an accelerated pension benefit
20 payment in the amount that the System offers under this
21 subsection in lieu of receiving any pension benefit. A person
22 who elects to receive an accelerated pension benefit payment
23 under this Section may not elect to proceed under the
24 Retirement Systems Reciprocal Act with respect to service under
25 this Article.

26 (c) A person's creditable service under this Article shall

1 be terminated upon the person's receipt of an accelerated
2 pension benefit payment under this Section, and no other
3 benefit shall be paid under this Article based on the
4 terminated creditable service, including any retirement,
5 survivor, or other benefit; except that to the extent that
6 participation, benefits, or premiums under the State Employees
7 Group Insurance Act of 1971 are based on the amount of service
8 credit, the terminated service credit shall be used for that
9 purpose.

10 (d) If a person who has received an accelerated pension
11 benefit payment under this Section returns to active service
12 under this Article, then:

13 (1) Any benefits under the System earned as a result of
14 that return to active service shall be based solely on the
15 person's creditable service arising from the return to
16 active service.

17 (2) The accelerated pension benefit payment may not be
18 repaid to the System, and the terminated creditable service
19 may not under any circumstances be reinstated.

20 (e) As a condition of receiving an accelerated pension
21 benefit payment, the accelerated pension benefit payment must
22 be transferred into a tax qualified retirement plan or account.
23 The accelerated pension benefit payment under this Section may
24 be subject to withholding or payment of applicable taxes, but
25 to the extent permitted by federal law, a person who receives
26 an accelerated pension benefit payment under this Section must

1 direct the System to pay all of that payment as a rollover into
2 another retirement plan or account qualified under the Internal
3 Revenue Code of 1986, as amended.

4 (f) Upon receipt of a member's irrevocable election to
5 receive an accelerated pension benefit payment under this
6 Section, the System shall submit a voucher to the Comptroller
7 for payment of the member's accelerated pension benefit
8 payment. The Comptroller shall transfer the amount of the
9 voucher from the State Pension Obligation Acceleration Bond
10 Fund to the System, and the System shall transfer the amount
11 into the member's eligible retirement plan or qualified
12 account.

13 (g) The Board shall adopt any rules, including emergency
14 rules, necessary to implement this Section.

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

18 (Source: P.A. 100-587, eff. 6-4-18.)

19 (40 ILCS 5/14-147.6)

20 Sec. 14-147.6. Accelerated pension benefit payment for a
21 reduction in annual retirement annuity and survivor's annuity
22 increases.

23 (a) As used in this Section:

24 "Accelerated pension benefit payment" means a lump sum
25 payment equal to 70% of the difference of the present value of

1 the automatic annual increases to a Tier 1 member's retirement
2 annuity and survivor's annuity using the formula applicable to
3 the Tier 1 member and the present value of the automatic annual
4 increases to the Tier 1 member's retirement annuity using the
5 formula provided under subsection (b-5) and survivor's annuity
6 using the formula provided under subsection (b-6).

7 "Eligible person" means a person who:

8 (1) is a Tier 1 member;

9 (2) has submitted an application for a retirement
10 annuity under this Article;

11 (3) meets the age and service requirements for
12 receiving a retirement annuity under this Article;

13 (4) has not received any retirement annuity under this
14 Article; and

15 (5) has not made the election under Section 14-147.5.

16 (b) As soon as practical after the effective date of this
17 amendatory Act of the 100th General Assembly and until June 30,
18 2024 ~~2021~~, the System shall implement an accelerated pension
19 benefit payment option for eligible persons. Upon the request
20 of an eligible person, the System shall calculate, using
21 actuarial tables and other assumptions adopted by the Board, an
22 accelerated pension benefit payment amount and shall offer that
23 eligible person the opportunity to irrevocably elect to have
24 his or her automatic annual increases in retirement annuity
25 calculated in accordance with the formula provided under
26 subsection (b-5) and any increases in survivor's annuity

1 payable to his or her survivor's annuity beneficiary calculated
2 in accordance with the formula provided under subsection (b-6)
3 in exchange for the accelerated pension benefit payment. The
4 election under this subsection must be made before the eligible
5 person receives the first payment of a retirement annuity
6 otherwise payable under this Article.

7 (b-5) Notwithstanding any other provision of law, the
8 retirement annuity of a person who made the election under
9 subsection (b) shall be subject to annual increases on the
10 January 1 occurring either on or after the attainment of age 67
11 or the first anniversary of the annuity start date, whichever
12 is later. Each annual increase shall be calculated at 1.5% of
13 the originally granted retirement annuity.

14 (b-6) Notwithstanding any other provision of law, a
15 survivor's annuity payable to a survivor's annuity beneficiary
16 of a person who made the election under subsection (b) shall be
17 subject to annual increases on the January 1 occurring on or
18 after the first anniversary of the commencement of the annuity.
19 Each annual increase shall be calculated at 1.5% of the
20 originally granted survivor's annuity.

21 (c) If a person who has received an accelerated pension
22 benefit payment returns to active service under this Article,
23 then:

24 (1) the calculation of any future automatic annual
25 increase in retirement annuity shall be calculated in
26 accordance with the formula provided under subsection

1 (b-5); and

2 (2) the accelerated pension benefit payment may not be
3 repaid to the System.

4 (d) As a condition of receiving an accelerated pension
5 benefit payment, the accelerated pension benefit payment must
6 be transferred into a tax qualified retirement plan or account.
7 The accelerated pension benefit payment under this Section may
8 be subject to withholding or payment of applicable taxes, but
9 to the extent permitted by federal law, a person who receives
10 an accelerated pension benefit payment under this Section must
11 direct the System to pay all of that payment as a rollover into
12 another retirement plan or account qualified under the Internal
13 Revenue Code of 1986, as amended.

14 (d-5) Upon receipt of a member's irrevocable election to
15 receive an accelerated pension benefit payment under this
16 Section, the System shall submit a voucher to the Comptroller
17 for payment of the member's accelerated pension benefit
18 payment. The Comptroller shall transfer the amount of the
19 voucher to the System, and the System shall transfer the amount
20 into a member's eligible retirement plan or qualified account.

21 (e) The Board shall adopt any rules, including emergency
22 rules, necessary to implement this Section.

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

26 (Source: P.A. 100-587, eff. 6-4-18.)

1 (40 ILCS 5/14-152.1)

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

4 (a) As used in this Section, "new benefit increase" means
5 an increase in the amount of any benefit provided under this
6 Article, or an expansion of the conditions of eligibility for
7 any benefit under this Article, that results from an amendment
8 to this Code that takes effect after June 1, 2005 (the
9 effective date of Public Act 94-4). "New benefit increase",
10 however, does not include any benefit increase resulting from
11 the changes made to Article 1 or this Article by Public Act
12 96-37, Public Act 100-23, Public Act 100-587, Public Act
13 100-611, or this amendatory Act of the 101st General Assembly
14 ~~or this amendatory Act of the 100th General Assembly.~~

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

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

24 Every new benefit increase is contingent upon the General
25 Assembly providing the additional funding required under this

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

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

21 (e) Except as otherwise provided in the language creating
22 the new benefit increase, a new benefit increase that expires
23 under this Section continues to apply to persons who applied
24 and qualified for the affected benefit while the new benefit
25 increase was in effect and to the affected beneficiaries and
26 alternate payees of such persons, but does not apply to any

1 other person, including without limitation a person who
2 continues in service after the expiration date and did not
3 apply and qualify for the affected benefit while the new
4 benefit increase was in effect.

5 (Source: P.A. 100-23, eff. 7-6-17; 100-587, eff. 6-4-18;
6 100-611, eff. 7-20-18; revised 7-25-18.)

7 (40 ILCS 5/15-120) (from Ch. 108 1/2, par. 15-120)

8 Sec. 15-120. Beneficiary; survivor annuitant under
9 portable benefit package. "Beneficiary": The person or persons
10 designated by the participant or annuitant in the last written
11 designation on file with the board; or if no person so
12 designated survives, or if no designation is on file, the
13 estate of the participant or annuitant. Acceptance by the
14 participant of a refund of accumulated contributions or an
15 accelerated pension benefit payment under Section 15-185.5
16 shall result in cancellation of all beneficiary designations
17 previously filed. A spouse whose marriage was dissolved shall
18 be disqualified as beneficiary unless the spouse was designated
19 as beneficiary after the effective date of the dissolution of
20 marriage.

21 After a joint and survivor annuity commences under the
22 portable benefit package, the survivor annuitant of a joint and
23 survivor annuity is not disqualified, and may not be removed,
24 as the survivor annuitant by a dissolution of the survivor's
25 marriage with the participant or annuitant.

1 (Source: P.A. 91-887, eff. 7-6-00.)

2 (40 ILCS 5/15-135) (from Ch. 108 1/2, par. 15-135)

3 Sec. 15-135. Retirement annuities - Conditions.

4 (a) This subsection (a) applies only to a Tier 1 member. A
5 participant who retires in one of the following specified years
6 with the specified amount of service is entitled to a
7 retirement annuity at any age under the retirement program
8 applicable to the participant:

9 35 years if retirement is in 1997 or before;

10 34 years if retirement is in 1998;

11 33 years if retirement is in 1999;

12 32 years if retirement is in 2000;

13 31 years if retirement is in 2001;

14 30 years if retirement is in 2002 or later.

15 A participant with 8 or more years of service after
16 September 1, 1941, is entitled to a retirement annuity on or
17 after attainment of age 55.

18 A participant with at least 5 but less than 8 years of
19 service after September 1, 1941, is entitled to a retirement
20 annuity on or after attainment of age 62.

21 A participant who has at least 25 years of service in this
22 system as a police officer or firefighter is entitled to a
23 retirement annuity on or after the attainment of age 50, if
24 Rule 4 of Section 15-136 is applicable to the participant.

25 (a-5) A Tier 2 member is entitled to a retirement annuity

1 upon written application if he or she has attained age 67 and
2 has at least 10 years of service credit and is otherwise
3 eligible under the requirements of this Article. A Tier 2
4 member who has attained age 62 and has at least 10 years of
5 service credit and is otherwise eligible under the requirements
6 of this Article may elect to receive the lower retirement
7 annuity provided in subsection (b-5) of Section 15-136 of this
8 Article.

9 (a-10) A Tier 2 member who has at least 20 years of service
10 in this system as a police officer or firefighter is entitled
11 to a retirement annuity upon written application on or after
12 the attainment of age 60, if Rule 4 of Section 15-136 is
13 applicable to the participant. The changes made to this
14 subsection by this amendatory Act of the 101st General Assembly
15 apply retroactively to January 1, 2011.

16 (b) The annuity payment period shall begin on the date
17 specified by the participant or the recipient of a disability
18 retirement annuity submitting a written application. For a
19 participant, the date on which the annuity payment period
20 begins shall not be prior to termination of employment or more
21 than one year before the application is received by the board;
22 however, if the participant is not an employee of an employer
23 participating in this System or in a participating system as
24 defined in Article 20 of this Code on April 1 of the calendar
25 year next following the calendar year in which the participant
26 attains age 70 1/2, the annuity payment period shall begin on

1 that date regardless of whether an application has been filed.
2 For a recipient of a disability retirement annuity, the date on
3 which the annuity payment period begins shall not be prior to
4 the discontinuation of the disability retirement annuity under
5 Section 15-153.2.

6 (c) An annuity is not payable if the amount provided under
7 Section 15-136 is less than \$10 per month.

8 (Source: P.A. 100-556, eff. 12-8-17.)

9 (40 ILCS 5/15-136) (from Ch. 108 1/2, par. 15-136)

10 (Text of Section WITHOUT the changes made by P.A. 98-599,
11 which has been held unconstitutional)

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

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

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

1 after January 1, 1998, 2.2% of the final rate of earnings for
2 each year of service.

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

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

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

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

21 With respect to a police officer or firefighter who retires
22 on or after August 14, 1998, the accumulated normal
23 contributions taken into account under clauses (i) and (ii) of
24 this Rule 2 shall include the additional normal contributions
25 made by the police officer or firefighter under Section
26 15-157(a).

1 The amount of a retirement annuity calculated under this
2 Rule 2 shall be computed solely on the basis of the
3 participant's accumulated normal contributions, as specified
4 in this Rule and defined in Section 15-116. Neither an employee
5 or employer contribution for early retirement under Section
6 15-136.2 nor any other employer contribution shall be used in
7 the calculation of the amount of a retirement annuity under
8 this Rule 2.

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

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

15 Rule 3: The retirement annuity of a participant who is
16 employed at least one-half time during the period on which his
17 or her final rate of earnings is based, shall be equal to the
18 participant's years of service not to exceed 30, multiplied by
19 (1) \$96 if the participant's final rate of earnings is less
20 than \$3,500, (2) \$108 if the final rate of earnings is at least
21 \$3,500 but less than \$4,500, (3) \$120 if the final rate of
22 earnings is at least \$4,500 but less than \$5,500, (4) \$132 if
23 the final rate of earnings is at least \$5,500 but less than
24 \$6,500, (5) \$144 if the final rate of earnings is at least
25 \$6,500 but less than \$7,500, (6) \$156 if the final rate of
26 earnings is at least \$7,500 but less than \$8,500, (7) \$168 if

1 the final rate of earnings is at least \$8,500 but less than
2 \$9,500, and (8) \$180 if the final rate of earnings is \$9,500 or
3 more, except that the annuity for those persons having made an
4 election under Section 15-154(a-1) shall be calculated and
5 payable under the portable retirement benefit program pursuant
6 to the provisions of Section 15-136.4.

7 Rule 4: A participant who is at least age 50 and has 25 or
8 more years of service as a police officer or firefighter, and a
9 participant who is age 55 or over and has at least 20 but less
10 than 25 years of service as a police officer or firefighter,
11 shall be entitled to a retirement annuity of 2 1/4% of the
12 final rate of earnings for each of the first 10 years of
13 service as a police officer or firefighter, 2 1/2% for each of
14 the next 10 years of service as a police officer or
15 firefighter, and 2 3/4% for each year of service as a police
16 officer or firefighter in excess of 20. The retirement annuity
17 for all other service shall be computed under Rule 1. A Tier 2
18 member is eligible for a retirement annuity calculated under
19 Rule 4 only if that Tier 2 member meets the service
20 requirements for that benefit calculation as prescribed under
21 this Rule 4 in addition to the applicable age requirement under
22 subsection (a-10) ~~(a-5)~~ of Section 15-135.

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

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

1 (ii) in the case of an individual who was a
2 participating employee employed in the fire department of
3 the University of Illinois's Champaign-Urbana campus
4 immediately prior to the elimination of that fire
5 department and who immediately after the elimination of
6 that fire department transferred to another job with the
7 University of Illinois, service performed as an employee of
8 the University of Illinois in a position other than police
9 officer or firefighter, from the date of that transfer
10 until the employee's next termination of service with the
11 University of Illinois.

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

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

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

24 (3) For that portion of a retirement annuity which has
25 been provided on account of service of the participant
26 during periods when he or she performed the duties of a

1 police officer or firefighter, if these duties were
2 performed for at least 5 years immediately preceding the
3 date the retirement annuity is to begin.

4 (b-5) The retirement annuity of a Tier 2 member who is
5 retiring under Rule 1 or 3 after attaining age 62 with at least
6 10 years of service credit shall be reduced by 1/2 of 1% for
7 each full month that the member's age is under age 67.

8 (c) The maximum retirement annuity provided under Rules 1,
9 2, 4, and 5 shall be the lesser of (1) the annual limit of
10 benefits as specified in Section 415 of the Internal Revenue
11 Code of 1986, as such Section may be amended from time to time
12 and as such benefit limits shall be adjusted by the
13 Commissioner of Internal Revenue, and (2) 80% of final rate of
14 earnings.

15 (d) A Tier 1 member whose status as an employee terminates
16 after August 14, 1969 shall receive automatic increases in his
17 or her retirement annuity as follows:

18 Effective January 1 immediately following the date the
19 retirement annuity begins, the annuitant shall receive an
20 increase in his or her monthly retirement annuity of 0.125% of
21 the monthly retirement annuity provided under Rule 1, Rule 2,
22 Rule 3, or Rule 4 contained in this Section, multiplied by the
23 number of full months which elapsed from the date the
24 retirement annuity payments began to January 1, 1972, plus
25 0.1667% of such annuity, multiplied by the number of full
26 months which elapsed from January 1, 1972, or the date the

1 retirement annuity payments began, whichever is later, to
2 January 1, 1978, plus 0.25% of such annuity multiplied by the
3 number of full months which elapsed from January 1, 1978, or
4 the date the retirement annuity payments began, whichever is
5 later, to the effective date of the increase.

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

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

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

21 (d-5) A retirement annuity of a Tier 2 member shall receive
22 annual increases on the January 1 occurring either on or after
23 the attainment of age 67 or the first anniversary of the
24 annuity start date, whichever is later. Each annual increase
25 shall be calculated at 3% or one half the annual unadjusted
26 percentage increase (but not less than zero) in the consumer

1 price index-u for the 12 months ending with the September
2 preceding each November 1, whichever is less, of the originally
3 granted retirement annuity. If the annual unadjusted
4 percentage change in the consumer price index-u for the 12
5 months ending with the September preceding each November 1 is
6 zero or there is a decrease, then the annuity shall not be
7 increased.

8 (e) If, on January 1, 1987, or the date the retirement
9 annuity payment period begins, whichever is later, the sum of
10 the retirement annuity provided under Rule 1 or Rule 2 of this
11 Section and the automatic annual increases provided under the
12 preceding subsection or Section 15-136.1, amounts to less than
13 the retirement annuity which would be provided by Rule 3, the
14 retirement annuity shall be increased as of January 1, 1987, or
15 the date the retirement annuity payment period begins,
16 whichever is later, to the amount which would be provided by
17 Rule 3 of this Section. Such increased amount shall be
18 considered as the retirement annuity in determining benefits
19 provided under other Sections of this Article. This paragraph
20 applies without regard to whether status as an employee
21 terminated before the effective date of this amendatory Act of
22 1987, provided that the annuitant was employed at least
23 one-half time during the period on which the final rate of
24 earnings was based.

25 (f) A participant is entitled to such additional annuity as
26 may be provided on an actuarially equivalent basis, by any

1 accumulated additional contributions to his or her credit.
2 However, the additional contributions made by the participant
3 toward the automatic increases in annuity provided under this
4 Section shall not be taken into account in determining the
5 amount of such additional annuity.

6 (g) If, (1) by law, a function of a governmental unit, as
7 defined by Section 20-107 of this Code, is transferred in whole
8 or in part to an employer, and (2) a participant transfers
9 employment from such governmental unit to such employer within
10 6 months after the transfer of the function, and (3) the sum of
11 (A) the annuity payable to the participant under Rule 1, 2, or
12 3 of this Section (B) all proportional annuities payable to the
13 participant by all other retirement systems covered by Article
14 20, and (C) the initial primary insurance amount to which the
15 participant is entitled under the Social Security Act, is less
16 than the retirement annuity which would have been payable if
17 all of the participant's pension credits validated under
18 Section 20-109 had been validated under this system, a
19 supplemental annuity equal to the difference in such amounts
20 shall be payable to the participant.

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

1 being paid increased \$1 per month for each year of creditable
2 service.

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

8 (j) The changes made to this Section by this amendatory Act
9 of the 101st General Assembly apply retroactively to January 1,
10 2011.

11 (Source: P.A. 97-933, eff. 8-10-12; 97-968, eff. 8-16-12;
12 98-92, eff. 7-16-13.)

13 (40 ILCS 5/15-185.5)

14 Sec. 15-185.5. Accelerated pension benefit payment in lieu
15 of any pension benefit.

16 (a) As used in this Section:

17 "Eligible person" means a person who:

18 (1) has terminated service;

19 (2) has accrued sufficient service credit to be
20 eligible to receive a retirement annuity under this
21 Article;

22 (3) has not received any retirement annuity under this
23 Article;

24 (4) has not made the election under Section 15-185.6;

25 and

1 (5) is not a participant in the self-managed plan under
2 Section 15-158.2.

3 "Implementation date" means the earliest date upon which
4 the Board authorizes eligible persons to begin irrevocably
5 electing the accelerated pension benefit payment option under
6 this Section. The Board shall endeavor to make such
7 participation available as soon as possible after the effective
8 date of this amendatory Act of the 100th General Assembly and
9 shall establish an implementation date by Board resolution.

10 "Pension benefit" means the benefits under this Article, or
11 Article 1 as it relates to those benefits, including any
12 anticipated annual increases, that an eligible person is
13 entitled to upon attainment of the applicable retirement age.
14 "Pension benefit" also includes applicable survivors benefits,
15 disability benefits, or disability retirement annuity
16 benefits.

17 (b) Beginning on the implementation date, the System shall
18 offer each eligible person the opportunity to irrevocably elect
19 to receive an amount determined by the System to be equal to
20 60% of the present value of his or her pension benefits in lieu
21 of receiving any pension benefit. The System shall calculate,
22 using actuarial tables and other assumptions adopted by the
23 Board, the present value of pension benefits for each eligible
24 person upon his or her request in writing to the System. The
25 System shall not perform more than one calculation per eligible
26 member in a State fiscal year. The offer shall specify the

1 dollar amount that the eligible person will receive if he or
2 she so elects and shall expire when a subsequent offer is made
3 to an eligible person. The System shall make a good faith
4 effort to contact every eligible person to notify him or her of
5 the election.

6 Beginning on the implementation date and until June 30,
7 2024 ~~2021~~, an eligible person may irrevocably elect to receive
8 an accelerated pension benefit payment in the amount that the
9 System offers under this subsection in lieu of receiving any
10 pension benefit. A person who elects to receive an accelerated
11 pension benefit payment under this Section may not elect to
12 proceed under the Retirement Systems Reciprocal Act with
13 respect to service under this Article.

14 (c) Upon payment of an accelerated pension benefit payment
15 under this Section, the person forfeits all accrued rights and
16 credits in the System and no other benefit shall be paid under
17 this Article based on those forfeited rights and credits,
18 including any retirement, survivor, or other benefit; except
19 that to the extent that participation, benefits, or premiums
20 under the State Employees Group Insurance Act of 1971 are based
21 on the amount of service credit, the terminated service credit
22 shall be used for that purpose.

23 (d) If a person who has received an accelerated pension
24 benefit payment under this Section returns to participation
25 under this Article, any benefits under the System earned as a
26 result of that return to participation shall be based solely on

1 the person's credits and creditable service arising from the
2 return to participation. Upon return to participation, the
3 person shall be considered a new employee subject to all the
4 qualifying conditions for participation and eligibility for
5 benefits applicable to new employees.

6 (d-5) The accelerated pension benefit payment may not be
7 repaid to the System, and the forfeited rights and credits may
8 not under any circumstances be reinstated.

9 (e) As a condition of receiving an accelerated pension
10 benefit payment, the accelerated pension benefit payment must
11 be deposited into a tax qualified retirement plan or account
12 identified by the eligible person at the time of the election.
13 The accelerated pension benefit payment under this Section may
14 be subject to withholding or payment of applicable taxes, but
15 to the extent permitted by federal law, a person who receives
16 an accelerated pension benefit payment under this Section must
17 direct the System to pay all of that payment as a rollover into
18 another retirement plan or account qualified under the Internal
19 Revenue Code of 1986, as amended.

20 (f) The System shall submit vouchers to the State
21 Comptroller for the payment of accelerated pension benefit
22 payments under this Section. The State Comptroller shall pay
23 the amounts of the vouchers from the State Pension Obligation
24 Acceleration Bond Fund to the System, and the System shall
25 deposit the amounts into the applicable tax qualified plans or
26 accounts.

1 (g) The Board shall adopt any rules, including emergency
2 rules, necessary to implement this Section.

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

6 (Source: P.A. 100-587, eff. 6-4-18.)

7 (40 ILCS 5/15-185.6)

8 Sec. 15-185.6. Accelerated pension benefit payment for a
9 reduction in an annual increase to a retirement annuity and an
10 annuity benefit payable as a result of death.

11 (a) As used in this Section:

12 "Accelerated pension benefit payment" means a lump sum
13 payment equal to 70% of the difference of: (i) the present
14 value of the automatic annual increases to a Tier 1 member's
15 retirement annuity, including any increases to any annuity
16 benefit payable as a result of his or her death, using the
17 formula applicable to the Tier 1 member; and (ii) the present
18 value of the automatic annual increases to the Tier 1 member's
19 retirement annuity, including any increases to any annuity
20 benefit payable as a result of his or her death, using the
21 formula provided under subsection (b-5).

22 "Eligible person" means a person who:

23 (1) is a Tier 1 member;

24 (2) has submitted an application for a retirement
25 annuity under this Article;

1 (3) meets the age and service requirements for
2 receiving a retirement annuity under this Article;

3 (4) has not received any retirement annuity under this
4 Article;

5 (5) has not made the election under Section 15-185.5;
6 and

7 (6) is not a participant in the self-managed plan under
8 Section 15-158.2.

9 "Implementation date" means the earliest date upon which
10 the Board authorizes eligible persons to begin irrevocably
11 electing the accelerated pension benefit payment option under
12 this Section. The Board shall endeavor to make such
13 participation available as soon as possible after the effective
14 date of this amendatory Act of the 100th General Assembly and
15 shall establish an implementation date by Board resolution.

16 (b) Beginning on the implementation date and until June 30,
17 2024 ~~2021~~, the System shall implement an accelerated pension
18 benefit payment option for eligible persons. The System shall
19 calculate, using actuarial tables and other assumptions
20 adopted by the Board, an accelerated pension benefit payment
21 amount for an eligible person upon his or her request in
22 writing to the System and shall offer that eligible person the
23 opportunity to irrevocably elect to have his or her automatic
24 annual increases in retirement annuity and any annuity benefit
25 payable as a result of his or her death calculated in
26 accordance with the formula provided in subsection (b-5) in

1 exchange for the accelerated pension benefit payment. The
2 System shall not perform more than one calculation under this
3 Section per eligible person in a State fiscal year. The
4 election under this subsection must be made before any
5 retirement annuity is paid to the eligible person, and the
6 eligible survivor, spouse, or contingent annuitant, as
7 applicable, must consent to the election under this subsection.

8 (b-5) Notwithstanding any other provision of law, the
9 retirement annuity of a person who made the election under
10 subsection (b) shall be increased annually beginning on the
11 January 1 occurring either on or after the attainment of age 67
12 or the first anniversary of the annuity start date, whichever
13 is later, and any annuity benefit payable as a result of his or
14 her death shall be increased annually beginning on: (1) the
15 January 1 occurring on or after the commencement of the annuity
16 if the deceased Tier 1 member died while receiving a retirement
17 annuity; or (2) the January 1 occurring after the first
18 anniversary of the commencement of the benefit. Each annual
19 increase shall be calculated at 1.5% of the originally granted
20 retirement annuity or annuity benefit payable as a result of
21 the Tier 1 member's death.

22 (c) If an annuitant who has received an accelerated pension
23 benefit payment returns to participation under this Article,
24 the calculation of any future automatic annual increase in
25 retirement annuity under subsection (c) of Section 15-139 shall
26 be calculated in accordance with the formula provided in

1 subsection (b-5).

2 (c-5) The accelerated pension benefit payment may not be
3 repaid to the System.

4 (d) As a condition of receiving an accelerated pension
5 benefit payment, the accelerated pension benefit payment must
6 be deposited into a tax qualified retirement plan or account
7 identified by the eligible person at the time of election. The
8 accelerated pension benefit payment under this Section may be
9 subject to withholding or payment of applicable taxes, but to
10 the extent permitted by federal law, a person who receives an
11 accelerated pension benefit payment under this Section must
12 direct the System to pay all of that payment as a rollover into
13 another retirement plan or account qualified under the Internal
14 Revenue Code of 1986, as amended.

15 (d-5) The System shall submit vouchers to the State
16 Comptroller for the payment of accelerated pension benefit
17 payments under this Section. The State Comptroller shall pay
18 the amounts of the vouchers from the State Pension Obligation
19 Acceleration Bond Fund to the System, and the System shall
20 deposit the amounts into the applicable tax qualified plans or
21 accounts.

22 (e) The Board shall adopt any rules, including emergency
23 rules, necessary to implement this Section.

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

1 (Source: P.A. 100-587, eff. 6-4-18.)

2 (40 ILCS 5/15-198)

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

5 (a) As used in this Section, "new benefit increase" means
6 an increase in the amount of any benefit provided under this
7 Article, or an expansion of the conditions of eligibility for
8 any benefit under this Article, that results from an amendment
9 to this Code that takes effect after the effective date of this
10 amendatory Act of the 94th General Assembly. "New benefit
11 increase", however, does not include any benefit increase
12 resulting from the changes made to Article 1 or this Article by
13 Public Act 100-23, Public Act 100-587, Public Act 100-769, or
14 this amendatory Act of the 101st General Assembly ~~or this~~
15 ~~amendatory Act of the 100th General Assembly.~~

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

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

25 Every new benefit increase is contingent upon the General

1 Assembly providing the additional funding required under this
2 subsection. The Commission on Government Forecasting and
3 Accountability shall analyze whether adequate additional
4 funding has been provided for the new benefit increase and
5 shall report its analysis to the Public Pension Division of the
6 Department of Insurance. A new benefit increase created by a
7 Public Act that does not include the additional funding
8 required under this subsection is null and void. If the Public
9 Pension Division determines that the additional funding
10 provided for a new benefit increase under this subsection is or
11 has become inadequate, it may so certify to the Governor and
12 the State Comptroller and, in the absence of corrective action
13 by the General Assembly, the new benefit increase shall expire
14 at the end of the fiscal year in which the certification is
15 made.

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

22 (e) Except as otherwise provided in the language creating
23 the new benefit increase, a new benefit increase that expires
24 under this Section continues to apply to persons who applied
25 and qualified for the affected benefit while the new benefit
26 increase was in effect and to the affected beneficiaries and

1 alternate payees of such persons, but does not apply to any
2 other person, including without limitation a person who
3 continues in service after the expiration date and did not
4 apply and qualify for the affected benefit while the new
5 benefit increase was in effect.

6 (Source: P.A. 100-23, eff. 7-6-17; 100-587, eff. 6-4-18;
7 100-769, eff. 8-10-18; revised 9-26-18.)

8 (40 ILCS 5/16-190.5)

9 Sec. 16-190.5. Accelerated pension benefit payment in lieu
10 of any pension benefit.

11 (a) As used in this Section:

12 "Eligible person" means a person who:

13 (1) has terminated service;

14 (2) has accrued sufficient service credit to be
15 eligible to receive a retirement annuity under this
16 Article;

17 (3) has not received any retirement annuity under this
18 Article; and

19 (4) has not made the election under Section 16-190.6.

20 "Pension benefit" means the benefits under this Article, or
21 Article 1 as it relates to those benefits, including any
22 anticipated annual increases, that an eligible person is
23 entitled to upon attainment of the applicable retirement age.

24 "Pension benefit" also includes applicable survivor's or
25 disability benefits.

1 (b) As soon as practical after June 4, 2018 (the effective
2 date of Public Act 100-587) ~~this amendatory Act of the 100th~~
3 ~~General Assembly~~, the System shall calculate, using actuarial
4 tables and other assumptions adopted by the Board, the present
5 value of pension benefits for each eligible person who requests
6 that information and shall offer each eligible person the
7 opportunity to irrevocably elect to receive an amount
8 determined by the System to be equal to 60% of the present
9 value of his or her pension benefits in lieu of receiving any
10 pension benefit. The offer shall specify the dollar amount that
11 the eligible person will receive if he or she so elects and
12 shall expire when a subsequent offer is made to an eligible
13 person. The System shall make a good faith effort to contact
14 every eligible person to notify him or her of the election.

15 Until June 30, 2024 ~~2021~~, an eligible person may
16 irrevocably elect to receive an accelerated pension benefit
17 payment in the amount that the System offers under this
18 subsection in lieu of receiving any pension benefit. A person
19 who elects to receive an accelerated pension benefit payment
20 under this Section may not elect to proceed under the
21 Retirement Systems Reciprocal Act with respect to service under
22 this Article.

23 (c) A person's creditable service under this Article shall
24 be terminated upon the person's receipt of an accelerated
25 pension benefit payment under this Section, and no other
26 benefit shall be paid under this Article based on the

1 terminated creditable service, including any retirement,
2 survivor, or other benefit; except that to the extent that
3 participation, benefits, or premiums under the State Employees
4 Group Insurance Act of 1971 are based on the amount of service
5 credit, the terminated service credit shall be used for that
6 purpose.

7 (d) If a person who has received an accelerated pension
8 benefit payment under this Section returns to active service
9 under this Article, then:

10 (1) Any benefits under the System earned as a result of
11 that return to active service shall be based solely on the
12 person's creditable service arising from the return to
13 active service.

14 (2) The accelerated pension benefit payment may not be
15 repaid to the System, and the terminated creditable service
16 may not under any circumstances be reinstated.

17 (e) As a condition of receiving an accelerated pension
18 benefit payment, the accelerated pension benefit payment must
19 be transferred into a tax qualified retirement plan or account.
20 The accelerated pension benefit payment under this Section may
21 be subject to withholding or payment of applicable taxes, but
22 to the extent permitted by federal law, a person who receives
23 an accelerated pension benefit payment under this Section must
24 direct the System to pay all of that payment as a rollover into
25 another retirement plan or account qualified under the Internal
26 Revenue Code of 1986, as amended.

1 (f) Upon receipt of a member's irrevocable election to
2 receive an accelerated pension benefit payment under this
3 Section, the System shall submit a voucher to the Comptroller
4 for payment of the member's accelerated pension benefit
5 payment. The Comptroller shall transfer the amount of the
6 voucher from the State Pension Obligation Acceleration Bond
7 Fund to the System, and the System shall transfer the amount
8 into the member's eligible retirement plan or qualified
9 account.

10 (g) The Board shall adopt any rules, including emergency
11 rules, necessary to implement this Section.

12 (h) No provision of this amendatory Act of the 100th
13 General Assembly shall be interpreted in a way that would cause
14 the applicable System to cease to be a qualified plan under the
15 Internal Revenue Code of 1986.

16 (Source: P.A. 100-587, eff. 6-4-18.)

17 (40 ILCS 5/16-190.6)

18 Sec. 16-190.6. Accelerated pension benefit payment for a
19 reduction in annual retirement annuity and survivor's annuity
20 increases.

21 (a) As used in this Section:

22 "Accelerated pension benefit payment" means a lump sum
23 payment equal to 70% of the difference of the present value of
24 the automatic annual increases to a Tier 1 member's retirement
25 annuity and survivor's annuity using the formula applicable to

1 the Tier 1 member and the present value of the automatic annual
2 increases to the Tier 1 member's retirement annuity using the
3 formula provided under subsection (b-5) and the survivor's
4 annuity using the formula provided under subsection (b-6).

5 "Eligible person" means a person who:

6 (1) is a Tier 1 member;

7 (2) has submitted an application for a retirement
8 annuity under this Article;

9 (3) meets the age and service requirements for
10 receiving a retirement annuity under this Article;

11 (4) has not received any retirement annuity under this
12 Article; and

13 (5) has not made the election under Section 16-190.5.

14 (b) As soon as practical after the effective date of this
15 amendatory Act of the 100th General Assembly and until June 30,
16 2024 ~~2021~~, the System shall implement an accelerated pension
17 benefit payment option for eligible persons. Upon the request
18 of an eligible person, the System shall calculate, using
19 actuarial tables and other assumptions adopted by the Board, an
20 accelerated pension benefit payment amount and shall offer that
21 eligible person the opportunity to irrevocably elect to have
22 his or her automatic annual increases in retirement annuity
23 calculated in accordance with the formula provided under
24 subsection (b-5) and any increases in survivor's annuity
25 payable to his or her survivor's annuity beneficiary calculated
26 in accordance with the formula provided under subsection (b-6)

1 in exchange for the accelerated pension benefit payment. The
2 election under this subsection must be made before the eligible
3 person receives the first payment of a retirement annuity
4 otherwise payable under this Article.

5 (b-5) Notwithstanding any other provision of law, the
6 retirement annuity of a person who made the election under
7 subsection (b) shall be subject to annual increases on the
8 January 1 occurring either on or after the attainment of age 67
9 or the first anniversary of the annuity start date, whichever
10 is later. Each annual increase shall be calculated at 1.5% of
11 the originally granted retirement annuity.

12 (b-6) Notwithstanding any other provision of law, a
13 survivor's annuity payable to a survivor's annuity beneficiary
14 of a person who made the election under subsection (b) shall be
15 subject to annual increases on the January 1 occurring on or
16 after the first anniversary of the commencement of the annuity.
17 Each annual increase shall be calculated at 1.5% of the
18 originally granted survivor's annuity.

19 (c) If a person who has received an accelerated pension
20 benefit payment returns to active service under this Article,
21 then:

22 (1) the calculation of any future automatic annual
23 increase in retirement annuity shall be calculated in
24 accordance with the formula provided in subsection (b-5);
25 and

26 (2) the accelerated pension benefit payment may not be

1 repaid to the System.

2 (d) As a condition of receiving an accelerated pension
3 benefit payment, the accelerated pension benefit payment must
4 be transferred into a tax qualified retirement plan or account.
5 The accelerated pension benefit payment under this Section may
6 be subject to withholding or payment of applicable taxes, but
7 to the extent permitted by federal law, a person who receives
8 an accelerated pension benefit payment under this Section must
9 direct the System to pay all of that payment as a rollover into
10 another retirement plan or account qualified under the Internal
11 Revenue Code of 1986, as amended.

12 (d-5) Upon receipt of a member's irrevocable election to
13 receive an accelerated pension benefit payment under this
14 Section, the System shall submit a voucher to the Comptroller
15 for payment of the member's accelerated pension benefit
16 payment. The Comptroller shall transfer the amount of the
17 voucher from the State Pension Obligation Acceleration Bond
18 Fund to the System, and the System shall transfer the amount
19 into the member's eligible retirement plan or qualified
20 account.

21 (e) The Board shall adopt any rules, including emergency
22 rules, necessary to implement this Section.

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

26 (Source: P.A. 100-587, eff. 6-4-18.)

1 (40 ILCS 5/16-203)

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

4 (a) As used in this Section, "new benefit increase" means
5 an increase in the amount of any benefit provided under this
6 Article, or an expansion of the conditions of eligibility for
7 any benefit under this Article, that results from an amendment
8 to this Code that takes effect after June 1, 2005 (the
9 effective date of Public Act 94-4). "New benefit increase",
10 however, does not include any benefit increase resulting from
11 the changes made to Article 1 or this Article by Public Act
12 95-910, Public Act 100-23, Public Act 100-587, Public Act
13 100-743, Public Act 100-769, or this amendatory Act of the
14 101st General Assembly ~~or by this amendatory Act of the 100th~~
15 ~~General Assembly.~~

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

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

25 Every new benefit increase is contingent upon the General

1 Assembly providing the additional funding required under this
2 subsection. The Commission on Government Forecasting and
3 Accountability shall analyze whether adequate additional
4 funding has been provided for the new benefit increase and
5 shall report its analysis to the Public Pension Division of the
6 Department of Insurance. A new benefit increase created by a
7 Public Act that does not include the additional funding
8 required under this subsection is null and void. If the Public
9 Pension Division determines that the additional funding
10 provided for a new benefit increase under this subsection is or
11 has become inadequate, it may so certify to the Governor and
12 the State Comptroller and, in the absence of corrective action
13 by the General Assembly, the new benefit increase shall expire
14 at the end of the fiscal year in which the certification is
15 made.

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

22 (e) Except as otherwise provided in the language creating
23 the new benefit increase, a new benefit increase that expires
24 under this Section continues to apply to persons who applied
25 and qualified for the affected benefit while the new benefit
26 increase was in effect and to the affected beneficiaries and

1 alternate payees of such persons, but does not apply to any
2 other person, including without limitation a person who
3 continues in service after the expiration date and did not
4 apply and qualify for the affected benefit while the new
5 benefit increase was in effect.

6 (Source: P.A. 100-23, eff. 7-6-17; 100-587, eff. 6-4-18;
7 100-743, eff. 8-10-18; 100-769, eff. 8-10-18; revised
8 10-15-18.)

9 (40 ILCS 5/17-105.1)

10 Sec. 17-105.1. Employer. "Employer": The Board of
11 Education, ~~and~~ a charter school as defined under the provisions
12 of Section 27A-5 of the School Code, and a contract school
13 operating pursuant to an agreement with the Board of Education.

14 (Source: P.A. 90-566, eff. 1-2-98.)

15 (40 ILCS 5/17-106) (from Ch. 108 1/2, par. 17-106)

16 Sec. 17-106. Contributor, member or teacher.
17 "Contributor", "member" or "teacher": All members of the
18 teaching force of the city, including principals, assistant
19 principals, the general superintendent of schools, deputy
20 superintendents of schools, associate superintendents of
21 schools, assistant and district superintendents of schools,
22 members of the Board of Examiners, all other persons whose
23 employment requires a teaching certificate issued under the
24 laws governing the certification of teachers, any educational

1 staff employed in a contract school operating pursuant to an
2 agreement with the Board of Education who is employed in a
3 position requiring certification or licensure under the School
4 Code (excluding all managerial, supervisory, and confidential
5 employees) and is required to or elects to participate pursuant
6 to Section 17-134.2, any educational, administrative,
7 professional, or other staff employed in a charter school
8 operating in compliance with the Charter Schools Law who is
9 certified under the law governing the certification of
10 teachers, and employees of the Board, but excluding persons
11 contributing concurrently to any other public employee pension
12 system in Illinois for the same employment or receiving
13 retirement pensions under another Article of this Code for that
14 same employment, persons employed on an hourly basis (provided
15 that an Employer may not reclassify a non-hourly employee as an
16 hourly employee for the purpose of evading or avoiding its
17 obligations under this Article), and persons receiving
18 pensions from the Fund who are employed temporarily by an
19 Employer and not on an annual basis.

20 All teachers or staff regardless of their position shall
21 presumptively be participants in the Fund, unless the Employer
22 establishes to the satisfaction of the Board that an individual
23 certified teacher or staff member is not working as a teacher
24 or administrator directly or indirectly with the Charter
25 School. Any certified teacher or staff employed by a corporate
26 or non-profit entity engaged in the administration of a charter

1 school shall presumptively be a participant in the Fund, unless
2 the organization establishes to the satisfaction of the Board
3 that an individual certified teacher or staff member is not
4 working as a teacher or administrator directly or indirectly
5 with the Charter School.

6 In the case of a person who has been making contributions
7 and otherwise participating in this Fund prior to the effective
8 date of this amendatory Act of the 91st General Assembly, and
9 whose right to participate in the Fund is established or
10 confirmed by this amendatory Act, such prior participation in
11 the Fund, including all contributions previously made and
12 service credits previously earned by the person, are hereby
13 validated.

14 The changes made to this Section and Section 17-149 by this
15 amendatory Act of the 92nd General Assembly apply without
16 regard to whether the person was in service on or after the
17 effective date of this amendatory Act, notwithstanding
18 Sections 1-103.1 and 17-157.

19 (Source: P.A. 98-427, eff. 8-16-13.)

20 (40 ILCS 5/17-132) (from Ch. 108 1/2, par. 17-132)

21 Sec. 17-132. Payments and certification of salary
22 deductions.

23 (a) An Employer shall cause the Fund to receive all
24 members' payroll records and pension contributions within 30
25 calendar days after each predesignated payday. For purposes of

1 this Section, the predesignated payday shall be determined in
2 accordance with each Employer's payroll schedule for
3 contributions to the Fund.

4 (b) An Employer that fails to timely certify and submit
5 payroll records to the Fund is subject to a statutory penalty
6 in the amount of \$100 per day for each day that a required
7 certification and submission is late.

8 Amounts not received by the 30th calendar day after the
9 predesignated payday shall be deemed delinquent and subject to
10 a penalty consisting of interest, which shall accrue on a
11 monthly basis at the Fund's then effective actuarial rate of
12 return, and liquidated damages in the amount of \$100 per day,
13 not to exceed 20% of the principal contributions due, which
14 shall be mandatory except for good cause shown and in the
15 discretion of the Board.

16 An Employer in possession of member contributions deducted
17 from payroll checks is holding Fund assets, and thus becomes a
18 fiduciary over those assets.

19 (c) The payroll records shall report (1) all pensionable
20 salary earned in that pay period, exclusive of salaries for
21 overtime, special services, or any employment on an optional
22 basis, such as in summer school; (2) adjustments to pensionable
23 salary, exclusive of salaries for overtime, special services,
24 or any employment on an optional basis, such as in summer
25 school, made in a pay period for any prior pay periods; (3)
26 pension contributions attributable to pensionable salary

1 earned in the reported pay period or the adjusted pay period as
2 required by subsection (b) of Section 17-131; and (4) any
3 salary paid by an Employer if that salary is compensation for
4 validated service and is exclusive of salary for overtime,
5 special services, or any employment on an optional basis, such
6 as in summer school. Payroll records required by item (4) of
7 this paragraph shall identify the number of days of service
8 rendered by the member and whether each day of service
9 represents a partial or whole day of service.

10 (d) The appropriate officers of the Employer shall certify
11 and submit the payroll records no later than 30 calendar days
12 after each predesignated payday. The certification shall
13 constitute a confirmation of the accuracy of such deductions
14 according to the provisions of this Article.

15 Each Charter School and contract school shall designate an
16 administrator as a "Pension Officer". The Pension Officer shall
17 be responsible for certifying all payroll information,
18 including contributions due and certified sick days payable
19 pursuant to Section 17-134, and assuring resolution of reported
20 payroll and contribution deficiencies.

21 (e) The Board has the authority to conduct payroll audits
22 of a charter school or contract school to determine the
23 existence of any delinquencies in contributions to the Fund,
24 and such charter school or contract school shall be required to
25 provide such books and records and contribution information as
26 the Board or its authorized representative may require. The

1 Board is also authorized to collect delinquent contributions
2 from charter schools and contract schools and develop
3 procedures for the collection of such delinquencies.
4 Collection procedures may include legal proceedings in the
5 courts of the State of Illinois. Expenses, including reasonable
6 attorneys' fees, incurred in the collection of delinquent
7 contributions may be assessed by the Board against the charter
8 school or contract school.

9 (Source: P.A. 98-427, eff. 8-16-13; 99-176, eff. 7-29-15.)

10 (40 ILCS 5/17-134.2 new)

11 Sec. 17-134.2. Employee of a contract school. Any
12 educational staff of a contract school operating pursuant to an
13 agreement with the Board of Education who is employed in a
14 position requiring certification or licensure under the School
15 Code on or after the effective date of this amendatory Act of
16 the 101st General Assembly (excluding all managerial,
17 supervisory, and confidential employees) shall participate as
18 a member, unless the person began employment with the contract
19 school before the effective date of this amendatory Act of the
20 101st General Assembly.

21 Any educational staff employed in a contract school
22 operating pursuant to an agreement with the Board of Education
23 who began employment in a position requiring certification or
24 licensure under the School Code before the effective date of
25 this amendatory Act of the 101st General Assembly (excluding

1 all managerial, supervisory, and confidential employees) may
2 irrevocably elect, in a manner prescribed by the Board, to
3 participate as a member for service accrued after the effective
4 date of the election with the contract school or with another
5 contract school. In no event shall a person accrue service for
6 employment with a contract school that occurred before the
7 effective date of the election to participate as a member.

8 Section 10. The Illinois Vehicle Code is amended by
9 changing Section 2-115 as follows:

10 (625 ILCS 5/2-115) (from Ch. 95 1/2, par. 2-115)

11 Sec. 2-115. Investigators.

12 (a) The Secretary of State, for the purpose of more
13 effectively carrying out the provisions of the laws in relation
14 to motor vehicles, shall have power to appoint such number of
15 investigators as he may deem necessary. It shall be the duty of
16 such investigators to investigate and enforce violations of the
17 provisions of this Act administered by the Secretary of State
18 and provisions of Chapters 11, 12, 13, 14, and 15 and to
19 investigate and report any violation by any person who operates
20 as a motor carrier of property as defined in Section 18-100 of
21 this Act and does not hold a valid certificate or permit. Such
22 investigators shall have and may exercise throughout the State
23 all of the powers of peace officers.

24 No person may be retained in service as an investigator

1 under this Section after he or she has reached 60 years of age,
2 except for a person employed in the title of Capitol Police
3 Investigator ~~and who began employment on or after January 1,~~
4 ~~2011~~, in which case, that person may not be retained in service
5 after that person has reached 65 years of age.

6 The Secretary of State must authorize to each investigator
7 employed under this Section and to any other employee of the
8 Office of the Secretary of State exercising the powers of a
9 peace officer a distinct badge that, on its face, (i) clearly
10 states that the badge is authorized by the Office of the
11 Secretary of State and (ii) contains a unique identifying
12 number. No other badge shall be authorized by the Office of the
13 Secretary of State.

14 (b) The Secretary may expend such sums as he deems
15 necessary from Contractual Services appropriations for the
16 Department of Police for the purchase of evidence, for the
17 employment of persons to obtain evidence, and for the payment
18 for any goods or services related to obtaining evidence. Such
19 sums shall be advanced to investigators authorized by the
20 Secretary to expend funds, on vouchers signed by the Secretary.
21 In addition, the Secretary of State is authorized to maintain
22 one or more commercial checking accounts with any State banking
23 corporation or corporations organized under or subject to the
24 Illinois Banking Act for the deposit and withdrawal of moneys
25 to be used solely for the purchase of evidence and for the
26 employment of persons to obtain evidence, or for the payment

1 for any goods or services related to obtaining evidence;
2 provided that no check may be written on nor any withdrawal
3 made from any such account except on the written signatures of
4 2 persons designated by the Secretary to write such checks and
5 make such withdrawals, and provided further that the balance of
6 moneys on deposit in any such account shall not exceed \$5,000
7 at any time, nor shall any one check written on or single
8 withdrawal made from any such account exceed \$5,000.

9 All fines or moneys collected or received by the Department
10 of Police under any State or federal forfeiture statute;
11 including, but not limited to moneys forfeited under Section 12
12 of the Cannabis Control Act, moneys forfeited under Section 85
13 of the Methamphetamine Control and Community Protection Act,
14 and moneys distributed under Section 413 of the Illinois
15 Controlled Substances Act, shall be deposited into the
16 Secretary of State Evidence Fund.

17 In all convictions for offenses in violation of this Act,
18 the Court may order restitution to the Secretary of any or all
19 sums expended for the purchase of evidence, for the employment
20 of persons to obtain evidence, and for the payment for any
21 goods or services related to obtaining evidence. All such
22 restitution received by the Secretary shall be deposited into
23 the Secretary of State Evidence Fund. Moneys deposited into the
24 fund shall, subject to appropriation, be used by the Secretary
25 of State for the purposes provided for under the provisions of
26 this Section.

1 (Source: P.A. 99-896, eff. 1-1-17; 100-201, eff. 8-18-17.)

2 Section 90. The State Mandates Act is amended by adding
3 Section 8.43 as follows:

4 (30 ILCS 805/8.43 new)

5 Sec. 8.43. Exempt mandate. Notwithstanding Sections 6 and 8
6 of this Act, no reimbursement by the State is required for the
7 implementation of any mandate created by this amendatory Act of
8 the 101st General Assembly.

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